

**UNCTAD Expert Meeting on
FDI IN NATURAL RESOURCES**

20-22 November 2006

**The Extractive Industries
Transparency Initiative**

by

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The views expressed are those of the author and do not necessarily reflect the views of the United Nations

The Extractive Industries Transparency Initiative

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What's the problem?

Good governance is critical:
Clear and stable laws and regulations
Budget discipline
Public-private dialogue
Government and civil society dialogue

Transparency
Increases accountability
Reduces the risk of waste and corruption
Fosters democratic debate
Improves macroeconomic management
Enhances access to finance
Good for business

What is EITI?

- EITI creates transparency over the flow of money from oil, gas and mining companies to the governments of the countries in which they operate.
- The objective is to increase accountability over the use of natural resource wealth to ensure it is a blessing and not a curse.
- Launched at the World Summit on Sustainable Development in Johannesburg in 2002
- Country led
- Brings together governments, companies, NGOs, investors, international institutions
- Almost 25 countries implementing

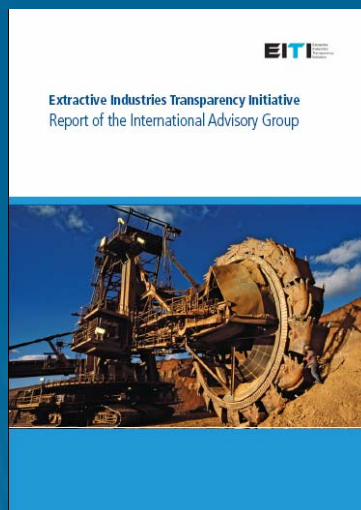
EITI Criteria

- Disclosure of payments made by companies and revenues received by government – widely disseminated
- Data audited to international standards
- Independent ‘reconciler’
- All companies covered
- Civil society central to the process
- All underpinned by costed workplan

	Endorsement	Stakeholder Engagement	Reconciler Appointed	Report Published
Azerbaijan	Jun-03	Yes	Yes	Yes
Ghana	Jun-03	Yes	Yes	
Nigeria	Jun-03	Yes	Yes	Yes
Timor Leste	Jun-03	Yes		
Congo Rep	Jun-04	Yes		
Kyrgystan	Jun-04	Yes		[Yes]
Sao Tome & Pr	Jun-04	Yes		
Sierra Leone	Jun-04	Starting		
Gabon	Jul-04	Yes	Yes	[Yes]
Equ. Guinea	Sep-04	Starting		
Cameroon	Mar-05	Yes	[Yes]	
DRC	Mar-05	Yes		
Guinea	Mar-05	Yes	Yes	[Yes]
Niger	Mar-05	Starting		
Peru	May-05	Yes		
Kazakhstan	Jun-05	Yes	Yes	
Mauritania	Sep-05	Yes	[Yes]	
Mongolia	Dec-05	Yes		
Mali	Aug-06	Starting		
Cote d'Ivoire	Oct-06	Starting		
Liberia	Oct-06	Starting		
Madagascar	Oct-06	Starting		
Yemen	Nov-06	Starting		

Oslo conference
– adopting the report of the IAG

- Multistakeholder group chaired by **Peter Eigen**
- Recommendations:
 - Validation
 - Incentives
 - Future challenges including mining and subnational issues
 - Future governance arrangements



Thank you

