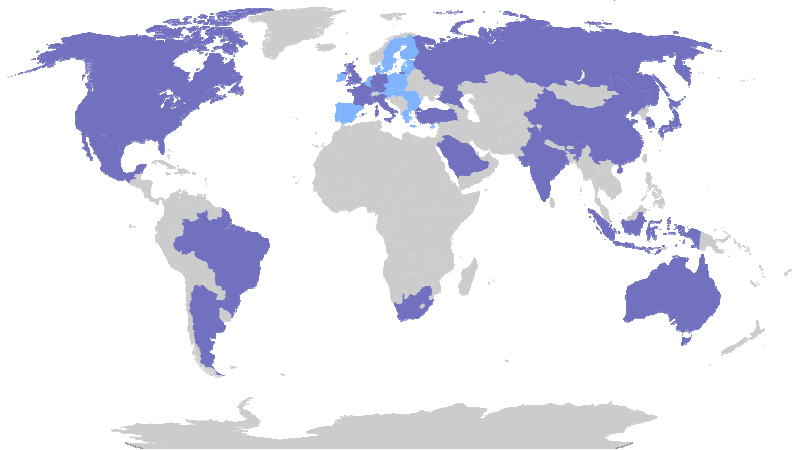


G20 SUPPORT FOR THE EITI

5 May 2011



The increasing support from the G20 is important for the EITI

It consolidates its status as a global standard for resource revenue transparency.

Secure supplies of energy and natural resources depend on good governance along the whole supply chain

Amongst natural resource importing countries, there is a growing recognition that secure supplies depend on good governance along the whole supply chain. Japan and the US are amongst the countries strongly supporting the EITI, often under the heading of energy security through transparency.

Many producing countries implement the EITI as it builds trust and attracts foreign direct investment. In **Africa**, 20 countries implement the EITI as part of wider efforts to ensure good governance.

As the political landscape is reshaped, management of oil, gas and mining revenues will remain a challenge. We need new ways to trade these commodities – ways in which the citizens of producer countries benefit more and the buying countries have reliable access.

The fight against corruption requires collective action, by governments, companies and their partners

The EITI is a transparency standard designed and implemented jointly by hosting governments, operating companies and their partners. It recognises that fighting corruption requires collective solutions and a global level playing-field.

There is a growing commitment to the EITI amongst large emerging economies

The EITI is supported by a number of G20 countries and Indonesia is amongst the 35 countries implementing the EITI. The EITI is noticing increased support from China, with growing interest from both the Ministry of Foreign Affairs and several of the large state-owned companies. Many of these companies are operating in EITI implementing countries, and reporting in accordance with the EITI requirements.

The EITI received a strong message of support at G20 summit at Pittsburgh in 2009

The Leaders' Statement supports "...participation in the Extractive Industries Transparency Initiative, which calls for regular public disclosure of payments by extractive industries to governments and reconciliation against recorded receipt of those funds by governments."

The G8 has endorsed the EITI since 2003

Evian (2003), Sea Island (2004), Gleneagles (2005), Heiligendamm (2007), Hokkaido Toyako (2008), and most recently at L'Aquila (2009). In 2009 the Leaders declared: "We continue to support the Extractive Industries Transparency Initiative (EITI) to improve governance and reduce corruption in the extractive sector... We also strongly encourage EITI candidate countries to complete implementation within their agreed timeframe and call on other developing and emerging countries and their companies to adhere to the initiative."

The Extractive Industries Transparency Initiative (EITI) is built on a simple idea, that operating companies in the extractive industries disclose the tax, dividend and royalty payments that they make to host governments, and that governments disclose what they have received. 27 countries have now published EITI Reports, making it clear to their citizens, often for the first time, how much their government is receiving from the extraction of their natural wealth.