

Transparency - an initial step towards resource justice

An interim balance of the Extractive
Industries Transparency Initiative (EITI)
in the Central African Region

Imprint

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Contents

Foreword	5
1. Goals, principles and structure of EITI	7
Structure of the Initiative.....	9
2. The natural resource situation in the Central African Region	12
Oil production.....	13
Mining.....	13
Equatorial Guinea.....	15
Democratic Republic of Congo.....	15
Gabon.....	16
Cameroon.....	17
Republic of Congo (Congo-Brazzaville).....	19
Chad.....	20
Central African Republic.....	21
3. EITI in Central Africa	23
Equatorial Guinea.....	24
Democratic Republic of Congo.....	24
Gabon.....	25
Cameroon.....	26
Republic of Congo (Congo-Brazzaville).....	28
Chad.....	29
Central African Republic.....	29
4. Interim balance of EITI	31
Hypothesis 1: Political scope widened for civil society.....	31
Hypothesis 2: More transparency, accountability and resources for combating poverty.....	33
Hypothesis 3: Further reforms triggered in the extractive sector.....	34
5. Conclusions and recommendations on the future of EITI	35
Literature	38
Abbreviations	41
Annex 1: Structure of the EITI Committees in the countries of Central Africa	42
Annex 2: List of interview partners	47

Tables, Boxes and Illustrations

- Table 1: Countries participating in EITI** 10
- Table 2: Membership of the EITI Board 2011** 10
- Table 3: Chronological overview of EITI’s development** 11
- Table 4: Indicators of development in the Central African Region** 12
- Table 5: Oil production in the Central African countries** 13
- Table 6: Economic significance of the natural resource sector 2009** 14
- Table 7: Cameroon’s oil production** 18
- Table 8: Implementation of EITI in the countries of Central Africa** 23
- Table 9: Oil revenue in Cameroon – actual and target levels (in million US dollars)** 27

- Box 1: The EITI Principles** 8
- Box 2: The EITI Criteria** 9

- Figure 1: Natural resources and EITI status of the countries in Central Africa** 22

Foreword

In numerous countries, the exploitation of mineral and fossil natural resources is resulting in violations of human rights, rising poverty and violence. Many partner organisations of “Brot für die Welt” and MISEREOR are campaigning for the people affected. They are urging that those concerned actually benefit from the exploitation of natural resources in their countries, that they can realise their human rights, that the environment is not destroyed, and, above all, that they are comprehensively informed about plans, projects and contracts in connection with the exploration, exploitation and rehabilitation of mining and oil production areas at an early stage and are involved in decision-making. One precondition for a country’s natural resources benefiting the people is transparency. This also includes the disclosure of financial flows between extractive industry companies and governments. This report forms an element of the common efforts by “Brot für die Welt”, MISEREOR and Global Policy Forum to improve transparency in the extractive industries.

In 2002, the Extractive Industries Transparency Initiative (EITI) was launched. Its aim is to raise the transparency of payment flows in the oil, gas and mining sector. After nearly ten years, in the course of which more than 30 states have joined the initiative, enough experience is available for an interim balance. Has EITI met its own goals and really contributed to raising the transparency of payment flows between corporations and governments in the resource-exporting countries, reducing corruption, widening the scope for civil society to take action, strengthening natural resource governance and, ultimately, reducing poverty?

Our report looks at these issues referring to experience in the countries of the Central African region. From a civil-society angle, it is to answer the following questions in particular:

1. Has EITI contributed to widening the political scope of civil society? If so, what is this reflected by? What has this development been encouraged by?
2. Has EITI created more transparency regarding income from the extractive sector in the countries exporting natural resources? Has EITI contributed to more open discussions in these countries on the use of revenue?

- If not, what were the difficulties?
 - If it has, what were the crucial conditions for progress?
3. Has EITI smoothed the way for further reforms in the oil, gas and mining sector of the respective countries?
 - If so, what reforms were involved?
 - If not, what were the reasons for this not happening?
 4. Where do the Civil Society Organisations (CSOs) locate the deficits in EITI implementation, and what approaches in terms of improvements are being discussed in the Central African countries?

Setting out from these questions, the team of authors interviewed all stakeholders in Cameroon in December 2010 (see list of interview partners in the Annex). Furthermore, there were talks with CSOs outside the EITI context, with independent experts from the extractive industries and with representatives of German and multilateral development co-operation.

In the Democratic Republic of Congo (DRC), the Republic of Congo, the Central African Republic and Chad, on the basis of questionnaires, telephone or personal interviews were held with representatives of the respective civil society groups supporting EITI some of which are represented in the National EITI Committee. Many of them belong to the international civil society campaign Publish What You Pay (PWYP).

In addition, the national EITI Reports, the EITI working programmes as well as the results of the validations have been taken into account.

The report concentrates on the Central African region because MISEREOR and “Brot für die Welt” have partner organisations in this region whose work focuses on the extractive industry and which are members of PWYP and

EITI.¹ Together with partners, “Brot für die Welt”, MISEREOR and Global Policy Forum have therefore chosen the Central African region as an example to examine the above-mentioned issues in together with partners.

The report is understood as complementary to the activities at local level and seeks to support the work of the CSOs in these countries. However, conclusions can also be drawn from the results that are relevant to the future of EITI as a whole, beyond the countries examined. They confirm that the transparency of the financial flows in the oil and mining sector represents an indispensable step on the way to a socially and ecologically sustainable natural resource policy. Here, EITI is making an important contribution in many countries, but as a voluntary initiative, it comes up against limiting factors when governments and corporations lack the willingness to become seriously involved.

In the Central African region, EITI has contributed to turning revenue from oil production and mining into a subject discussed in society. This is regarded as a considerable step forward by representatives of civil society there. At the same time, however, it has become apparent that corruption in the extractive industry sector cannot be combated solely with EITI. This would require that the entire decision-making chain regarding the extraction of natural resources be made transparent. In addition, the relevance of EITI crucially depends on how significant and complete information is that is published in the context of the Initiative. Obviously, so far, this has only seldom been the case. Our survey arrives at the conclusion that given experience so far, a further development of transparency regulations in the extractive industry sector is urgently required, both within and outside the EITI process.

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1 Since it was not possible to travel to all countries of the region for capacity reasons, a selection had to be made. Given that, compared to the region's other countries, access to information is relatively good in Cameroon and all stakeholders declared their willingness to take part in interviews, this country was chosen to carry out the interviews at local level. Hence the focal point of the empirical survey was in Cameroon. Since no response was given to the questionnaire by Equatorial Guinea, it was not possible to include this country in the assessment.

1. Goals, principles and structure of EITI

In 2002, civil society organisations started the Publish What You Pay (PWYP) campaign. Their aim is to commit companies and governments to disclose payments in the context of the extraction of natural resources and the production of oil and gas. This is to raise the transparency of payment flows, reduce corruption and increase funds to combat poverty in the countries that are rich in natural resources but nevertheless poor.² The Extractive Industries Transparency Initiative (EITI) took up this idea. Launched by the United Kingdom's government at the World Summit on Sustainable Development in Johannesburg in the same year, the initiative experienced a rapid growth in political support. Today, EITI is supported by an unusually broad alliance of governments, CSOs, companies, investment funds as well as the World Bank and the International Monetary Fund (IMF).

In order to ensure the quality of EITI implementation, a so-called validation process is carried out. This validation is performed two years after the respective country has been accepted by the International Board as an EITI Member with a Candidate status. If, as a result of the validation, the country is certified to have fulfilled all EITI criteria, it is certified as a "compliant country". If the country does not fulfil the criteria, it remains in the Candidate status and has to subject itself to a renewed assessment in two years' time.³

EITI regards itself as an Initiative that has evolved from the idea via the principles to criteria and ultimately to a global standard with rules and procedures.

Goals and principles of EITI

EITI aims to achieve greater transparency of payment flows in the extractive industry sector. Here, transparency is regarded as the first important step to take advantage of the potential that this branch of industry bears for the development of the countries that are rich in natural resources. The central aspects of the EITI process are

- » the voluntariness of the process (voluntary EITI membership of countries exporting natural resources);
- » the disclosure of company payments and government revenue;
- » checking of figures by an independent auditing company;
- » regular publication of the EITI Reports in a comprehensible language;
- » civil society and company participation in the implementation of EITI in the respective countries.

The foundations of the Initiative are formulated in twelve principles and a catalogue of criteria comprising six items (see Boxes 1 and 2).

2 For further information on the Publish What You Pay international network, see www.publishwhatyoupay.org.

3 Cf. EITI Rules, including the Validation Guide, Edition 2011 (http://eiti.org/files/EITI_Rules_Validations_April2011.pdf).

Box 1: The EITI Principles

- 1.** *We share a belief that the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts.*
- 2.** *We affirm that management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interests of their national development.*
- 3.** *We recognise that the benefits of resource extraction occur as revenue streams over many years and can be highly price dependent.*
- 4.** *We recognise that a public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development.*
- 5.** *We underline the importance of transparency by governments and companies in the extractive industries and the need to enhance public financial management and accountability.*
- 6.** *We recognise that achievement of greater transparency must be set in the context of respect for contracts and laws.*
- 7.** *We recognise the enhanced environment for domestic and foreign direct investment that financial transparency may bring.*
- 8.** *We believe in the principle and practice of accountability by government to all citizens for the stewardship of revenue streams and public expenditure.*
- 9.** *We are committed to encouraging high standards of transparency and accountability in public life, government operations and in business.*
- 10.** *We believe that a broadly consistent and workable approach to the disclosure of payments and revenues is required, which is simple to undertake and to use.*
- 11.** *We believe that payments' disclosure in a given country should involve all extractive industry companies operating in that country.*
- 12.** *In seeking solutions, we believe that all stakeholders have important and relevant contributions to make – including governments and their agencies, extractive industry companies, service companies, multilateral organisations, financial organisations, investors, and non-governmental organisations.*

Adopted at the EITI Lancaster House Conference in June 2003.

Box 2: The EITI Criteria

1. *Regular publication of all material oil, gas and mining payments by companies to governments ("payments") and all material revenues received by governments from oil, gas and mining companies ("revenues") to a wide audience in a publicly accessible, comprehensive and comprehensible manner.*
2. *Where such audits do not already exist, payments and revenues are the subject of a credible, independent audit, applying international auditing standards.*
3. *Payments and revenues are reconciled by a credible, independent administrator, applying international auditing standards and with publication of the administrator's opinion regarding that reconciliation including discrepancies, should any be identified.*
4. *This approach is extended to all companies including state-owned enterprises.*
5. *Civil society is actively engaged as a participant in the design, monitoring and evaluation of this process and contributes towards public debate.*
6. *A public, financially sustainable work plan for all the above is developed by the host government, with assistance from the international financial institutions where required, including measurable targets, a timetable for implementation, and an assessment of potential capacity constraints.*

Structure of the Initiative

EITI is a multi-stakeholder initiative in which oil, gas and mining corporations, investment funds, civil society organisations, countries rich in natural resources and supporting countries are represented.

