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Ms. Clare Short Chair EITI International Board Ruseløkkveien 26, 0251 Oslo, Norway



HRW.org

Re: A New Accountability Agenda: Human Rights and the EITI

Dear Ms. Short,

I am writing on behalf of Human Rights Watch regarding your efforts to adapt the Extractive Industries Transparency Initiative (EITI).

Human Rights Watch shares your concern that this initiative, despite achieving greater transparency over the funds resource-rich governments earn from oil, gas, and mining, has not brought about the desired results of improving governance in resource-rich countries. It is clear that transparency on its own does not lead to greater public accountability.

We appreciate that the EITI Secretariat and Board have recognized the need to move "beyond transparency," as reflected in the theme of the Global Conference that opens on May 23. An improved EITI Standard is to be adopted at this meeting that expands the initiative's requirements by requiring further disclosures and also encourages participating governments to go beyond EITI's minimum requirements. However, EITI's effort to enhance accountability is missing an essential element: human rights.

Given that respect for human rights lies at the very core of public accountability, including over the management of natural resource revenues, it should also be a central feature of EITI. Good governance requires that citizens can freely assess the government information, contribute to public debate, join together to press for policies that serve the public interest, scrutinize government activities, and hold leaders responsible for the decisions they make. We therefore urge the EITI Secretariat and Board to launch a broad-based consultation in 2013 on how the EITI Standard can better assess and address the human rights performance of participating governments, as it relates to the elements necessary for improving

governance over natural resources, including freedoms of expression, association, and assembly.

The enclosed submission provides more detail on our views. Human Rights Watch has conducted research and advocacy on the extractive industries, governance, and human rights in for over 15 years. We have strongly advocated transparency and public accountability over the management of natural resources as a tool to help advance human rights, both in terms of civil and political rights and economic and social rights. We have conducted in-depth investigations in countries such as Angola, Equatorial Guinea, and Nigeria and have also reported on developments in EITI.

Human Rights Watch also served in 2010 and 2011 on an EITI working group that drafted improvements to the EITI requirements addressing the participation of civil society representatives, as well as associated interpretive guidance, both of which were adopted in 2011. The forthcoming 2013 EITI Standard will condense the text in the 2011 requirements addressing civil society participation, possibly narrowing them. We are therefore heartened that the 2011 guidance note on these requirements, to be known as the Civil Society Protocol, will be retained in full. Your recent announcement that the Board will appoint a working group to explore whether EITI applies provisions regarding civil society participation consistently is also of great interest. We hope it is taken as an opportunity to ensure that all EITI countries—including those admitted under older requirements—are held to a high standard, consistent with the Civil Society Protocol.

EITI also should consider the importance of human rights more broadly than just the principle of unfettered civil society participation. Some governments actively promote transparency over resource revenues without demonstrating a corresponding commitment to good governance or human rights. Nonetheless, they still receive favorable international recognition for their efforts even as they violate their citizens' rights in ways that undermine the public's ability to contribute to debates on resource management issues, squander or steal public funds earned from natural resources, and otherwise rule without genuine accountability. We have provided several examples in the attached submission. The submission also addresses examples of countries with a mixed human rights record, demonstrating that barriers to fundamental freedoms can inhibit reform of resource management practices even in less closed societies.

The phenomenon of governments whose commitment to transparency is not matched by a genuine commitment to good governance and respect for human rights is not limited to EITI countries. Yet the fact that such governments seek to gain credibility by participating in EITI and are also highlighted as some of the initiative's most prominent members undercuts the credibility of EITI and its potential for impact. Indeed, the problem of transparency without accountability is at the root of a fundamental challenge facing EITI, as reflected in the evaluation and strategic review process the initiative undertook beginning in 2011. That effort reached the troubling conclusion that more transparency through EITI did not lead to better governance.

Thank you for your consideration, we look forward to staying in contact regarding these issues. We would be grateful if you could share this letter and the enclosed submission with the incoming members of the EITI Board. We hope that you will initiate a consultative process to address the important nexus between human rights and EITI's aim of advancing public accountability in resource-rich countries. We would be willing to participate in such an effort. We also would be grateful to be kept informed of the plans and progress of the working group on civil society participation.

Sincerely,

Arvind Ganesan

Director, Business and Human Rights Program

Human Rights Watch