



**OUR EYES ON
THE EITI FUTURE**

**EITI Board Term
2016-2019**

Publish What You Pay - the global coalition of independent civil society that campaigns for citizens everywhere to benefit equally from their natural riches – has long worked with EITI in order to ensure that citizens have access to information about how their natural resources are managed. Indeed, PWYP looks forward to working professionally and constructively with all constituencies and stakeholders to advance the collective goals of the EITI. This paper is offered to the incoming EITI Chair and International Board as an initial input in that effort.

The EITI has the potential to make a great contribution towards better natural resource governance. However, for that to happen, it needs to take a leap and turn from a transparency initiative into an accountability initiative. In this paper, PWYP presents its vision for where the EITI should be heading if it wants to deliver on its promise and principles.

“The objective of the EITI Association is to make the EITI Principles and the EITI requirements the internationally accepted standard for transparency in the oil, gas and mining sectors, recognising that strengthened transparency of natural resource revenues can reduce corruption, and the revenue from extractive industries can transform economies, reduce poverty, and raise the living standards of entire populations in resource-rich countries.” (EITI Articles of Association, Art.2.2)

Recommendations for the EITI to deliver on its promise to citizens

PWYP is proud of its engagement in helping the EITI unfold and evolve positively over the past decade. But we believe that the initiative can –and should- do more in order to effect positive change for citizens on the ground, particularly for those living in extractive areas. Our Vision Paper therefore sets an ambitious agenda for the coming years so as to unlock the full potential of the EITI and also fight off some worrying trends such as shrinking civic space and the disregard of governance rules at the global and national level.

How to protect and strengthen the EITI’s integrity

From the lack of clear rules and guidelines to the violation of the principle of self-selection, serious governance challenges over the last few years have undermined the credibility of the initiative and made it harder for national multi-stakeholder groups and the EITI Board to carry out work that effects change. This is why PWYP Board members pushed for an independent governance review¹ to be conducted in order to assess whether the current international set-up – the EITI Association, the Board and the international Secretariat – was still fit for purpose. The evaluation concluded that Board performance and oversight capacity needed to improve significantly if the initiative wanted to remain efficient in light of an increasing number of implementing countries and the implementation of the new reporting requirements. In 2015, a report by MSI Integrity revealed that problems with MSG governance at the national level was preventing genuine civil society participation. Based on these two important assessments – and the urgent need for reform of EITI governance if the initiative is to prove and transformative – PWYP makes the following recommendations:

- To reform governance practices at the global level
- To allow for genuine discussion and civil society participation at MSG level

For the EITI to remain a credible initiative, PWYP foresees the need to better monitor the impact of implementation and to strengthen the Validation process as the EITI’s key quality assurance mechanism. In light of this, we recommend:

- To improve the use of annual activities reports
- To ensure Validation remains a strong incentive for sectoral reforms

¹ For more information, please read the minutes of the 31st EITI Board meeting in Kiev, Ukraine at the end of 2015: <https://eiti.org/about/boardmeetings>

How to democratise the use of EITI data

In too many instances, EITI reports do not make it beyond elitist circles and capital cities, leaving communities in extractive regions in the dark. We need to be more ambitious in our dissemination and understanding of the data and in our attempt to making it accessible to the wider public. This is why PWYP commits itself to the following objectives:

- To enhance training opportunities for civil society actors
- To push for open data format to become standard
- To advocate for the effective use of EITI reports for parliamentary oversight
- To amplify dissemination of EITI reports

How to strengthen disclosure and make the EITI more relevant to citizens

The EITI has shown great leadership in opening up new frontiers for transparency in the extractive sector. The initiative should continue its paradigm-shifting push and publish the information that is most important to citizens. PWYP for instance wants to consolidate major transparency achievements such as beneficial ownership. But we also want the EITI to innovate in those areas that remain obscure, like expenditures. The EITI should help citizens see the full picture, including socio-environmental costs associated with extraction. This way, the EITI will become more relevant to local communities, in Latin America and elsewhere. Furthermore, in order to ensure that EITI data is used, it needs to be reliable, of high quality and issued in a timely manner. It is to that purpose that PWYP recommends strengthening or expanding the scope of disclosure in the areas below:

Contracts

Beneficial ownership

Social and environmental information

Expenditures and use of extractive revenues

“We recognise that a public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development.” (EITI Principles, principle 4)

How to ensure that EITI protects the space to debate

At its heart, EITI is about citizens obtaining information and then debating and acting on that information. If this does not happen, the EITI becomes little more than a hollow shell – a misleading veneer that lacks strength and substance. It is therefore essential that the EITI – regardless of the fact that it is not nominally a human rights initiative – does what it can to protect civil society’s shrinking space. Transparency can only lead the way to accountability if certain basic liberties, including freedom of expression and association, are warranted. Hence, PWYP makes the following recommendation:

To monitor and increase compliance with the Civil Society Protocol

The EITI needs to adapt in order to remain relevant, and it must react to citizen needs if it is to remain credible. This paper, developed by PWYP with input from a range of civil society actors, is put forward in the hopes and expectation that the new EITI Board will consider it and reflect on how we can work together to make the EITI powerful and effective. The ideas outlined in this paper are currently being discussed among civil society, and with other constituencies. A more comprehensive paper will be offered following these discussions.

“If there is no transparency, I cannot have information. And if I cannot have information, I cannot give an opinion, take a position, act, or contribute to change. I THEREFORE CAMPAIGN FOR TRANSPARENCY in order to access information, in order to be aware of the facts.”
(Mohammed Abdellahi, Mauritanian journalist and PWYP activist.)



Telephone: +44 (0) 203 096 7716
Address: CAN Mezzanine
7-14 Great Dover Street
SE1 4YR London, UK
www.publishwhatyoupay.org