Presently (as of: July 2011), 35 countries rich in natural resources are Members of EITI, while a further 17 (industrialised) countries support the Initiative (cf. Table 1). Among the industrialised countries rich in natural resources, only Norway has so far made the step from a supporting to an implementing country.

Legally, EITI is a registered Association in accordance with Norwegian law. The EITI Association was founded in February 2009. Its responsibilities include electing the EITI Board, the Initiative's international decision-making body. The international activities of EITI are financed chiefly by the supporting countries and the private sector (31 percent oil and mining companies, 69 percent supporting countries).⁴

The Board comprises representatives from five implementing countries, three supporting countries, five CSOs, five companies and a representative of the investors (cf. Table 2).

The Board is supported by a Technical Secretariat based in Oslo. So far, global EITI conferences have been held every two years (cf. Table 3).

⁴ Contributions from German Development Cooperation (DC) accounted for around eight percent of the EITI budget in 2009/2010. With the additional financing of training measures as well as bi- and multilateral DC programmes in the sector, Germany ranks among the largest donors to the Initiative.

Table 1: Countries participating in EITI

Compliant countries (11)	Azerbaijan, Ghana, Kirgizstan, Liberia, Mongolia, Niger, Nigeria, Norway, East Timor, Yemen, ⁱ Central African Republic
Candidate countries (24)ⁱⁱ	Afghanistan, Albania, Burkina Faso, Democratic Republic of Congo, Gabon, Guatemala, Guinea, ⁱⁱⁱ Ivory Coast, Indonesia, Iraq, Cameroon, Kazakhstan, Madagascar, Mali, Mauritania, Mozambique, Peru, Republic of Congo, Zambia, Sierra Leone, Tanzania, Togo, Trinidad und Tobago, Chad
Further countries^{iv}	Ethiopia, Equatorial Guinea, São Tomé and Príncipe, Ukraine
Supporting countries	Australia, Belgium, Denmark, Germany, Finland, France, United Kingdom, Italy, Japan, Canada, The Netherlands, Norway, Qatar, Spain, Sweden, Switzerland, USA

- i Membership suspended since June 2011. The reason given by EITI is that: *"The Board agreed to temporarily suspend Yemen from the EITI process on 9 June 2011 citing concerns that it was 'not satisfied that the full and active participation of civil society and other actors in EITI implementation could be maintained'"* (Cf. <http://eiti.org/Yemen>).
- ii The Candidate Countries have demonstrated their willingness to implement EITI by fulfilling the following four indicators. (1) Explicit commitment to co-operating with civil society and the private sector; (3) Appointing a person to direct EITI implementation; (4) Compiling a work schedule that was commonly agreed with the stakeholders (cf. <http://eiti.org/document/validationguide>).
- iii Membership currently suspended owing to the difficult political situation in the country (cf. <http://eiti.org/Guinea>).
- iv Equatorial Guinea joined EITI in 2007, but showed no progress in implementing the EITI criteria. A request for an extension of the validation period was not granted. Equatorial Guinea would now have to apply anew for membership. São Tomé and Príncipe requested voluntary suspension in 2010. This request was not complied with by the EITI Board since suspension is only possible in the case of considerable political instability and conflict. Thus São Tomé and Príncipe is no longer a Member Country.

Table 2: Membership of the EITI Board 2011

Chair	Clare Short, former UK Development Minister (1997-2003)
Member Countries	Niger, DRK, Nigeria, Indonesia, Mongolia Deputies: Mauritania, Republic of Congo, Liberia, Azerbaijan, East Timor
Supporting Countries	USA, Spain, The Netherlands Deputies: Canada, United Kingdom, Switzerland
CSOs from the following countries	Mongolia, Ghana, DRK, UK (Global Witness), USA (Open Society Institute) Deputies: East Timor, Azerbaijan, Niger, The Netherlands, Peru
Companies/investors/ industrial federations	Statoil, Chevron, AREVA, International Council on Mining and Metals, Shell, Standard Life Investment Deputies: Pemex, ExxonMobil, Freeport-McMoRan Copper & Gold, International Council on Mining and Metals, BP, AllianzGI Investment Europe

Table 3: Chronological overview of EITI's development

June 2002	Press Conference on the formal founding of the international Publish What You Pay (PWYP) campaign in London.
September 2002	Tony Blair announces the founding of the Extractive Industries Transparency Initiative (EITI) on the occasion of the World Summit on Sustainable Development in Johannesburg.
June 2003	First EITI Conference in London; official launch of the Initiative.
September 2004	The Finance Ministers of the African Franc Zone (FCFA Zone) adopt a resolution announcing the Member Countries' joining EITI.
March 2005	Second EITI Conference in London; an International Advisory Group (IAG) is set up that is to prepare a proposal for the further structure and mode of operation of EITI.
June 2005	Gleneagles G8 Summit. EITI is supported in the Report of the Commission for Africa.
October 2006	Third EITI Conference in Oslo; structure of EITI is decided.
September 2007	The EITI Secretariat is opened in Oslo.
February 2008	The EITI Board adopts the validation concept.
February 2009	Fourth EITI Conference in Doha; Azerbaijan becomes the first Compliant Country.
March 2011	Fifth EITI Conference in Paris.

2. The natural resource situation in the Central African Region

The Central African Region comprises the countries of Cameroon, Chad, the Central African Republic (CAR), Gabon, Equatorial Africa, the Republic of Congo (Congo-Brazzaville) and the Democratic Republic of Congo (DRK) (cf. Figure 1). These states are among the continent's countries richest in natural resources. So far, however, being rich in natural resources has given them hardly any development impulses. Mostly, they rank close to the bottom end of the United Nations Human Development Index (HDI, cf. Table 4). In addition, the countries of the region are beset by human rights violations and inter-state crises

and conflicts that are frequently due to unregulated extraction of natural resources and poor governance. Moreover, these countries are characterised by high levels of corruption and little transparency of income and expenditure in the extractive sector.

Table 4: Indicators of development in the Central African Region

Country	Human Development Index (HDI) (position) ⁱ	Literacy among adults above 15 years (in percent)	Average life expectancy (in years)	RWI Transparency Index (in percent) ⁱⁱ	Corruption Perceptions Index (CPI) (position) ⁱⁱⁱ
Equatorial Guinea	117	93.0	51.0	No information available	168
DRC	168	66.6	48.0	22.5	164
Gabon	93	87.0	61.3	41.8	110
Cameroon	131	75.9	51.7	41.8	146
Republic of Congo	126	No information available	53.9	No information available	154
Chad	163	32.7	49.2	No information available	171
CAR	159	54.9	47.7	No information available	154

Sources: For HDI, literacy and life expectancy: UNDP (2010); for RWI Transparency Index: Revenue Watch/Transparency International (2010); for CPI: Transparency International (2010).

i A total of 169 countries were evaluated.

ii 100 percent implies full transparency of public revenue from the extractive sector, 0 percent complete lack of transparency.

iii A total of 178 countries were evaluated.

Oil production

With the exception of the CAR, oil plays a key role in the development of the Central African countries, even though production statistics are way below those of the leading oil-producing countries of Sub-Saharan Africa, Nigeria and Angola (cf. Table 5).

Whereas oil production is slightly on the decline in Gabon and Cameroon, production is stagnating in Equatorial Guinea and has seen a rapid increase in Chad in recent years. In the Republic of Congo, oil production has been growing again thanks to new oilfields being put into operation, having seen a slight decline at the beginning of the century. With the exception of Equatorial Guinea, which has chalked up a considerable rise in gas production since 2006,⁵ the large natural gas reserves of the region have so far been hardly used. However, they are to be developed over the next few years.

Mining

Compared to the oil sector, the formal mining sector in the countries of Central Africa is relatively poorly developed. In some countries, such as Cameroon, industrial mining is in its infancy, while in others such as the CAR and the DRC, this branch of industry has only been insufficiently integrated in the formal economy, and informal, small-scale mining is characteristic of production here. Since – in many cases – this area is not covered by any tax regulations, the extraction of mineral natural resources only makes a small contribution to state revenue in these countries. Moreover, the natural resources processing industry is virtually non-existent, so that value is only added through the extraction of resources.

Although foreign direct investment (FDI) has increasingly flown into Central Africa's natural resource sector over the last few years, this has chiefly been restricted to extraction, so that it has given hardly any impetus to the development of regional service and supply companies for the mining industry. Greater value-added has failed to materialise in Central Africa.

Table 5: Oil production in the Central African countries

Country	Start of production	Oil production in barrels/day (2009)	Reserves in billion barrels (2009)
Equatorial Guinea	1991	346,020	1.1
DRC	1975	22,000	0.2
Gabon	1957	241,810	2.0
Cameroon	1978	77,230	0.2
Republic of Congo	1957	274,340	1.6
Chad	2003	115,000	1.5
CAR		0	0
By comparison			
Nigeria	1958	2,211,420	37.2
Angola	1958	1,820,000	9.5

Sources: US Energy Information Administration, Country Analysis Briefs (www.eia.gov/countries) and own compilation.

i The barrel is the usual unit of oil quantities, with one barrel corresponding to 158.98 litres.

⁵ Cf. US Energy Information Administration, Country Analysis Briefs - Equatorial Guinea (www.eia.gov/countries).

Table 6: Economic significance of the natural resource sector 2009

Country	Extractive industry (in % of GDP)	Extractive industry (in % of exports)	Extractive natural resources	Estimated value (in billion US dollars)
Equatorial Guinea	No information available	No information available	Oil, bauxite	15
DRC	26	91	Oil, cobalt, nickel, copper, coltan, gold, diamonds, silver, manganese, zinc, tin, cadmium, germanium, beryllium, tungsten, uranium, coal	3.200
Gabon	62	> 80	Oil, manganese, niobium, iron ore, gold, uranium	1.100
Cameroon	30	> 60	Oil, bauxite, cobalt, nickel, uranium	800
Republic of Congo	63	91	Oil, tar sand	No information available
Chad	approx. 50	93	Oil, untapped uranium, gold, tin, tungsten and bauxite deposits	700
CAR	20	30	Gold, diamonds, uranium, copper, manganese, nickel, iron	800

Source: Own compilation and Treydte (2011).

Equatorial Guineaⁱ

Population: 693,400 inhabitants

GDP: 10.41 billion US dollars

Per capita GDP: 34.680 US dollars (2008 in purchasing power parities (PPP))

Gini coefficient:ⁱⁱ no information available

Multidimensional Poverty Index:ⁱⁱⁱ no information available

Natural resources: oil, bauxite

Human development index (position): 117

Literacy among adults over 15 years: 93%

Average life expectancy: 51 years

RWI Transparency Index: no information available

Corruption Perception Index (position): 168



i Sources for these and the other country boxes: UNDP: International Human Development Indicators (<http://hdr.undp.org/en/data/profiles/>); World Bank (<http://data.worldbank.org/country>); Revenue Watch Institute: Revenue Watch Index 2010 (www.revenuwatch.org/rwin-dex2010/rwindex.html); www.transparency.de/Tabellarisches-Ranking.1745.0.html; latest respective values.

ii The Gini coefficient is the statistical measure of a society's distribution equality. It gives the deviation from average income distribution. A Gini coefficient of 0 indicates completely equal distribution, while a Gini coefficient of 100 shows a completely unequal distribution of income.

iii The Multidimensional Poverty Index (MPI) represents a value for the form and extent of poverty by combining ten indicators in the areas of health, education and life standard. The higher the MPI, the higher poverty in the respective country. According to this index, the poorest country is Niger, with a value of 0.64 (2010) (cf. www.ophi.org.uk/policy/multidimensional-poverty-index).

