Transparency and Accountability in Extractive Industries

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PWYP



Publish What You Pay

Where are we now?



- PWYP has grown from 6 UK members in 2002 to 800+ in 62 countries in 2014. Forty national coalitions around the world – broad, grassroots representation in national and international fora
- Successes are the new EITI standard, mandatory disclosures in the US, EU, Norway, and forthcoming in Canada and Australia at international level and regulatory changes at national level
- PWYP shows solidarity between members, offers protection where needed and is interdependent and interconnected
- Adoption of a new strategy in 2012 Vision 20/20 which includes a new strategic framework Chain for Change, new governance structure and membership standards. Now implementation of Vision 20/20
- Growing PWYP Secretariat (now 12) works with national coalitions on strategy development, regional and national advocacy, capacity building as well as joint fundraising

Transparency & Accountability:



key components

Africa Activists Urge Obama to Act on Extractive Industries Law



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Inter Press Service, News Report, Jim Lobe, Posted: Aug 06, 2014

photo: Artisanal diamond miners at work in the alluvial diamond mines around the eastern town of Koidu, Sierra Leone. (Tommy Trenchard/IPS)

WASHINGTON - As the three-day U.S.-Africa Leaders Summit got underway here Monday, anticorruption activists urged President Barack Obama to prod a key U.S. agency to issue long-awaited regulations requiring oil, gas, and mining companies to publish all payments they make in countries where they operate

"The companies need to be held accountable, and we would ask President Obama to also support us in this message," said Ali Idrissa, the national co-ordinator of Publicz Ce Que Vous Payez



















Strategy Alignment



The PWYP decentralised Secretariat provides support to coalitions (mainly in Africa, Eurasia and MENA) to develop an appropriately aligned Vision 20/20

Coalitions that have in place strategies PWYP supports them:

- a) to ensure optimal prioritization against real opportunities
- b) to design effective and tailored strategies around the main priorities, and
- c) leverage linkages with other coalitions, regional and global initiatives

Coalitions with no/weak strategic planning facilitate process based on:

- a) analysis of the extractive sector, using Chain for Change and other tools and policy references and baseline assessment, opportunities, capacity needs;
- b) Prioritisation of issues;
- c) Designing of advocacy strategies around main priorities;
- d) Plan for capacity building.

When the dust settles

Although it is far down the line, it is important to consider how an extractive project - and the economy that sprang around it - is effectively dismantled and decommissioned to create the least damage to the local

Always Assess

There should be regular assessments by all parties including civil society to ensure that longer-term frameworks are correct and still relevant. Civil society can play a valuable role by publicly raising concerns where frameworks and agreements are evidently no longer fit for purpose.

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Was it worth it?

There should be an independent impact assessment made to evaluate whether the money generated was correctly spent and contributed to development and the improvement of the lives

Did the money

Once revenue has been

allocated, civil society can

get there?

Publish

What You

Earn and

How You

Spend

To extract or not to extract? CSOs can help ensure that communities

What are our

What is the natural

resource legal framework?

Whether through consultation or

advocacy, civil society should where possible - seek to influence these legal frameworks (Petroleum Bills, Mining codes etc) to ensure that transparency and accountability is integrated into the natural resource management process from the start.

natural resources?

Without full information on the

a country's natural resources,

quantity, quality and location of

citizens will not be able to make informed decisions over whether and how resources should be

extracted and whether they are getting a fair deal for these.

are fully informed as to the consequences, effects and benefits of an extractive project. Impact assessments should be carried out in a transparent and independent manner and made accessible to the local communities and compensation should be planned for any anticipated detrimental effects.

Publish Why You Pay and How You Extract

Publish What You Pay

Did the money

reach the state coffers?
To ensure that money is not siphoned off or "lost", governments need to be transparent and report their natural resource revenues (whatever level of government these should be able to track payments and revenues for each project and ensure the amounts companies pay and governments receive match. monitor whether the money reached its agreed destination and advocate for rectification if the money goes missing en route.

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How to ensure the best possible deal?

> Licences and contracts which will determine whether a deal is fair-must be awarded in a transparent manner. To ensure that contracts are awarded in the interests of the whole citizenry, bidding should be competitive and public and contracts should be published.

How to monitor the project? Civil society has a crucial role here in providing oversight and acting as a watchdog. Projects need to be monitored by government and industry but also through independent mechanisms and civil society, to ensure that any change in circumstance or contractual breaches can be rectified, whether through legal recourse for human rights abuses or via extra compensation or other means.

are companies making? to publish what they pay, so that citizens can find out how much tion of company payments will also help ensure that companies do not avoid certain payments through accounting sleights of hand. Where should

the money go? Civil society has a role to play in pushing for budget transparency – and advocate on budget prioritisation and allocation – to ensure that money is allocated transparently and equitably.



