

Are you a Champion in the Oversight of Oil, Gas and Mining?

Are you making the most of the EITI?

Policy Brief: 6.09

“We are joining the initiative to expand our ability to curb mineral resource manipulation not because we cannot currently, but we are enlarging our capacity.”

Hon. William Ngeleja, Minister for Energy and Minerals

{The Citizen, Posted on the website Nov. 21st 2008 - www.thecitizen.co.tz/neww.php}

What do we know about revenues from oil, gas and mining?

Government revenues from the oil, gas and mining (extractive) industries are too often hidden by a veil of secrecy which allows corruption and mismanagement to thrive.

For ordinary citizens to benefit and countries to grow, information must be disclosed about how much money is being made and where it is going. Such transparency of revenues is vital for legislators to ensure they are used for the benefit of their constituents and country as a whole.

What is the EITI and how can it help you?

The Extractive Industries Transparency Initiative (EITI) sets a global standard for revenue transparency in the oil, gas and mining sectors. The EITI requires that in member countries:

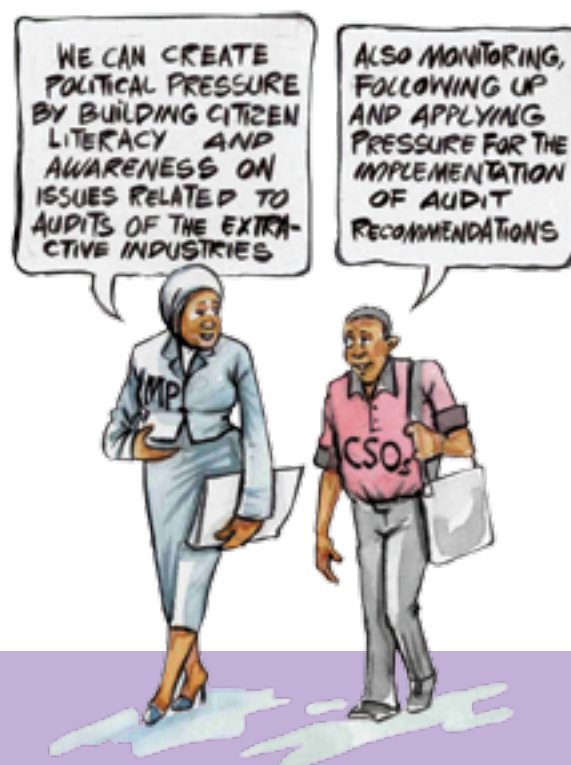
- Companies publish what they pay to governments.
- Government publishes what it receives from companies.
- An independent administrator compares this information.
- Data on revenues and discrepancies must be published in EITI reports’.

- The process is managed by a multi-stakeholder committee that must include members from government, companies and civil society.

Tanzania has just joined the EITI. The EITI is therefore an important tool that legislators can use to verify revenues received by the government from companies for the exploitation of the country’s extractive resources. This information is vital for understanding what is being generated by extraction and ensuring it is appropriately allocated in the budget process .

How can you lead the push?

The EITI is a global initiative that affords implementing countries international reputation and recognition. A legislator taking an active role in the EITI can position themselves as a leading voice on good governance and transparency nationally and globally.



These are some examples of how you can learn about, and get involved in, the EITI:

Getting involved in the EITI

- Request an information briefing or a workshop on the EITI from your Government.
- Attend conferences organized by organizations supporting the EITI
- Visit an EITI implementing country where legislators are involved in the EITI.
- Work within the key Committees to monitor and oversee the activities of the EITI.
- Request EITI implementation updates from the Government
- Interact with the media to raise public awareness on the EITI and highlight areas where the process can be improved.
- Request information on the EITI from civil society groups and think tanks that are active on extractive industry monitoring.
- Present your involvement in the EITI to your constituency to raise constituents' awareness and demonstrate how transparency and the EITI benefit them.
- Become a mentor and resource person for legislators from other countries seeking guidance on the EITI.

Parliamentary Role in the EITI

In some countries like Kazakhstan and Mauritania, legislators are members of the multi-stakeholder group. In others, like Ghana, Parliamentarians have chosen to play an external oversight function. In Tanzania, legislators are not currently represented on the EITI committee but they can play an external oversight role or request to join the Committee.

An effective Parliament is critical to shape the EITI and making it a success. The rules of the Initiative allow for great adaptation to meet national and local needs. Legislators can participate in the process of

EITI adaptation to ensure that the EITI is a relevant and effective in addressing the particular needs of Tanzania.

Some legislatures, such as the Nigerian and Liberian National Assemblies, have championed the creation of EITI Laws. These Laws regulate the scope and implementation of the EITI and make the EITI accountable to Parliament.

Tanzania and the EITI

Tanzania joined the EITI in February 2009. The Ministry of Energy and Minerals is in charge of implementation. The government has a tight two-year period to fully implement one cycle of the Initiative and undergo an independent EITI validation process, which certifies compliance with the EITI criteria. Failure to complete validation by 15 February 2011 may result in suspension from the EITI with adverse impact on the country's reputation and donor contributions to the national budget.

Learn More about the EITI

RWI has co-produced an EITI Guide for Legislators, which accompanies this Briefing. For more information, please consult the following websites

Revenue Watch Institute:
www.revenuwatch.org

Extractive Industries Transparency Initiative:
www.eitransparency.org

If you want to know more about EITI in Tanzania, please contact:

- Mr Bubelwa Kaiza (civil society member, EITI committee)
- Bishop Munga (civil society member, EITI committee)
- Mr Alex Magayane (government appointed lead on EITI)
- Policy Forum Secretariat



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P. O. Box 38486, Dar es Salaam, TANZANIA Tel./Fax: (255 22) 2772611
Mob: +255 782 317434, E mail: info@policyforum.or.tz Website: www.policyforum.or.tz

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