Democratic Republic of Congo

Population: 67.83 million inhabitants

GDP: 10.58 billion US dollars

Per capita GDP: 327 US dollars (2008 in PPP)

Gini coefficient: 44.4

Multidimensional Poverty Index: 0.393

Natural resources: oil, cobalt, nickel, copper, coltan, gold, diamonds, silver, manganese, zinc, tin, cadmium, germanium, beryllium, uranium, tungsten, coal

Human Development Index (position): 168

Literacy among adults over 15 years: 66.6 %

Average life expectancy: 48 years

RWI Transparency Index: 22.5

Corruption Perception Index (position): 164



In detail, the natural resource situation is as follows in the countries of the Central African Region:

transparency, too. The majority of the population are still living in poverty. Only a small clique surrounding the president have become rich.

Equatorial Guinea

Oil and mineral gas production began in Equatorial Africa in the early 1990s. Since then, this small country, with its only 693,400 inhabitants, has risen to become one of the most important energy producers in the Gulf of Guinea region. Equatorial Guinea could boast an enormous economic upswing with an average growth rate of more than 20 percent between 1996 and 2005.⁶ Thus the country was among the world's most rapidly growing economies. Many foreign enterprises are attracted by it, especially from the USA and China, to invest in the oil and mineral gas sector. Income from the oil sector amounted to over 4.8 billion euro in 2008, accounting for 95 percent of state revenue.⁷ In 2009, the country was producing 346,020 barrels a day, making it the third-largest oil-producing country in the region (after Nigeria and Angola). Its natural gas deposits play an important role, too. In 2009, the country produced 232 billion cubic feet (bcf) of natural gas.⁸

Thanks to the oil boom, numerous infrastructure projects are currently being implemented. However, the country is governed with an iron hand by President Teodoro Obiang and his entourage. Obiang came to power through a coup d'état in 1979. Equatorial Africa is characterised by high levels of corruption and mismanagement. Administration of revenue from the oil sector by the government lacks

Democratic Republic of Congo

The country, which went through a bloody civil war (1998 to 2003) following the colonial period and the Mobutu dictatorship (1965 to 1997), is still characterised by violent conflict today. The political situation has only been stabilising very slowly since the 2006 elections.

The DRC has large deposits of copper, niobium, coltan, gold, diamonds and silver. In addition, zinc, manganese, uranium, tin, tungsten and coal are extracted. The struggle for control of the diamond, gold and coltan deposits was also one of the causes of the civil war. Even today, illegal extraction of natural resources is still one of the country's chief centres of conflict.

On a world scale, oil production in the DRC hardly plays a role. Through the Perenco company at the mouth of Congo, the country is producing approx. 22,000 barrels a day.⁹ However, new exploration rights have been granted, and this could raise the country's production levels over the next few years.

Mining is the backbone of the economy in the DRC. The World Bank has estimated that since the colonial era, this sector has accounted for 70 to 80 of total export revenue and around eight percent of GDP.¹⁰ The important corporations in the DRC include Anglo American, AngloGold

6 Cf. Kappel/Müller (2007).

7 Cf. Banque des Etats de l'Afrique Centrale (2010): Tableau des opérations financières de l'Etat: Guinée Equatoriale.

8 Cf. US Energy Information Administration, Country Analysis Briefs - Equatorial Guinea (www.eia.gov/countries).

9 Cf. US Energy Information Administration, Country Analysis Briefs - Congo (Kinshasa) (www.eia.gov/countries).

10 Cf. World Bank (2008), p. 10.

Gabon

Population: 1.5 million inhabitants

GDP: 11.06 billion US dollars

Per-capita GDP: 14,984 US dollars (2008 in PPP)

Gini coefficient: 41.5

Multidimensional Poverty Index: 0.161

Natural resources: Oil, manganese, niobium, iron ore, gold, uranium

Human Development Index (position): 93

Literacy among adults above 15 years: 87%

Average life expectancy: 61.3 years

RWI Transparency Index: 41.8

Corruption Perception Index (position): 110



Ashanti, DeBeers, Freeport-McMoRan Copper & Gold, Kanga Mining Ltd, First Quantum Minerals and Glencore.

However, income from the mining sector has failed to reach pre-war levels by far. Owing to the war, industrial mining collapsed almost completely, and informal small-scale mining above all gained in importance in the east of the country. Around ten million people work in the small-scale mining sector or are dependent on it.

The World Bank estimates that the mining sector could account for between 20 and 25 percent of GDP and thus generate around a third of total tax revenue.¹¹ The estimated tax potential is at 380 million US dollars a year,¹² but a mere 78 million US dollars was achieved in 2007 according to the 2009 EITI Report.¹³

In order to stabilise the commodities sector, the Congolese government has been attempting to restructure the mining sector for years. For example, a new mining and investment code has been adopted, new control mechanisms have been introduced, and infrastructure to tap the deposits has been established. Some of the mining contracts with international corporations have been renegotiated following an examination of 60 contracts concluded by predecessor regimes by a working group of government members and parliamentarians. The working group recommended the renegotiation of two thirds on the contracts and the annulment of the rest. The contracts, which had above all been signed with smaller mining companies in the civil war period and the subsequent transitional period, favoured the companies so clearly that the working group referred to them as "immoral".

In the ore-rich but conflictive eastern areas of the DRC, new concessions are increasingly being granted to foreign

firms to revitalise mining.¹⁴ In May 2011, a decree was adopted ordering the disclosure of all contracts in the extractive industries sector (oil, mining and timber).

Gabon

In terms of its per capita income, Gabon is the second-richest country in Sub-Saharan Africa, after Equatorial Guinea. Nevertheless, approx. 80 percent of the population are living below the poverty line. In 2009, the country produced approx. 241,000 barrels of oil a day. In spite of several years of decline in production, the petrodollars are still of considerable economic importance and represent one of the country's chief sources of income. Oil generates 82 percent of the country's export revenue, while its contribution to GDP is approx. 50 percent.¹⁵ In 2008, income amounted to 827 billion FCFA, which accounted for more than 50 percent of state revenue. In addition to oil, Gabon's wealth is above all based on timber exports and deposits of manganese.

Foreign companies are in control of the three chief export products. It is above all French investment that dominates the former colony. In the oil sector, two companies, Total Gabon und Shell Gabon, are in charge of more than 50 percent of the country's production. Manganese is extracted by COMILOG, a subsidiary of France's ERAMET, the world's second-largest manganese producer, and AREVA has acquired concession rights for further uranium exploration. Chinese firms are becoming increasingly involved in the Gabonese market, too. For example, they hold concessions for the country's considerable iron ore deposits.

11 Ibid.

12 Cf. BMZ (2010).

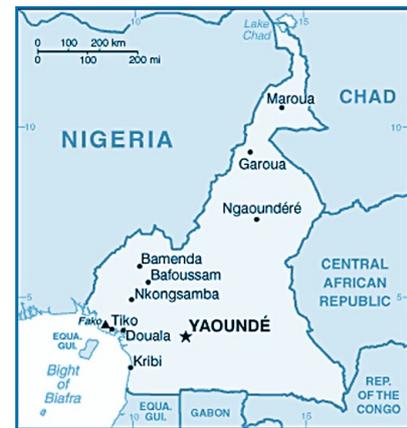
13 Cf. PriceWaterhouseCoopers (2009).

14 Cf. Johnson (2011).

15 Cf. Germany Trade & Invest (2009). Foreign trade is determined chiefly by the most important export products oil (83.7 percent of exports), manganese (9.4 percent) and timber (6.2 percent).

Cameroon

Population: 19.96 million inhabitants
GDP: 22.19 billion US dollars
Per-capita GDP: 2.219 US dollars (2008 in PPP)
Gini coefficient: no information available
Multidimensional Poverty Index: 0.229
Natural resources: oil, bauxite, cobalt, nickel, uranium
Human Development Index (position): 131
Literacy among adults over 15 years: 75.9%
Average life expectancy: 51.7 years
RWI Transparency Index: 41.8
Corruption Perception Index (position): 146



In contrast, Gabon has to import agricultural products. It is more than 95-percent dependent on imports from Europe and its neighbouring countries. Although the country is attempting to diversify its economy, it has so far been unsuccessful.¹⁶

Politically, power has lain in the hands of the Bongo family for years. When President Omar Bongo died in 2009, having been in power for 42 years, his son, Ali Bongo, took lead of the country.

Cameroon

Cameroon, which is also referred to as *"Afrique en miniature"* thanks to its wide range of scenery and cultures, is the economically most powerful country alongside the DRC in the Central African Region. Unlike its neighbouring states, it has succeeded in diversifying its sources of income more strongly. It above all exports coffee, cocoa, timber and oil and domestic food produce. Cameroon draws its revenue mainly from agriculture, the timber sector (including precious timber) and the oil sector.

Around 40 percent of the population live below the poverty line, unemployment rates are very high, and both the health and the education system are only poorly developed.

Oil production in Cameroon started in 1978 with the exploitation of the Rio del Rey Basin on the border with Nigeria. All oil production takes place offshore, frequently several kilometres off the coast. The country attained a production peak in 1988, when 180,000 barrels a day were produced. Since then, production volumes have been steadily on the decline.

In spite of the low production figures, oil production is an important source of revenue for the country. The share of

oil revenue in the state budget is approx. 20 to 25 percent, and oil accounts for approx. 60 percent of exports. Cameroon earns extra income through the Chad-Cameroon Pipeline, via which oil is transported from Chad to the Atlantic Ocean.

In Cameroon, the oil is mainly produced by the Anglo-French company Perenco and the Dutch company Pecten, a Shell subsidiary. The oil corporation Total, which dominated the country's oil sector for years, withdrew in 2010 and sold its production concessions to Perenco. In addition, numerous smaller oil companies from Europe, the United States and China have acquired concessions. They include Euroil Ltd, Noble Energy Cameroon Ltd, Sterling Energy, Addax Petroleum Cameroon, Kosmos Energy, Glencore Exploration Cameroon, and Yang Chang Logone Dev Ltd.

The state is represented by the national oil company SNH (*Société Nationale des Hydrocarbures*) in this sector. SNH itself is not involved in any production activities, but it negotiates on behalf of the state with the corporations and enters so-called Production Sharing Agreements (PSA) with them.¹⁷ The company is above all responsible for selling the state's share of oil on the world market. The state oil refinery SONARA (*Société Nationale de Raffinage*) produces for the domestic market but above all refines oil from Nigeria.

