

February 25, 2019

To the members of the EITI Board,

Re: Options for changes to Requirement 2.4 on contract disclosures

We are writing to urge the EITI Board to strengthen the EITI Standard to require the publication of contracts and licenses which provide the terms attached to the exploitation of oil gas and mineral resources. Contracts and licenses are vitally important documents that lie at the heart of several important issues spanning the entire scope of EITI, including exploration and production rights; taxes, transfers and other payments; infrastructure and barter arrangements; and social spending.

In the six years since the EITI Standard was changed to “encourage” contract disclosure by member countries, the world has changed. According to the International Monetary Fund, the publication of contracts is now established as an international norm alongside project-level disclosure of resource revenues.[1] Contract disclosure is required for extractive industry clients of World Bank’s International Finance Corporation and Multilateral Investment Guarantee Agency and for petroleum sector clients of the European Bank for Reconstruction and Development.[2] It has also been endorsed by the United Nations, International Bar Association, the B-Team, the OECD, and the International Council of Mining and Metals.[3]

Uptake within the EITI community of practice has been strong. Already 31 of 51 implementing countries have already disclosed contracts and 24 have laws requiring disclosure.[4] Within the private sector, at least 16 EITI supporting companies have made statements supporting contract disclosure. This includes seven out of the 10 extractive industries companies on the EITI Board.[5]

The EITI Standard should keep pace with the leading edge of practice of its members and with global norms. If the EITI Standard fails to change with the times, this would threaten the credibility of EITI as a governance initiative, and the credibility of those organizations who support and promote it.

We therefore strongly recommend that the EITI Board protect EITI’s global leadership and reputation, by strengthening the Standard to require contract disclosure.

Sincerely,

[1] See IMF (2019), [Fiscal Transparency Initiative: Integration of Natural Resource Management Issues](#), p.7; See also early endorsement of contract disclosure in IMF (2007), [Guide on Resource Revenue Transparency](#), p.17

[2] See IFC (2012), [Policy on Environmental and Social Sustainability](#), pp.11-12; MIGA (2013), [Policy on Environmental and Social Sustainability](#), p.10 EBRD (2013), [Energy Sector Strategy](#), p.60.

[3] See UN (2015), [Principles for responsible contracts](#), p.32; International Bar Association (2011), [Model Mining Development Agreement](#), p.130; B-Team (2018), [Responsible Tax Principles](#), p.7; OECD (2017), [On Combatting Corruption and Fostering Integrity](#), p.15; ICMM (2009), [Position Statement: Transparency of Mineral Revenues](#).

[4] See Hubert and Pitman (2017), [Past the Tipping Point? Contract Disclosure within EITI](#); and [Contract Transparency Practice and Policy Tracker](#).

[5] See Munilla and Brophy, [Contract Disclosure Survey 2018](#), Oxfam America, p.48

Global coalitions:

Publish What You Pay
Transparency International

Other organizations:

ACADHOSHA - Democratic Republic of Congo
Acción Ciudadana - Guatemala
ACIDH – RDC
ACOMB – Togo
Action Collective Contre la Pauvreté - Togo
Action Des Journalistes Sur Les Mines Au Burkina Faso – Burkina Faso
Action Mines Guinée - Guinée
Action pour la Défense des Droits Humains (ADDH) - Democratic Republic of Congo
ADREMGUI - Guinée
Africa Center for Energy Policy - Ghana
Akad Cultural Institute - Iraq
Alliance pour la Promotion des Energies Renouvelables - Tunisia
Amis de la Justice - Democratic Republic of Congo
ASADHO-KAT - Democratic Republic of Congo
ASPRODDEL - Senegal
Association Tunisienne de l'Environnement et de la Nature de Gabes - Tunisia
Bantay Kita - Philippines
BZBT - Mongolia
Canadians for Tax Fairness - Canada
CartoCrítica - Mexico
Centre Africa Obota - Togo
Centre d'Action pour le Développement Social - Côte d'Ivoire
Centre du Commerce International pour le Développement-CECIDE - Guinée
Centre for International Corporate Tax Accountability & Research (CICTAR) - Australia
Centre Pour L'information Environnementale et le Developpement Durable – Central African Republic
Centro de Integridade Publica (CIP) – Mozambique
Centro Terra Viva - Mozambique
Civil Society Platform on Oil and Gas - Ghana
Clean Trade – UK
Coalition Guineenne Des Femmes Pour Les Mines Et Le Developpement Durable - Guinée
Coligacao Civica Sobre A Industrias Extractiva (CCIE) - Mozambique
Columbia Center on Sustainable Development – Global
Community Development Interest - Timore Leste
Conselho Cristao de Mozambique – Mozambique
CooperAccion - Peru
Crude Accountability - USA
Crudo Transparente – Colombia
Democracy Monitor - Azerbaijan
Derecho, Ambiente y Recursos Naturales (DAR) - Perú
DixiGroup - Ukraine
Dynamique des femmes des mines (DYFEM) - Democratic Republic of Congo
EG Justice - Equatorial Guinea

