

# PUBLISH WHAT YOU PAY

The Publish What You Pay coalition of over 160 organizations calls on the World Bank and the International Monetary Fund to use the occasion of the annual meetings in Dubai to announce a new policy to actively promote transparency in the oil, gas and mineral sectors of its member countries.

As you know revenues from oil, mining and gas are critically important in about 60 developing or economic transition countries, all members of your organizations. Of the 3.5 billion citizens in those countries, some 1.5 billion live on less than US\$2 per day, representing over two-thirds of the world's poorest people. The World Bank identifies 12 of the world's most mineral-dependent states and six of the most oil-dependent states as Highly Indebted Poor Countries with amongst the world's worst human development indicators.

In many of these countries, governments do not provide even basic information about their natural resource revenues, nor do multinational resource extraction companies publish information about payments made to governments for access to those resources. Thus the ordinary citizens of the country have no information with which to call their government to account. This opacity is one of the drivers of massive corruption, entrenched poverty, reinforcement of authoritarian government, and regional instability.

The importance of transparency in these sectors for healthy economic development was stressed by your largest shareholders at the G8 summit at Evian. The G8 announced a series of concrete steps to promote it and to fight corruption fed by the mismanagement of natural resource wealth. At a high-level meeting hosted by the UK Government in June 2003, 32 governments as well as representatives of major oil and gas companies, private investors and NGOs endorsed a broad set of principles and an action plan to promote transparency in the extractive industries. Many participants at that meeting, including officials from resource-rich countries and spokesmen for private industry called for the Bank and the Fund to play a prominent and active role in the Extractive Industries Transparency Initiative. The World Bank's own Operations Evaluation Department's August 2003 report 'Extractive Industries and Sustainable Development' states that the "Bank should vigorously pursue country- and industry-wide disclosure of government revenues from EI and related contractual arrangements (such as production sharing agreements, concession and privatization terms)."

The members of our coalition urge you to begin immediately to incorporate the new internationally endorsed standards for extractive industries revenue disclosure in the Bank and the Fund's day to day work: to encourage members to become pilots in the EITI initiative; to provide strong technical support to help them do so; to incorporate the EITI disclosure templates in the fiscal transparency and data disclosure codes; and to make extractive industry revenue transparency a condition for Bank and Fund loans, and World Bank Group investment. Participation in the EITI and national dialogue about disclosure of revenues from resource extraction should also be included in the Poverty Reduction and Country Assistance Strategy processes in all resource rich countries.

Our coalition is dedicated to helping poor but resource-rich countries escape the "resource curse". We ask the World Bank and the International Monetary Fund under your leadership to play their part. We look forward to the announcement of strong action plans from your important institutions at the upcoming annual meetings.

Yours sincerely,

*On behalf of the Publish What You Pay coalition:*

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