So far, the country's natural gas deposits have hardly been used, but they are to be tapped over the next few years. In 2009, Cameroon tapped approx. 0.8 billion cubic feet (Bcf).¹⁸

¹⁷ These agreements are secret. Key elements comprise: distribution of oil production between SNH and the private company (according to Cossé (2006)) is at the average distribution rate of 63 percent for SNH and 37 percent for the private company), production costs are paid, and a profit guarantee is fixed for the companies as is the level of tax and duties.

¹⁸ Cf. US Energy Information Administration, Country Analysis Briefs - Cameroon (www.eia.gov/countries).

¹⁶ Ibid.

Table 7: Cameroon's oil production

Year	Annual oil production (in million barrels) ^A	Oil revenue (total) ⁱ (in million Euro) ^B	Oil revenue according to EITI Reports (in million Euro) ^C (only direct payments to government)
2002	37.4	561	No information available
2003	35.6	493	111
2004	32.6	532	131
2005	30.1	698	163
2006	31.9	960	143
2007	31.2	980	157
2008	30.7	1.247	218
2009	26.7	780	No information available

Sources: A and C: Republic of Cameroon, Ministry of Finance (2006), (2007) und (2010).

B: Banque des Etats de l'Afrique Centrale (2010): Tableau des opérations financières de l'Etat: Cameroun.

- i In addition to direct payments by extractive industry companies to the state, total revenue also includes indirect payments in kind in the shape of Production Sharing Agreements (PSA). This oil is sold on the international markets, and proceeds flow to the state. So far, this revenue has not been considered in the EITI Reports. The reports are therefore incomplete.

As yet, mining has only played a marginal role in Cameroon's economy. Revenue for this sector from 2006 to 2008 amounted to 640,000 Euro.¹⁹ Smaller deposits of gold and diamonds are being mined by small-scale prospectors. This is going to see fundamental changes over the next few years. The country owns one of the largest cobalt/nickel deposits in the world as well as bauxite, iron ores and uranium in economically exploitable volumes. In addition, prospecting for gold and diamond mining is to be industrialised. Concessions have been granted mainly to foreign corporations, above all from the USA, China, South Korea, South Africa and Canada. Expanding mining is hoped to offset dwindling income from oil production.

More than ten billion US dollars is to be invested in the sector. It is above all intended to be used for the implementation of infrastructure measures such as roads, railway, ports and dams.

19 Cf. Republic of Cameroon, Ministry of Finance (2010).

Republic of Congo (Congo-Brazzaville)

Population: 3.76 million inhabitants
GDP: 9.58 billion US dollars
Per-capita GDP: 4.583 US dollars (2008 in purchasing power parities)
Gini coefficient: 47.3
Multidimensional Poverty Index: 0.270
Natural resources: oil, tar sands
Human Development Index (position): 126
Literacy among adults over 15 years: No information available
Average life expectancy: 53.9 years
RWI Transparency Index: No information available
Corruption Perception Index (position): 154



Republic of Congo (Congo-Brazzaville)

The Republic of Congo has been producing oil since the end of the 1950s. With an oil production of 274,000 barrels a day, it is the fifth-largest oil producer in Sub-Saharan Africa.²⁰ Revenue from the oil sector is the most important source for the country, and it accounts for approx. 90 percent of proceeds from exports. In 2008, total state revenue was at 2,444 billion FCFA (3.6 billion Euro), with income from the oil sector amounting to 2,117 billion FCFA (3.2 billion Euro).²¹ The balance of state revenue comes mainly from the timber sector. For 2011, the Ministry of Finance is reckoning with income to the tune of 2,223 billion FCFA (3.3 billion Euro).

In addition to a major onshore field in the Kouilou region, 40 km east of the oil city of Pointe Noire, oil production is run offshore. The most important oil corporations in the Congo are Total, E&P Congo and ENI Congo, which account for more than 80 percent of the country's overall production. In addition, there are a number of other foreign companies.²² The state corporation SNPC (*Société Nationale des Pétroles Congolais*) holds a minority share of some oilfields and is also the state contract partner of the private companies. The corporation does not have the capacities to conduct its own production activities. The chief activity of SNPC is selling the oil on the world market.

Additionally, the country has considerable amounts of tar sands/oil sands, for which the Italian corporation ENI holds the producing lease. Extracting oil sands entails grave

damage to the environment and is going to pose immense ecological and social challenges for the country.²³

As yet, the mining sector is not playing an important role. Some corporations, such as Cominco Resources, Sanu Resources Ltd, Potasse Congo and Million Well Holding, hold exploration concessions. In the coming years, the potassium industry is to be established near the coast.

So far, the Republic of Congo has not taken advantage of its natural resource wealth to initiate positive developments in the country. On the contrary, this wealth has encouraged years of armed power struggles that destroyed wide expanses of the central region around the capital in the 1990s.

The economic situation of the people also worsened after the end of the armed conflicts. Today, 70 percent of the population are living on less than one US dollar a day. Furthermore, the country is plagued by unemployment, public services hardly work, there is no proper school education, the health system has been neglected, and infrastructure is in a desolate state.²⁴

20 Cf. US Energy Information Administration, Country Analysis Briefs – Congo (Brazzaville) (www.eia.gov/countries).

21 Cf. Banque des Etats de l'Afrique Centrale (2010): Tableau des opérations financières de l'Etat: Congo.

22 Chevron, CMS Nomeco Congo, M&P Congo, Likouala SA, Congo-rep, Maurel and Prom, Murphy Oil, Perenco.

23 Cf. Heinrich Böll Stiftung (2009).

24 Cf. Secours Catholiques (2011).

Chad

Population: 11.51 million inhabitants

GDP: 6.84 billion US dollars

Per-capita GDP: 1.331 US dollars (2008 in PPP)

Gini coefficient: No information available

Multidimensional Poverty Index: 0,344

Natural resources: oil, uranium, gold, tin, tungsten, bauxite

Human Development Index (position): 163

Literacy among adults over 15 years: 32.7%

Average life expectancy: 49.2 years

RWI Transparency Index: No information available

Corruption Perception Index (Position): 171



Chad

Chad has only belonged to Africa's oil countries since the end of 2003. Production in the country's southern region of Doba is performed by a consortium of three oil corporations, Exxon (USA), Chevron (USA) and Petronas (Malaysia). Crude oil is transported via the 1,070 km long Chad-Cameroon Pipeline to the Cameroon coast, from where it is above all shipped to the United States.

Over the coming years, Chad is going to raise its production targets with further oil projects in the Doba region, but also, and in particular, with new production projects in the south-western region, close to Bousso and Bongor. There, the Chinese company CNPC (*China National Petroleum Company*) is currently tapping new oilfields. An increase in production by 30,000 to 60,000 barrels a day is expected. The crude oil from the region will no longer be exported but refined in Chad in order to supply the national and regional market (Northern Cameroon, Niger, Nigeria).

Since Chad has been producing oil in the Doba Basin, the country has enjoyed an exponential increase in state revenue. In 2008, Chad received 856 billion FCFA (1.3 billion euro) from the oil sector, which accounted for 79 percent of the state budget. By comparison, in 2002, before the start of oil production, total state revenue had been at 110 trillion FCFA (167 million Euro).²⁵ Several construction projects are planned in the capital and in other regions – financed by proceeds from the oil sector. For example, roads, sports stadiums, universities, etc. are being built. But in spite of revenue from the oil sector and the many new infrastructure projects, the social state of Chad remains precarious.

Thanks to oil revenue, the Government of Chad under President Idriss Déby, who has been in office since 1990, has been able to raise military expenditure and consolidate its power. Corruption is a serious problem for the country. In 2010, Chad was among the five countries perceived as the most corrupt ones in the world.²⁶

Oil production has not resulted in any improvements in the economic and social situation of the population at large. In 2010, at 0.295, the Human Poverty Index was even below the value seven years before (0.376), i.e. shortly before oil production had started.²⁷ In addition, oil production in Chad has created a number of severe social and ecological problems, including increasingly numerous conflicts over land that is becoming ever scarcer, but that smallholders depend on to feed themselves and their families.²⁸

In addition to oil, the country has deposits of uranium, gold, tin and other mineral resources that have however so far not been tapped.

25 Cf. Banque des Etats de l'Afrique Centrale (2010): Tableau des opérations financières de l'Etat: Chad.

26 Cf. www.transparency.de/Tabellarisches-Ranking.1745.0.html.

27 Cf. UNDP (2003 and 2010).

28 Cf. Miankeol (2010).

Central African Republic

Population: 4.51 million inhabitants

GDP: 2.01 billion US dollars

Per-capita GDP: 766 US dollars (2008 in PPP)

Gini coefficient: No information available

Multidimensional Poverty Index: 0,512

Natural resources: Gold, diamonds, uranium, copper, manganese, nickel, iron

Human Development Index (position):159

Literacy among adults over 15 years: 54.9%

Average life expectancy: 47.7 years

RWI Transparency Index: No information available

Corruption Perception Index (Position): 154



Central African Republic

The Central African Republic (CAR) is the only Central African country without oil production. However, it is a country rich in natural resources with large deposits of diamonds, gold, uranium, copper, nickel and iron. Further export commodities include timber, cotton and coffee. Initial exploration suggests that there could also be oil in the country's North and South.

At around five percent of state revenue, the industrial mining sector has not played any significant economic role for the country so far.²⁹ The natural resources are extracted mainly through small-scale mining. For a few years, however, the government has been making efforts to industrialise mining with several major projects. The uranium deposits, in particular, appear to bear a considerable potential. The French energy company AREVA and Axmin/Aurafrique from South Africa hold the exploration rights. As yet, most of the mining projects in the CAR are still in the exploration phase.

