

Parallel Session 7

Engaging state owned enterprises (SOEs) in the EITI

24 May 2013, 11:00-12:30

SOE panel:

Shahmar Movsumov, Executive Director, State Oil Fund, Azerbaijan (Moderator)

Esperanca Bias, Minister of Mineral Resources, Mozambique

Francisco Monteiro, CEO, Timor GAP, E.P., Timor Leste

Peiyuan Guo, General Manager, SynTao, China

Alexandra Gillies, Head of Governance, Revenue Watch Institute

Zainab Ahmad, EITI Executive Secretary, Nigeria

EITI International Secretariat staff representatives:

Siri Farstad

Introductions:

- Mozambique, Timor Leste and Nigeria mostly used their time to tell about their country and the SOE.
- Alexandra from RWI presented the 2013 Resource Governance Index , going through the specific results for SOEs where about half the companies score less than 50 out of 100 (Statoil on top scores 99). She pointed out how important good governance is in SOEs, as they often handle enormous amounts of money, making the temptation and risk of embezzlement very high.
- China is “open”, but still lacks freedom of expression. SOEs have changed a lot. Not many left, only the strategically important ones. Extractive SOEs are not political (comment SF: not the view in IOCs). EITI should consider translating some material into Chinese, look for local partner on transparency and invite Chinese government official for a meeting.

Three issues came up in the discussion:

- New standard is discriminating against SOEs vs. IOCs
- NGOs show very little interest in SOEs. Someone should think of how they could become more engaged.
- The Minister from Mozambique had in her introduction told about their high level of transparency. When challenged to reveal terms of current contract, she just replied (a bit unfortunately) “business is business”