Vision 20/20 in Eurasia



- Mongolia has a finished national strategy till 2016 in line with Vision 20/20
- Kyrgyzstan defined 6 steps of Chain for Change as key areas of work. Strategy needs to be revised for 2015
- Ukraine has defined key priorities. Strategic process needs broader discussion and adoption within the Association
- Tajikistan strategy development workshop will be held on 27-28 November 2014
- Azerbaijan no PWYP strategy, striking need for support and capacity building particularly in the restrictive context

International Advocacy



Advance mandatory disclosures

- Protect US Dodd-Frank Section 1504
- Ensure EU transposition in key jurisdictions
- Advance on Canada and Australia legislation

Open data work

- Prepare coalitions for data avalanche through peer learning and leverage membership (NRGI, GW with PWYP coalitions)
- Supporting national coalitions to move from encouraged to required contract transparency and beneficial ownership within EITI standard
- Continuing support to mandatory disclosures campaign in US, Australia and Canada
- Coordinating effective implementation and transposition of EU directives.



EITI and PWYP: a symbiosis



- Board membership on the EITI International Board as well as coordinate the CSO board members including members from Kazakhstan and Azerbaijan
- Support the coalitions to use the new EITI Standard to demand accountability through campaigns, blogs, media engagement
- A study into EITI multi-stakeholder governance to develop 'best practices' (draft report is available)
- Continue its work on the 'enabling environment' for civil society
- Identify "best practices" and create powerful narratives around specifically identified case studies
- Organise open learning days for local CSO during EITI board meetings

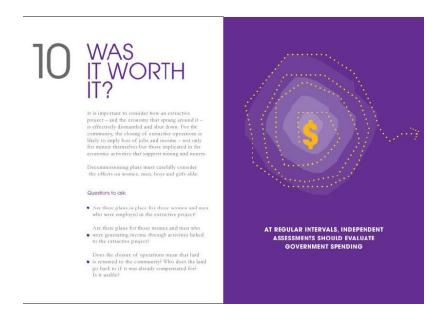
Women and youth



Extracting The Truth

- Managing <u>extractingequality@googlegroup.com</u> and blog
- Facilitate opening doors at national level for dialogue and action between UN Women and PWYP coalitions
- Disseminate gender-responsive Chain for Change 'Extracting Equality a Guide' in an innovative way which will be ready for print by mid to late August and available online by the same time. UN Women and Tactical Tech are partners



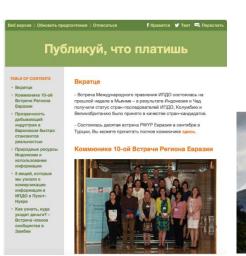


Communications



Extracting The Truth

- A new web site will be launched in December 2014
- A bi-annual report
- Central Asia documentary on Kyrgyzstan (planned to release 3 short films)
- Fun fact! Our Niger video has now been watched more than 11,000 times on Vimeo)
- Second film on Philippines was shown during Asia-Pacific regional forum in March
- Bi-monthly French and English newsletters, monthly in Arabic and Russian and first newsletter in Spanish
- Online Chain for Change in 3 languages (English, French, Russian)
- A number of articles on PWYP's web-site about countries of the region Azerbaijan, Kyrgyzstan, Kazakhstan, Ukraine and Tajikistan.





KYRGYZSTAN



Challenges in Eurasia



- Tendency for deteriorating environment for civil society (persecution and investigation, adoption of restricted legislation for NGOs)
- Lack of funding opportunities for CSOs working in El transparency (EITI, OGP, anticorruption)
- Weak capacity to deal with a lot of data coming out of EITI reports in 2015
- Preparation of civil society to use data from EU Directives on Accountability and SEC Rules Dodd-Frank 1540
- To empower citizens and in particular civil society groups to use the information published in EITI reports in their claims for better governance of the extractive sector

What can we do together?



- Work together as CS constituency on civil society space. The new EITI CSO protocol
 https://eiti.org/files/Consultation_Draft_EITI_tor_validators_proposal_for_revised_cso_protocol_0.pdf
 is open for consultation until 21 November
- Explore innovative ways to prepare coalitions to use the data from EU and US legislation, including twinning, datatellers
- Influence the legal framework (Mongolia new transparency law that includes beneficial ownership disclosure); working with communities (Côte d'Ivoire, Kyrgyzstan, Chad); budget transparency (participatory budget); tax justice (key items of Asia-Pacific regional strategy); striking a fair deal (includes contract transparency)
- Provide regular coordination on knowledge sharing, harmonisation, international advocacy, supporting coalition building and governance, amplifying the voices of our members as well as leverage the members' capacity, knowledge, expertise through peer learning
- PWYP also has put in place protection mechanism and plays a key watchdog role in the EITI

THANK YOU!

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