The chief sources of revenue are the gold and diamond deposits that are informally being extracted by small-scale prospectors. Estimates suggest that 100,000 are working as small-scale prospectors, chiefly in the regions of Berbérati, Haute-Kotto and Haute-Sangha. According to official sources, the country produced 311,000 carats of diamonds as well as 61 kg of gold in 2009, and in 2008 it had been 377,000 carats of diamonds and 43 kg of gold.³⁰

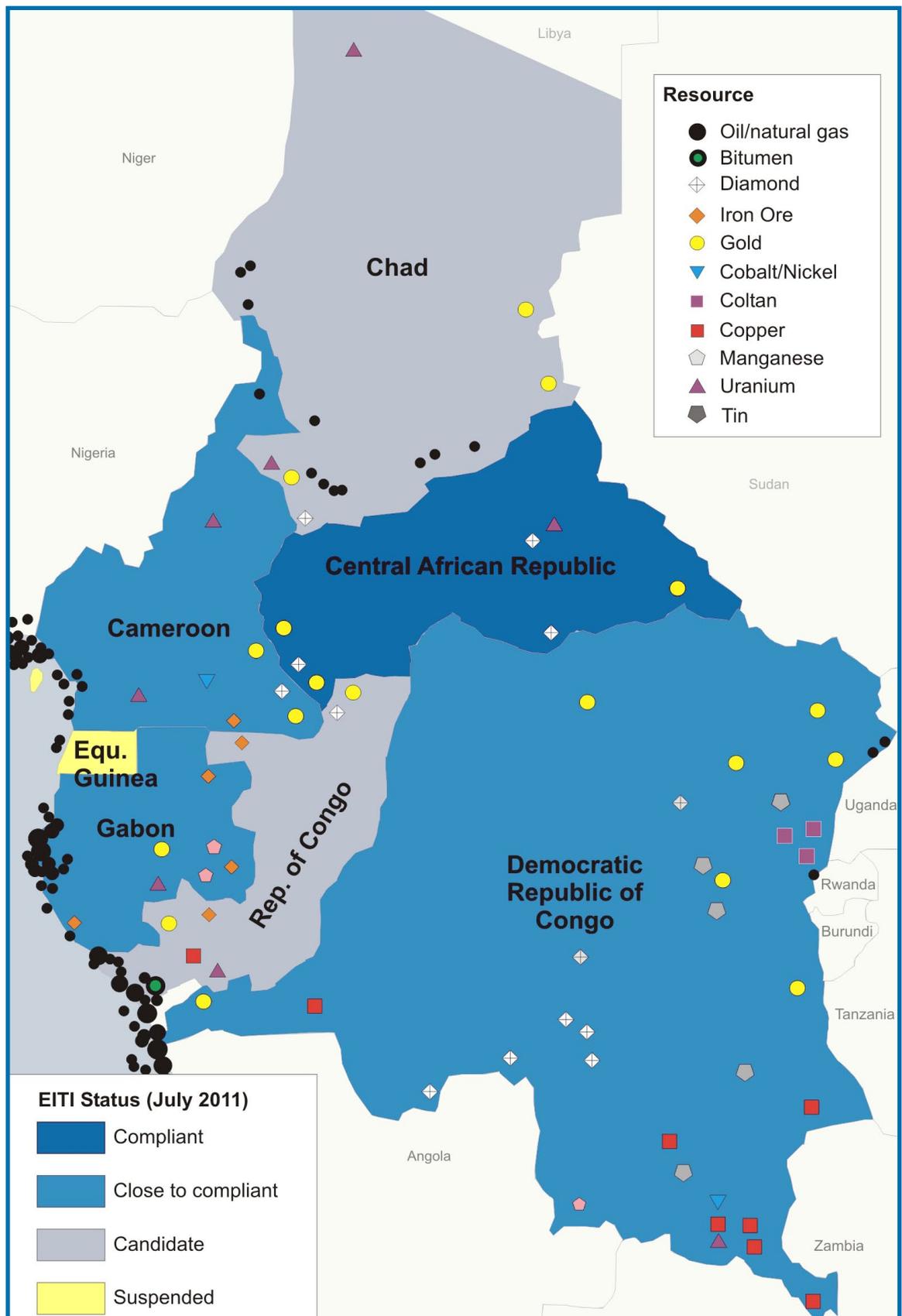
The state receives its revenue from the informal mining sector through tax and duties of the so-called BAIE (*Bureau d'Achats et d'Import-Export*), registered buying-up agencies that purchase the gold and diamonds from the

small-scale prospectors or middlemen to export it. In the past, however, many of these agencies did not pay any duties because they brought the natural resources out of the country illegally. The government thereupon shut down a large number of the agencies. Nevertheless, corruption and the black economy remain a widespread problem. Thus the share of legally exported diamonds is just 20 to 30 percent, so that potential revenue in the magnitude of 70 to 80 percent goes lost owing to a lack of transparency,

²⁹ Cf. Runge (2008).

³⁰ Cf. Bermúdez-Lugo (2011).

Figure 1: Natural resources and EITI status of the countries in Central Africa



Cartography: A. Müller © 2011

3. EITI in Central Africa

The countries of the Central African Region already joined EITI between 2004 and 2007. However, the implementation process has made different progress in the individual countries (cf. Table 8).

Table 8: Implementation of EITI in the countries of Central Africa

Country	Joined EITI in	Status (as of July 2011)	Validation	EITI Reports		
				Number	Date of publication	Period under review
Equatorial Guinea	2007	Suspended (16th April 2010)	No information available	1	March 2010	2007-2008
DRC	2005	Close to compliant)	February 2010	1	March 2010	2007
Gabon	2004	Close to compliant	January 2010	3	December 2005	2004
					April 2007	2005
					March 2008	2006
Cameroon	2005	Close to compliant	January 2010	3	November 2006	2001-2004
					March 2007	2005
					September 2010	2006-2008
Republic of Congo	2004	Candidate	June 2010	2	August 2009	2004-2006
					January 2011	2007-2009
Chad	2007	Candidate	April 2012	0	October 2011	No information available
Central African Republic	2007	Compliant	November 2010	2	March 2009	2006
					December 2010	2007-2009

Source: www.eiti.org.

Details of EITI implementation in the countries of the Central African Region:

Equatorial Guinea

Equatorial Guinea officially joined EITI in 2007. In the same year, a Multi-stakeholder Committee was set up, a co-ordinator appointed and a work plan compiled. The Committee comprised 26 government representatives, 12 corporations and 15 civil society organisations (including five representatives of political parties with close government affiliations). In February 2008, the country was accepted as a Candidate by the International EITI Board. The first EITI Report was completed in March 2010, covering the payment flows of 2007 and 2008. However, this report was never made publicly accessible, for example by placing it on the national EITI Homepage. When the validation process started in 2010, the government of Equatorial Guinea requested the International EITI Board for an extension since not all of the requirements had been met.³¹ But this was not approved by the Board. On the 16th April 2010, the country was thereupon stripped of its Candidate status. Thus Equatorial Guinea was the first country to have been struck from the list of Candidates (in addition to São Tomé and Príncipe, which withdrew voluntarily).

Given this experience, the government of Equatorial Guinea is suspected to have chiefly intended to create an image of good and transparent governance and boost its poor image by joining EITI.

A free civil society is virtually non-existent in Equatorial Guinea. Most civil society organisations that were engaged in the EITI process were not independent but were in fact very close to the government. Moreover, they were rarely able to make a constructive contribution to the transparency initiative because they were seldom informed about important meetings by the government, and, if so, often far too late.³²

Only two CSO representatives in the EITI Committee are really supposed to have been independent. Again and again, they became victims of government harassments, threats and attempts to intimidate them.³³ Thus any constructive and independent involvement of civil society in EITI was impossible. EG Justice, a CSO campaigning for the strengthening of human rights in Equatorial Guinea, notes on this:

“Government cooptation of the National Committee amounted to ‘a terrible joke’ and ‘a classic kind of fraud’ according to an independent international observer sent to Equatorial Guinea in August 2008 to evaluate the EITI process.”³⁴

Equatorial Guinea remains a very repressive country in which oppositionists and human rights activists are frequently harassed, imprisoned and tortured. Moreover, all media are under government control. The lack of engagement of a free civil society in the EITI process was crucial to the EITI Board stripping the country of its Candidate status.

Democratic Republic of Congo

The DRC joined EITI in November 2005.³⁵ In February 2008, it was recognised by the International Board as an EITI Candidate.

At the beginning of the initiative, three bodies were formed by decree: (1) the Steering Committee (*Comité de Pilotage*), with 23 members, (2) the 40-member Technical Committee (*Comité Technique*) and (3) the Secretariat (*Secrétariat Permanent*), with a Co-ordinator and three assistants.

All in all, the national EITI structure comprised more than 70 members. It was too big, and internal conflicts of interest impeded developments and the implementation of an EITI work plan. Additionally, the DRC was in a transitional political phase at this stage. This resulted in the EITI Committees above all dealing with themselves as soon as the country had joined EITI.

In July 2009, EITI was restructured in the DRC. An Executive Committee (*Comité Exécutif*) was set up as the decision-making body comprising 16 members (eight members from the Government, four representatives each from civil society and the private sector). Its area of responsibility contains publishing the reports and agreeing the work plan and the budget. A technical secretariat supports the Executive Committee and is responsible for communication. In addition, EITI structures can also be developed in the provinces that support the national structure in establishing data and implementing EITI at regional level. The Initiative has become more effective thanks to restructuring and has prepared a work plan with a budget for 2010-2011.

31 Cf. EITI Equatorial Guinea (2010).

32 Cf. EG Justice (2011).

33 Ibid.

34 Ibid., p. 30.

35 Cf. Présidence de la République Démocratique du Congo (2005).

In the DRC, EITI is financed by the Multi-Donor Trust Fund of the World Bank and the Government. In addition, some activities have been supported by Belgian and German DC. The financial share of the Congolese Government has remained very low.

On the 22nd March 2010, the country published its first EITI Report. It covered the payment flows in 2007 from the copper and cobalt sector in the chief extraction region of Katanga, as well as from the oil sector in the Province of Bas-Congo. In all, 25 corporations (20 mining and five oil companies) disclosed their payments. Given the large number of natural resources in the Congo and the special importance of small-scale mining, the EITI Members decided to concentrate on those natural resources that are industrially extracted, since this data was available. Small-scale mining operates predominantly on an informal basis and is hardly covered by the DRC tax system. It was originally intended in the DRC to include the payments from the timber and the hydroelectric sector, too, although this was not put into practice. The Report shows that the Congo receives more revenue from the oil sector than from the two other ones. Since the informal mining sector accounts for an estimated 90 percent of mining output, the Report presents a distorted image of the real situation. Moreover, it contains considerable discrepancies between Government revenue and payments by corporations.

Unlike the other states of the Region, with the exception of the CAR, the EITI Report lists all payment flows according to companies. The Report was published in French, as the official language, as well as in a summarised version in four national languages (Lingala, Swahili, Kikongo und Tshiluba).

After the validation process, the DRC was rated close to compliant by the International Board on the 14th December 2010. To obtain full membership status, the DRC will have to publish a second report covering the 2008-2009 period and including the informal sector. In addition, the Government is to ensure that all natural resource companies make their data available.

Civil society is represented in the EITI Executive Committee by four organisations that were elected by the members of the two platforms PWYP and RRN in August 2009 (see Annex 1). Important decisions are supposed to be agreed by consent by the civil society groups. For this purpose, they are voted on by the four CSO representatives and then passed on to the members of PWYP and RRN for deliberation. The poor communications infrastructure in the DRC presents a challenge for both networks, making the passing on of information and co-ordination among the members, who come from all over the country, very difficult.

PWYP in the Democratic Republic of Congo

The Congolese Publish What You Pay Coalition was formed in February 2006. It has the declared goal of improving transparency in the extractive sector and supporting and promoting EITI in the country. The Coalition runs publicity campaigns, co-operates with the media and is involved in budget monitoring. In addition, the Coalition organises workshops with parliamentarians and members of parliament from the mining provinces on the transparency of regional revenue from mining (*redevance minière*). After publishing the EITI Report, the Coalition conducted various measures to draw attention to the Report.

