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STAKEHOLDER FORUM OF THE EXTRACTIVE INDUSTRIES  
TRANSPARENCY INITIATIVE AT THE GLOBAL CONFERENCE 2011**

Good afternoon.

I am delighted to be here today to celebrate with you all the important progress that the EITI has made in setting a global standard for transparency in such a vital sector. When oil prices are rising as they are now, this highlights how important it is to make sure that natural resources can be used by the countries that have them to drive growth and improve the lives of their people. The EITI has a crucial role to play in this – bringing together the private sector, governments and citizens – to ensure natural resources benefit all.

The EITI has made impressive progress – we congratulate all the 11 countries which have achieved compliance so far.

It is exciting to see 24 other candidate countries due to complete their validation over the coming months. I look forward to them all becoming compliant in the near future. For countries like Tanzania, where minerals, oil and gas are increasingly important, transparency will help to harness the proceeds for development for all its citizens.

The UK is a strong supporter of the EITI – transparency, accountability and results are at the heart of our own agenda for government in the UK. When the UK's Coalition Government came into office last year we launched the UK

Aid Transparency Guarantee. As a result, DFID now publishes comprehensive details of all projects and programmes that we support on our website so that everyone can have access to information about where our funding is going and what it is intended to achieve. The simple act of publishing information can reduce the amount of corruption and waste, improve the quality of public services and increase public sector accountability.

Being more transparent should not just apply to governments. The Coalition government believe it's in everyone's interests that mining companies and others operate to the highest standards. As the Chancellor of the Exchequer George Osborne announced on 20th February we will be seeking new disclosure standards for the extractive industry at the EU level.

I am pleased to be here today among friends who share this commitment to transparency and accountability. In Zambia, for example, commercial mining started a century ago. When Zambia's first EITI reconciliation report was published last week, this was the first time that such revenue and taxation information had been independently verified and then made openly available to the Zambian public. Private sector investment and increased revenues from mining hold the key to a sustainable graduation from aid. We encourage Zambia, like other resource-rich countries, to harness the transformative power of its own resources.

The Democratic Republic of Congo is a country of enormous promise with vast mineral resources, major new oil discoveries, the world's second largest tropical rainforest and the world's third largest hydropower potential. It could be the engine room for African growth. In the DRC, the EITI has broken new ground by encouraging companies, civil society and government to sit round the table together to look at how to use the country's wealth of natural resources for the good of its citizens.

Harnessing resources from natural wealth can be significant. Since 2000, minerals have accounted for a quarter of Mozambique's growth. This has enabled the Government to reduce its dependency on aid from 66% to 44%.

This is important, because - as we are finding in the UK - it takes more than making information public to ensure companies and governments are held to account. Reading the EITI Progress Report I was struck by Liberia's efforts to raise awareness of the EITI – taking the information from the reports to the people through townhall meetings, radio programmes, newspaper articles and posters in every public building. This allows issues like corruption and fair sharing of the benefits of natural resource wealth to be discussed openly with companies and governments.

That is why it is also so important that the EITI is turning its attention to the results and impact of its work, for example through the evaluation which is currently underway.

In the UK we have just completed a comprehensive review of our aid programme to ensure that UK aid delivers the most transformative results for poor people. This review has refocused the aid programme in fewer places where we can have the greatest impact.

The UK supports the EITI because it is an important part of helping countries make the most of what they already have. The UK remains committed to work in partnership with countries as they tackle poverty, but aid is only a means to an end. In Ghana, which became an EITI compliant country last year, continued economic growth and political stability have combined to put the country on target to meet the Millennium Development Goal to halve extreme poverty by 2015.

So I would re-emphasise my conviction that transparency and accountability are critical in making sure resources are used well, to drive sustainable economic growth which benefits the poorest. I would like to thank all those here today, the Secretariat and officials, and those across the world for all the hard and constant work that goes into consolidating the EITI as a global standard for both transparency and accountability.

Thank you.