EITI Azerbaijan NGO Coalition - Azerbaijan
Engineers Without Borders Canada - Canada
Environics Trust - India
ETADEP - Timore Leste
Feto Hadomi Familia - Timore Leste
Foro Nacional por Colombia - Colombia
Friends of the Earth France - France
Fundación Jubileo – Bolivia
Fundar, Centro de Análisis e Investigación - Mexico
Fundasaun Baloos - Timore Leste
Global Witness - Global
Goa Foundation - India
Habera Institute - Timore Leste
Haburas Foundation - Timore Leste
HAK - Timore Leste
HakiRasilimali - Tanzania
HDC "Tree of Life" - Kyrgyzstan
Human and Environmental Development Agenda – Nigeria
I WATCH - Tunisia
Instituto Mexicano para la Competitividad, A.C. (IMCO) - México
Interpares - Canada
Jeunesse du Monde – Democratic Republic of Congo
Justice Pour Tous - Democratic Republic of Congo
Kdadalak Sulimutuk Institute - Timore Leste
KEOH – Senegal
KUWUKA JDA - Mozambique
l'Association Tunisienne de Droit du Développement (ATDD) - Tunisia
La'o Hamutuk – Timore Leste
Lebanese Oil and Gas Initiative - Lebanon
Ligue des consommateurs du Togo - Togo
Lumiere Synergie pour le Developpement - Senegal
Luta Hamutuk - Timore Leste
Maison des Mines du Kivu - Democratic Republic of Congo
Mata Dalan Institute - Timore Leste
Media Bureau of Investigative Journalism - Kyrgyzstan
Médias ressources naturelles et droits des communautés-Guinée (MERCOT GUINEE) - Guinée
Mesa Colombia - Colombia
México Evalúa - México
Mining Watch Canada - Canada
Mongolian Association for Conservation Nature and the Environment - Mongolia
Myanmar Alliance for Transparency and Accountability (MATA) - Myanmar
Naryn Municiol Resource Centre – Kyrgyzstan
Network of Eco Journalists - Mongolia
NGO Liberty – Kazakhstan
Observatoire d'Etudes et d'Appui à la Responsabilité Sociétale et Environnementale – Democratic Republic of Congo
OBSERVATOIRE DE LUTTE CONTRE LA CORRUPTION ET LES MALVERSATIONS ECONOMIQUES(OLUCOME) – Burundi

Observatoire Gouvernance et Paix - Democratic Republic of Congo
Observatoire pour la Bonne Gouvernance du Secteur Extractif en Côte d'Ivoire - Côte d'Ivoire
Ombudsman Energía México - Mexico
One - Global
Open Contracting Partnership – Global
Open Oil – Global
Organisation Afriquevision.info
ORJEDEC (Organisation Jeunesse pour le Développement Communautaire) - Togo
PAFED - TOGO
Partenia 2000 - France
Penplusbytes - Ghana
Permatil - Timore Leste
PFM Network - Ghana
Public Administration New Initiative - Mongolia
Public association Echo - Kazakhstan
Radio Espace Fm - Guinée
Recherches, Conseils et Réseaux pour le Développement - Togo
REFED/S – Togo
Réseau National de la Société Civile pour l'environnement et le Développement Durable (RENASCEDD) - Guinée
Resource Matters - Belgium
RHTO - Timore Leste
Rights and Accountability in Development (RAID) – United Kingdom
RRN - Democratic Republic of Congo
SDN - Nigeria
SEKELEKANI - Mozambique
Sherpa - France
Social Survey Timore Leste – Timore Leste
SOMASI NTB - Indonesia
Sos-Développement - Togo
Steps Without Borders - Mongolia
SWISSAID - Switzerland
Tax Justice Network - United Kingdom
The Andrew Lees Trust UK - Madagascar
The Carter Center - Global
Transparent Governance – Azerbaijan
Wacam – Ghana
Women Environmental Programme - Togo



CANADIANS FOR TAX FAIRNESS
CANADIENS POUR UNE FISCALITÉ ÉQUITABLE



БУГАТ ЗААМАР
БУРГАСТ ТУУЛ
ТӨРИЙН БУС БАЙГУУЛЛАГА



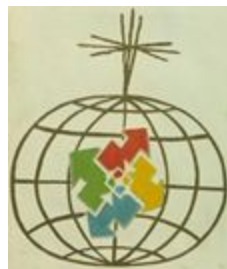
engineers without borders
ingénieurs sans frontières
Canada



Centre for
International
Corporate Tax
Accountability
and Research

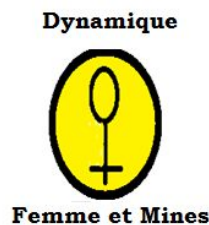






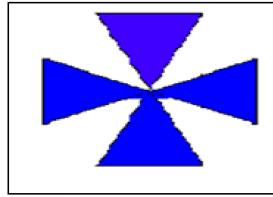


global witness





Open
Contracting
Partnership



Justice Pour Tous



Natural
Resource
Governance
Institute



Lebanese Oil & Gas Initiative
المبادرة اللبنانية للنفط والغاز



CRUDE ACCOUNTABILITY



CCIE

COLIGAÇÃO CÍVICA SOBRE
A INDÚSTRIA EXTRACTIVA



CENTRO DE INTEGRIDADE PÚBLICA
Anticorrupção - Transparência - Integridade



CONSELHO CRISTÃO DE MOÇAMBIQUE



CENTRO TERRA VIVA
Estudos e Advocacia Ambiental



Comunidade para o desenvolvimento



EG JUSTICE

TOWARD A JUST EQUATORIAL GUINEA



globalize equality
mondialiser l'égalité



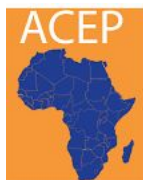
التحالف من أجل النهوض
بالطاقات المتجددة



Strengthening Action Against
Corruption - Ghana



Ema hotu iha direitu no direitu ba ema hotu



**Africa
Centre for
Energy Policy**



D E R E C H O
A M B I E N T E Y
R E C U R S O S
N A T U R A L E S