In addition to PWYP, there is a further civil society platform in the DRC, the "Natural Resources Network" (*Réseau Ressources Naturelles, RRN*).ⁱ This network has more than 300 members. RRN is engaged mainly in the timber sector, although it is also active in the field of other resources (oil, mining, water) and campaigns for the rights of the population in the extraction areas.

ⁱ Also see: www.rmrnc.org.

Gabon

In May 2004, the now deceased President Ali Bongo declared that his country would join the Transparency Initiative. Thus Gabon was one of the first countries in EITI. In 2005, on the basis of a decree and ministerial resolutions (*Arrêté Ministériel*), two EITI Committees were founded, the so-called Interest Group (*Groupe d'Intérêt, GI*) and the Working Group (*Groupe de Travail*). The GI is responsible for the implementation of EITI and is supported by the *Groupe de Travail*, which is responsible for the technical issues. Both Committees comprise government representatives, corporations and civil society organisations. Since 2009, the Interest Group has consisted of five Government members, three companies (two from the oil and one from the mining sector) as well as six representatives of civil society. However, the term civil society has a very wide meaning and covers, for example, one Member of Parliament.

As early as 2005, the country published the first EITI Report on payment flows in 2004. However, the Report contains no figures on the Government's share of profits, which accounts for an estimated amount of income from the country's oil of more than 50 percent. Further reports followed in April 2007 and March 2008. They did include more information. For example, the mining sector was considered and more enterprises were involved. Nevertheless, CSOs

criticise that the Reports only contain aggregated figures that do not explain discrepancies between payments made by corporations and Government revenue, and that a large number of companies did not submit audited figures.³⁶

Gabon was granted Candidate status on the 27th September 2007. The validation process started at the end of 2009, and the Final Report was completed in July 2010. It arrived at the conclusion that the country had met all indicators ought to be given compliant status.

On the 20th October 2010, the International EITI Board rated Gabon close to compliant. In order to attain the full membership status, it required some improvements, such as a swift publishing of the EITI Reports on the financial flows of 2007-2008, a timetable for the publication of the 2009 Report and the stating of all companies, including those making payments in the shape of natural resources or material.³⁷

The relationship between the Government and the CSOs in Gabon is tense. Again and again, network activists have become victims of harassment and threats. Tension reached a climax towards the end of 2008/early 2009, when PWYP members were arrested and imprisoned for several days. The PWYP Co-ordinator, who is also a member of the Groupe d'Intérêt, was forbidden to leave the country to attend various events abroad. As a result of this tension, and of the government's oppression of civil society activists, Gabon, which was on the International EITI Board, was expelled from the Board.

Since then, there have been CSO reports that the situation has slightly improved, and the Government is making an effort to involve CSOs more strongly in national EITI activities.

36 Cf. <http://data.revenuewatch.org/eiti/country/gabon.php>

37 "The Board considers that the following remedial actions are required in order for Gabon to achieve compliance: 1. The EITI Criteria require regular reporting. The EITI report covering 2007-2008 should be published and disseminated as soon as possible. There should also be a clear and agreed timetable for the publication of the 2009 report. 2. The 2007-2008 report should be based on a clear definition of materiality, and includes "all material oil, gas and mining payments to government" and "all material revenues received by governments from oil, gas and mining companies"(Indicators 14 and 15). The Interest Group should ensure there is a clearly agreed position on the participation of companies in the exploration phase. The Interest Group may wish to consider a specific figure that defines a material payment. 3. All companies making material payments should participate in the 2007-2008 report (Indicator 11), and any barriers to engaging all companies in the process have should have been addressed (Indicators 7 and 8). All government entities in receipt of material revenues must fully participate in the reporting process." (Summary Report, 13th EITI International Board Meeting, October 19-20, 2010, Dar es Salaam) (<http://eiti.org/about/boardmeeting>).

PWYP Gabon

PWYP Gabon has been in existence since 2006, and originally, it was one of the most active networks in the Region. The Coalition consists of more than 25 members and deals mainly with combating corruption and with budget monitoring as well as with EITI implementation. In this context, sensitisation campaigns were run as well as workshops on EITI.

Cameroon

On the 17th March 2005, the then Minister of Finance Abah Abah officially declared during the EITI Conference in London that Cameroon was joining EITI. This was confirmed by the Prime Minister by decree on the 16th June 2005.

Two Committees were formed, the so-called *Comité de Suivi* and the *Secrétariat Technique*. The *Comité de Suivi* acts as a decision-making body on the implementation of EITI. The *Secrétariat Technique* sees to the day-to-day activities and supports the Committee.

Following one of the most important EITI criteria, the Committee consists of the three main groups of actors: Government (6), private sector (6) and civil society (12). The Committee is directed by the Minister of Finance.³⁸

In 2006, the first EITI Report was published on the payment flows in 2001 to 2004 (cf. Table 9). After 30 years of extraction, this was the first time that figures from the oil sector were publicly announced. The second report (2007) contained the 2005 figures. In the same year, the country attained Candidate status. Thus Cameroon had two years' time to meet the prescribed transparency standards.

Towards the end of 2009/beginning of 2010, Cameroon was validated. The reviewer's report confirmed a number of positive developments and judged that a total of 14 out of 18 indicators had been attained. However, it pointed to shortcomings at the same time. For example, it criticised that no new information had been published since 2007. The EITI Committee only published the third Report, containing the 2006-2008 data, in September 2010. The three Reports reflect not only the payment flows but also the production statistics according to deposits.

In the course of the validation process, the International EITI Board rated Cameroon as close to compliant in October 2010. By April 2011, the Government of Cameroon

38 Cf. Annex 1 for the exact composition of the EITI Committees.

had provided further information in order to attain compliant status. The decision by the EITI Board was expected to come in June 2011, but was postponed to a later date.

Civil society has twelve members on the Cameroon EITI Board and is also represented in the Secretariat. Originally, six civil society members had belonged to the Committee, including the three major religious communities (Catholics, Protestants and Moslems), whom the Government had appointed by decree. Urged by several civil society groups, the Government admitted further seats for civil society. These members were elected by an assembly of non-governmental organisations.

The civil society members of the *Comité de Suivi* are not a homogenous group. A splitting into two camps is becoming apparent: those non-governmental organisations who see their role in that of critical and public support of the process, and those following government opinion. The civil society members also include two parliamentarians one of whom belongs to the opposition. This blurs the interests and roles in society of the Committee's civil society members. Because of this, civil society in EITI is rarely able to develop a uniform position. Several of its representatives regard this as a weakening of its powers of self-assertion.

PWYP Cameroon

Cameroon's Publish What You Pay Coalition is a network of ten organisations from the environmental, human rights and church sector. The network was founded in December 2005. The chief founding organisations were CSOs engaged in the Chad-Cameroon Pipeline Project. The Justitia et Pax Commission (*Service National "Justice et Paix"*) has accommodated the Coalition's Secretariat since 2009.

Sensitising various groups of actors is one of the Coalition's priorities. This is why several meetings and seminars were run together with parliamentarians, journalists, trade unionists and representatives of church groups. The Coalition publishes its information brochure "*Industries Extractives: En Toute Transparence*" twice a year.

PWYP is represented in the Cameroon EITI Committee with six members and is active in several of the Committee's working groups.

Table 9: Oil revenue in Cameroon – actual and target levels (in million US dollars)

	Year								
	2000-2001 ⁱ	2001-2002 ⁱⁱ	2002 ⁱⁱⁱ	2003	2004	2005	2006	2007	2008
Statements by the extractive industry companies on their payments to the state	174.4	143.1	49.0	120.9	172.4	204.0	209.0	244.0	261.0
Statements by the state on its revenue from extractive industry companies	170.5	147.9	47.3	126.2	164.6	203.0	180.0	217.0	321.0
Balance	3.9	-4.8	1.7	-5.3	7.8	1.0	29.0	27.0	-60.0

i 2000/2001: period under review 01.07.2000 to 30.06.2001.

ii 2001/2002: period under review 01.07.2001 to 30.06.2002.

iii 2002: period under review 01.07.2002 to 31.12.2002.

Source: Republic of Cameroon, Ministry of Finance (2006), (2007) and (2010).

Republic of Congo (Congo-Brazzaville)

The Republic of Congo joined EITI on the 10th June 2004, although it was not until 2006 that the institutional framework was fixed by decree, and in September 2007, the members of the responsible Committees were nominated.

Since then, EITI in the Congo has consisted of an Executive Committee (*Comité Exécutif*) and a Consultative Committee (*Comité Consultatif*). The Executive Committee has a total of 20 members five of whom each come from civil society and the private sector and ten from the Government. The Executive Committee is responsible for the implementation of the EITI Process. In addition to the Minister of Finance as President of the Committee, there are two Vice-Presidents, one from civil society (*Rencontre pour la Paix et les Droits de l'Homme/PWYP*) and one corporate representative. (Total E&P Congo).

The Consultative Committee consists of seven specialists, two each from the Government and civil society and three from companies. On request or on self-initiative, they advise the Executive Committee. The Consultative Committee is directed by the Oil Ministry. An Executive Secretariat is responsible for the day-to-day activities.

The EITI Process is financed by the Congolese Government and the World Bank. The 2008-2010 work plan was to cost 3.7 million Euro. However, they only managed to raise half of the budget.

After the Government had adopted a work plan for 2008 to 2010, the country was admitted as a Candidate by the International EITI Board on the 22nd February 2008. In August 2009, the first EITI Report on the production numbers and payment flows of the years 2004 to 2006 was published. Thus, for the first time in the country's history, revenue from the oil sector was officially presented. However, the statements are incomplete. The small number of mining activities were not considered, and above all the Congolese Government Corporation SNPC, which assumes a key role, did not provide all the information requested. Thus the payment flows presented there do not reflect the reality of the revenue situation from the extractive sector in the country. For the three years under review, the Report shows discrepancies between the declared payments by corporations (4.3 billion Euro) and government revenue (4.1 billion Euro) to the tune of a total of 202 million EUR (133 billion FCFA).

PWYP Congo

As a result of the 2002 Bishops' Declaration, the Congolese Coalition "*Publiez ce que vous payez*" was founded one year later. It comprises several CSOs as well as the Justitia et Pax Commission of the Diocese of Pointe Noire, which also co-ordinates the network. In its engagement, the Congolese Coalition seeks direct dialogue with the international oil corporations, which are to publish their payments to the government. In addition, it co-operates with Members of Parliament and Ministry of Finance staff and runs public relations activities.

In the past, members of the PWYP Coalition have again and again been the victims of smear campaigns, harassments and intimidations on the part of the government. In 2007, the two activists Brice Mackosso (*CDJP Pointe Noire*) and Christian Mounzeo (RPDH) were arrested. Only international support and protest led to their release.

However, PWYP is not the only civil society representation in the Republic of the Congo's EITI Committees. Other CSOs behave far more government-conform, which results in tension within the civil society groups in the EITI Committees.

Validation was carried out in June 2010. The Final Report confirms that the country has made progress in all EITI areas and approves of full membership status for the Republic of Congo.

