

<u>Doha, 18 February 2009: Statement to the 4th EITI Conference delivered by Radhika Sarin, International Coordinator, Publish What You Pay</u>

On behalf of the global Publish What You Pay (PWYP) civil society coalition, I would like to deliver our three key messages to the EITI Conference.

First, PWYP believes that the EITI needs to redouble its efforts to protect civil society activists and ensure that civil society is an equal partner in efforts to achieve transparency in natural resource revenue management. Simply put, without civil society, there is no EITI. As has been emphasised several times during this conference, civil society activists continue to face harassment, intimidation and even arrests, simply for doing their jobs as anti-corruption activists. It is central to the credibility of the EITI's international standing that civil society activists are able to work freely and without fear of interference or threats. We also want to maintain the EITI's integrity by ensuring that the civil society component of the multi-stakeholder process is not just a tick box but rather a meaningful exercise, with clear evidence of civil society's tangible influence on the EITI process in each country.

Second, PWYP fully supports the implementation of the EITI but is concerned by its slow pace in many countries. Most of the current EITI Candidate countries are due to undergo validation by March 2010. Rules are critical for the integrity of the EITI and we need to be rigorous about applying them over the coming year as countries approach validation.

PWYP welcomes the news that Azerbaijan has become the first country to undergo validation and achieve EITI Compliant country status. We see this as a significant milestone which shows that the EITI standard is achievable. We also welcome the establishment of a permanent Multi-Stakeholder Group in Azerbaijan. This is a positive achievement that has been the direct result of the validation process, and we look forward to seeing a stronger and more robust multi-stakeholder process take root over the next few months.

PWYP also congratulates Norway on becoming the first OECD country to become an EITI Candidate. This will have a tremendous impact in helping to broaden ownership and interest in the initiative and we would like to see other EITI-supporting countries follow Norway's lead, including those who are EITI Board members, such as the United Kingdom, the United States, Canada, and France.

Third, PWYP believes that EITI is a start but complementary measures are needed. We note that only 26 out of more than 50 resource-rich countries have thus far volunteered to implement the EITI. PWYP calls on the EITI and all its stakeholders to support complementary measures, such as stock market listing requirements and international accounting standards, which will strengthen and advance the agenda of resource revenue transparency. No single initiative is sufficient on its own. Mandatory disclosure requirements will strengthen reporting and bring us closer to achieving a global standard for disclosure of natural resource revenues.

PWYP also recognises the critical importance of pushing for greater transparency in licensing procedures and contractual arrangements, which are not covered through the EITI. PWYP welcomes specific efforts to make the EITI more relevant and significant within national and regional contexts, such as the application of the EITI principles to resources like timber and fisheries, and to the transport of hydrocarbons.

The EITI is entering a crucial period, during which the validation process will be under great scrutiny. Civil society should be allowed to play its rightful part, from commitment through to full implementation. Natural resource revenue transparency, achieved through a combination of voluntary and mandatory measures, is key to achieving poverty reduction, economic growth and development. PWYP calls on all stakeholders to support this multi-faceted approach.

Thank you.