In January 2011, the second EITI Report on the payment flows in the years from 2007 to 2009 was published in which several corporations from the mining sector were involved.

Owing to the bloody civil war of the 1990s and the clamp-down on civil rights activists and critics of the regime, only few CSOs addressed political and social issues in the Republic of Congo for a long time. It was the local Catholic Church that promoted civil society's stronger engagement in the oil sector. In their declaration of June 2002, the Bishops called for fundamental changes in the way oil revenue was used and administrated. This included a demand for a law on the administration of oil revenue and the regular publishing of the state oil corporation's financial activities. The declaration by the Bishops' Conference was also meant to initiate a public debate on a lack of transparency regarding the use of oil revenue and encourage dialogue with state institutions and corporations.

Chad

On the 20th August 2007, this country officially declared that it was joining EITI³⁹ and resolved the founding of two EITI Committees by decree in December of that year.⁴⁰ In the following months, however, no further implementation measures were taken, in spite of civil society's demanding this and international donors (African Development Bank, IMF, France and Germany) guaranteeing the Government financial and technical support in order to promote the EITI Process.

This passiveness resulted in the International EITI Board not recognising Chad as a Candidate Country in February 2008. The Government side stated that the reason was the violent conflict with the rebels in the East of the country who, among other things, had attacked the capital in February 2008.

The initiative was only revived in February 2010. Two EITI Committees were appointed by decree: the *Haut Comité National* (National Committee), consisting of 28 members, twelve of whom come from the Government, six from the private sector and ten from civil society, and the *Haut Comité National*, the national decision-making body. The *Comité de Pilotage* (Steering Committee) is responsible for operative activities. It comprises ten members, two each from civil society and the private sector and ten from the Government. Both Committees are supported by a Secretariat.

A work plan was adopted on the 30th March 2010. The initiative is financed by the Government as well as the EU and the African Development Bank (AfDB). The EU and the AfDB are supporting the implementation of the work plan, and the Government day-to-day operation. According to the work plan, the first EITI Report on revenue from the extractive industry sector is to be published in October 2011.

Chad was accepted as a Candidate Country by the International EITI Secretariat on the 16th April 2010. It now has time until the 15th April 2012 to conclude the validation process and become a Full Member.

In addition to EITI, there is a further monitoring committee for oil revenue, the *Collège de Contrôle et de Surveillance des Ressources Pétrolières (CCSRP)*. It is the national control committee for the use and control of oil revenue from the Doba region. The Collège authorises expenditure for the priority sector and monitors the use of oil money. One

PWYP Chad

The Chad transparency campaign *Coalition Tchadienne Publiez Ce Que Vous Payez – Publiez Ce Que Vous Gagnez* (PCQVP – PCQVG) was already founded in 2004. Today, the campaign has twelve members, most of whom are themselves networks of environmental, human rights, women's and church organisations as well as trade unions.

In addition to the guiding slogan addressed to the Government to "*Publish what you pay*", the Coalition also calls on the companies to publish what they are earning with Chad oil, hence its name: "*Publish what you pay – publish what you earn*".

One focal point of PWYP activities is to sensitise the population towards the significance of transparency in the oil sector. Here, co-operating with the media plays a considerable role. At the same time, the Coalition has announced its support of the country joining EITI.

government member of the CCSR is also on the national EITI Board.⁴¹

The civil society representatives in the Chad EITI Committees were elected following several consultative meetings of the CSOs. The organisations and networks that have dealt with the topic of oil since the beginning of the Chad-Cameroon oil project are now also represented in the two EITI Committees. They include five PWYP organisations three of which belong to the National Committee and two to the Steering Committee. In the *Haut Comité National*, a representative of PWYP is the Vice-President. The *Comité de Pilotage* is headed by the Justitia et Pax Co-ordinator in Chad.

Central African Republic

The Government of the CAR joined EITI in August 2007. One year later (July 2008), the Government decided on the composition of the EITI Committees by decree. In September, the work plan was drawn up, and in the same year (November 2008), the country was awarded Candidate status.

⁴¹ The *Collège de Contrôle et de Surveillance des Ressources Pétrolières* was originally established as part of a comprehensive *Oil Sector Management Systems* that was to prevent oil production having a negative impact in Chad. For the World Bank, establishing this management system was a precondition for its participation in the Chad-Cameroon Pipeline. However, the Collège has been suffering from a lack of support on the part of the Government since its inception.

³⁹ Letter of the Prime Minister of the 20th August 2007.

⁴⁰ Cf. Présidence de la République du Tchad (2007).

The EITI structure in the CAR comprises three committees: (1) the National Council (*Conseil National*) as a decision-making committee; (2) the Steering Committee (*Comité de Pilotage*), which is responsible for implementing the initiative; (3) the Technical Secretariat (*Secrétariat Technique*), which consists of several working units (*Cellule*) on various topics (information and communication, further education/capacity building, finance, data gathering, etc.). The work plan for 2008 to 2010 was financed via the state budget and a *Multi-Donor Trust Fund* (incl. World Bank, GTZ).⁴²

On the 23rd March 2009, the CAR published its first EITI Report containing information on the mining sector and the payment flows of 2006. Early in 2011, the second Report on the payment flows in 2007-2009 was published. This Report has better quality standards and contains more information and data than the first one. In the second Report, all international mining corporations published their data. The payment flows, audited in accordance with international standards, of the French company AREVA were of particular importance. In addition, disaggregated statistics according to companies and purchasing agencies were published. Thus the CAR is the second country after the DRC in the Central African Region to list payment flows according to companies.

In November 2010, the country went through a validation process and was given a positive assessment. The Examination Report certified the country that it had fulfilled all conditions.⁴³ On the basis of the Report and this recommendation, the International Board decided on the 1st March 2011 to rate the CAR as an EITI-conform country.⁴⁴

Civil society organisations are represented in all EITI bodies in the CAR and actively participate in the initiative. This has also led to an improvement in dialogue between the Government and civil society and is being conducted in a more constructive manner nowadays.

However, in comparison to the other actors from the state and the private sector, the number of actors is under-represented: There is only one representative of civil society in the National Committee. At least there are five organisations that are represented in the Steering Committee.

The members of civil society are not unanimous in how they present themselves in the EITI Committees. Some CSOs are accused of being too close to the Government and lacking independence.

PWYP in the Central African Republic

The civil society platform CIONGCA (Conseil Inter ONG en Centrafrique) addressed the transparency issue in 2009. In the course of this campaign, the PWYP Coalition developed in March 2010, which is co-ordinated by the *Ligue Centrafricaine der Droits de l'Homme*. Both organisationally and in terms of its expertise, the Coalition is yet in its infancy, since all members are still newcomers to the thematic field.

42 Cf. www.itierca.org

43 Cf. ITIE RCA (2010).

44 Cf. EITI Press Release - Paris, 2 March 2011: Six more countries compliant with transparency and accountability standard.

4. Interim balance of EITI

In order to assess the impact that EITI has had in the Central African Region so far, three hypotheses have been formulated that are derived from the PWYP Declaration of Principles and provide the foundations of civil society engagement in the EITI process:

Hypothesis 1: EITI stabilises or widens the political scope for civil society in the extractive sector of developing countries that are rich in natural resources.

Hypothesis 2: EITI contributes to more transparency of payment flows in the extractive sector - and thus, in the medium term, to more accountability of governments and, in the long term, to an increase in resources to combat poverty.

Hypothesis 3: Through EITI, further reforms are initiated in the extractive sector that are regarded as necessary at national level.

These hypotheses were tested with the aid of a catalogue of assessment criteria. The results differ considerably among the countries of the Central African Region.

Hypothesis 1: Political scope widened for civil society

Assessment criteria

- » CSOs are full members of the respective EITI Multi-Stakeholder Committee, they are invited to all sessions, are appropriately represented in the Committees and select their representatives themselves.
- » The civil society members are free to express themselves and openly voice criticism in the EITI Committee.
- » CSOs have unhindered access to the press and are quoted by the press in connection with EITI.
- » Contacts between the government, companies and CSOs are established and consolidated and are also used to address other problems.

Civil society as part of the EITI structure

"EITI is this space that enables us to speak freely and acquire knowledge of how things work. We want transparency to not merely become a slogan but be a concrete and material concept." (CSO Representative from Chad)

Civil society participation in the respective EITI Committee is governed by decree in the individual countries. However, it is only in Chad and in the DRC that civil society organisations elect their representatives completely independently. This only applies partly to Cameroon and the Republic of Congo, for here, some CSO representatives are selected directly by the Government. In Gabon, all civil society representatives are appointed by the Government. In the three last-mentioned countries, this leads to different positions within the civil society camp. On one side, there are the government-friendly organisations, and on the other those who regard their role as that of critically monitoring the EITI process. Several of those interviewed stated that this weakens the influence of civil society.

The evaluation showed that all CSO representatives interviewed in the national EITI Committees regard themselves as recognised members. They feel integrated in the structures. In Cameroon, Gabon, the Republic of Congo, the DRC, Chad and the Central African Republic, PWYP representatives belong to the respective EITI Committees.

In the Republic of Congo and in Chad, both civil society and the companies send a Vice-President of the EITI Committee. In Chad, civil society chairs the Steering Committee (Comité de Pilotage). In Cameroon, there are working groups that are directed by civil society organisations.

In the Democratic Republic of Congo, the Republic of Congo, Cameroon and Chad, access to national and international media has improved. The press reports on the initiative and the work of the CSOs. This is resulting in the public being increasingly perceptive of them as relevant actors in the field of the extractive industry.

EITI as a discussion platform

"We sit at the same table, learn what the views of the others are on the topic and gain an understanding of how things work in the extractive industry." (CSO representative from Cameroon)

The CSO representatives who were interviewed regard the fact that EITI brings together the most important interest groups in this sector as a major achievement. They say that it was EITI that enabled a discussion on oil and mining, and on income from extractive industries and how it is used.

Ten years ago, they maintain, the exploitation of natural resources with its frequently negative impacts was still taboo in public debates in many countries, while it can no longer be suppressed nowadays. Today, for example, it is at least possible in the Republic of Congo to ask: *"Given the profits from the extractive sector, why are we still so poor?"* The topic has been "demystified", they say.

All in all, the civil society members of the EITI Committee see themselves in a position to freely express their views and level criticism within EITI.

Protective role for activists

In spite of the wider scope for action in the EITI context, there has again and again been open repression of civil society representatives in the past, such as in the DRC, Gabon and the Republic of Congo. That the number of these infringements has dropped considerably is regarded by civil society organisations as an achievement of EITI and the power to mobilise of the PWYP networks and their members, who have campaigned for the protection of activists throughout the world.

Via the international EITI Board, a Rapid Response Board has been developed that is to respond to violations of human rights vis-à-vis active EITI members. In an emergency situation, it is to exert pressure on the respective government. This has not remained without consequences in the past. For example, following the imprisonment of two activists in the Republic of Congo, both Total and the World Bank directly campaigned for their release. They were free a little later.

However, the protective role of EITI also includes access to an unbureaucratic issue of visa and the authorisation of longer-term entry visa e.g. for countries of the European Union.

Without this protection, the work of the CSOs would be strongly endangered, and an active participation of civil society in EITI would be much more difficult – this is the unanimous opinion of the civil society members of EITI who

were interviewed. However, this protection hardly reaches beyond EITI. For example, CSO representatives in the Republic of Congo are very reluctant to address the ecological and human rights problems in the context of the planned extraction of tar sand because they fear reprisals. CSOs and human rights activists who make critical comments on political issues in, for example, the DRC, the Republic of Congo or Cameroon are still subject to reprisals.

Cooption

"Criticism is not enough, civil society has to become involved and ask itself how it can contribute to making EITI a success." (EITI Co-ordinator of Cameroon)

Some CSO representatives see the threat of a creeping cooption of civil society by the governments in the respective EITI Committees. Here, issues they point to include the per diem payments for sessions of the national EITI Committees and their working groups and for participating in international conferences. The level of session payments may sometimes amount to several times a monthly minimum wage in the respective countries. In Cameroon, for example, the average monthly minimum wage is at 23,000 FCFA, while up to 250,000 FCFA may be paid for attending a session. This is also viewed critically by some of the CSO representatives. *Per diem* payments may well be standard practice in the countries, but not at such levels.

Many CSO representatives are aware of the danger of cooption, although several of those interviewed say that open debates on the issue are avoided. Rather, the per diem payments are dealt with as taboo among the organisations, also in order to prevent any conflicts arising between the wealthier and financially more poorly positioned CSOs. The CSOs asked negated the question whether the per diem payments had any effect on their own behaviour within the EITI Committees, although they did believe that this was quite possible among other CSOs – at least as far as interest in regular participation in sessions and involvement in working groups was concerned.

Additionally, "gentle" pressure is exerted on many CSOs in the EITI countries by the governments, through their being demanded to demonstrate "patriotic" behaviour. For example, CSO representatives were again and again pointed out that they could level criticism internally but that they should not do so publicly, even if their position had not been considered.

This also touches on another problem: the relation between involvement in a multi-stakeholder forum and a critical assessment of this forum. The strength of CSO involvement lies in its moral integrity, in its credibility and in its potential to exercise pressure through publicity.

However, several CSOs of the PWYP Coalition in Cameroon regard the relation between involvement and a watchdog role among the organisations as insufficiently settled.

A further problem lies in a split in civil society. For example, in the Republic of Congo, CSO representation is divided into a PWYP and an EITI civil society network. The latter is regarded by PWYP as pro-government. In Cameroon, too, there have been moves to appoint pro-government CSO representatives to the EITI Committee. Only the protest of many civil society groups led to the Committee being open to organisations critical of the government.

Conclusions

EITI has stabilised the political scope of civil society in the extractive sector. CSOs are accepted stakeholders, and they participate and can present their positions within EITI. However, this scope does not appear to go beyond the immediate EITI process.

While CSO representatives are exposed to the pressure of governments in most countries of the region, there have been fewer cases of arrests, bans on leaving countries and other forms of open repression thanks to the interventions of the International EITI Board, the PWYP network and human rights organisations.

Most CSOs feel that they are able to perform their controlling and monitoring role but simultaneously see the danger of corruption.

The best protection against cooption is an open and reflected handling of the threat of corruption. Therefore, this topic ought to be openly discussed by PWYP in the context of a mutual exchange of experience. An open debate ought to be held on alternatives to the *per diem* payments, e.g. a non-person related basic funding of CSO involvement in the EITI Committees.

Hypothesis 2: More transparency, accountability and resources for combating poverty

Assessment criteria

- » Setting out from the EITI Reports, CSOs can keep track of the payments from the extractive industries in the state budget.
- » CSOs take advantage of the EITI Reports in order to make stronger demands for accountability of governments.
- » In the context of the EITI process (e.g. in the EITI Reports), discrepancies between payments and declared state revenue are disclosed.
- » The discrepancies become smaller in the course of the years.

Drawing attention to and spreading the initiative

“The special contribution [of EITI] is that it rouses awareness and does away with the myth that the management of natural resources is a private good.” (CSO representative from Chad)

Through EITI, figures from the oil and mining sectors have been officially published for the first time in the history of the countries concerned. Not only do the EITI Reports present the payment flows, but they also give the production figures according to the sectors and deposits. This is regarded as an important step on the way to more information and transparency in the extractive industry sector. However, the public at large in these countries continue to be unaware of EITI. So far, information has remained restricted to a small group of the population.

Quality and significance of the EITI Reports

The National Reports form the core element of the EITI process. Additionally, all those interviewed regard the presentation of income figures from the extractive sector as a considerable step forward. However, the Reports compiled so far are held to be of little significance by the civil society representatives since they only contain aggregated and incomplete data. The Reports from the DRC and the CAR, in which all payment flows are listed according to companies, are an exception. In contrast, aggregated figures on income and expenditure have *“nothing to do with the lives of people in the country”*, a CSO representative in Cameroon claims.

The Reports seldom reflect true revenue from natural resources in the countries. In the Republic of Congo, the Central African Republic and Cameroon, several companies are not participating in EITI. Moreover, in the DRC and in the Central African Republic, the informal sector plays an important role. So far, however, it has not been considered in the EITI Reports – also for technical reasons. In the Congo, there are duties, the so-called *Taxe Maritime*, that are paid by the oil corporations and account for a considerable amount of public revenue but are not considered by EITI. Furthermore, the payment flows in the Reports show major discrepancies between payments by corporations and government revenue that are, however, not explained in the Reports.

Thus the figures published have little to do with real state revenue from the sector (also cf. here Table 9). The payments from companies cannot be kept track of in the state budget. This is why no statements can be made on how payments from the extractive industry are really used.

EITI and anti-corruption politics

The EITI Reports cannot be used to check whether corruption in the sector has lessened thanks to EITI reporting.

CSO representatives say that whether bribery and corruption in the extractive sector is really declining or whether complementary measures would be required for this to happen is not reflected on in the EITI Committees. It is interesting to note that EITI is not consulted by existing organisations for combating corruption, such as the “National Anti-Corruption Commission” (*Commission Nationale Anti-Corruption, CONAC*) in Cameroon.

Conclusions

The minor relevance of the EITI Reports so far for the population of the respective countries is a central problem for the EITI process.

De facto, the Reports are made hardly any use of outside the small EITI circle. If transparency is not meant to be the objective but merely a means to achieve better governance and high state revenue in the extractive industry sector, information about EITI has to be disseminated considerably more broadly in the countries concerned.

Civil society, for its part, above all demands that not only aggregated but project and company related data be published. After all, it is claimed, EITI needs to be implemented not only at national but also at local level – in other words: closer to the people.

In order to be able to conduct a monitoring of income and expenditure in the extractive sector, it would make sense for CSOs to have a closer intermeshing of EITI involvement

and comprehensive budget monitoring. In Chad, for example, there is a control committee for income from the oil sector that complements the activities of EITI. In some countries (Congo, Chad, Gabon, DRC, Cameroon), the PWYP members are also dealing with budget monitoring.

If EITI seeks to create “*islands of integrity*”⁴⁵ in countries with a high level of corruption, the EITI activities have to be integrated in a national anti-corruption policy. This is the only way that EITI can contribute to a reduction of bribery and corruption in the long term. The national EITI Committees would be the suitable bodies to initiate concrete measures to combat corruption and bribery in the extractive sector.

Hypothesis 3: Further reforms triggered in the extractive sector

Evaluation criteria

- » In addition to regulating the disclosure of payment flows, further reform laws have been implemented in the countries or at least proposed and discussed by parliaments.

The transparency of payment flows is a necessary but not sufficient condition for wealth in natural resources to have a positive impact on development in the countries concerned. This requires further reforms in the sector that consider the ecological, socio-economic and human rights implications of extracting natural resources.

Generally, it has to be noted that so far, EITI has not triggered any significant reforms in the extractive sector of the Central African countries. However, initiatives and discussions on reforms have again and again been encouraged by civil society, for example on the integration of EITI in new contracts with extractive industry corporations (such as in the Republic of Congo). In individual cases, the EITI process has contributed to further-reaching reforms being started in the extractive sector, e.g. in the DRC. There, the CSOs maintain that the contracts being checked in the mining sector is also thanks to the EITI process. A new decree of the 20th May 2011 now requires that all contracts in the extractive industry sector (oil, mining and timber) be published.

At regional level, the Central African Economic and Monetary Union (*Communauté Economique et Monétaire de l’Afrique Centrale, CEMAC*) seeks to harmonise mining

45 As Peter Eigen, former EITI Chairman, maintained at the Meeting of the Committee on Economic Co-operation and Development in the German Federal Parliament on the 23.3.2011.

legislation in the member countries. Here too, EITI is regarded as having paved the way for the reforms.

Outside the Central African Region, discussions have started over a greater juridification of EITI at country level. In Nigeria, for example, the introduction of an EITI law is being discussed, and in Niger an establishment of EITI in the country's constitution. Such debates are in progress in various multi-stakeholder committees and could soon lead to reforms. Ultimately, however, this above all depends on the political determination of the respective governments.

Conclusion

Even though EITI may not have been the cause of substantial reforms in the extractive sector so far, the various stakeholders do regard EITI in the Central African Region as a platform for preparing further reforms in the extractive sector.

5. Conclusions and recommendations on the future of EITI

The interim balance of EITI in the Central African Region shows that in these countries, the Initiative has contributed to revenues from oil production and mining becoming an object of debate in society. EITI has encouraged civil society organisations to take up these topics and acquire a better understanding of the financial processes in this sector. For the first time in the history of the countries, figures on revenue from the extractive industries sector have been published. This is a major step forward.

At the same time, however, the interim balance points to the limitations of EITI. Many of those interviewed, whether from civil society organisations or companies, are aware that corruption in the extractive industries sector cannot be combated solely with EITI. For the payment flows between the extractive industry companies and the national governments only account for part of the entire value-added chain. But corruption may already be involved in the exploration of deposits, the award of concessions and agreements on production contracts or in production sharing agreements.

In order to effectively combat corruption in the extractive industry sector, the entire decision-making chain concerning the extraction of natural resources would have to be made transparent. However, there is considerable resistance on the part of governments and companies to a corresponding widening of EITI's mandate – both at national and at international level. But if business as usual is possible in spite of EITI, this will call the entire Initiative into question in the long run.

In addition, experience from the Central African Region shows that the EITI Reports are of little significance as long as they only contain aggregated and incomplete data. For such reports do not reflect true commodity income in the respective countries. Nor do they show whether the companies pay a fair price for the commodities extracted or also pay an appropriate level of tax.

Given these experiences, a further development of the regulations on transparency in the extractive industry sector is required both inside and outside the EITI process. This includes the following measures in particular:

1. Improving the significance of the EITI Reports

The future of EITI crucially depends on whether the relevance, significance and dissemination of the national EITI Reports can be improved. This would require the following steps:

- » All companies, without exception, in a country's extractive sector have to be involved in the EITI process, including those that are as yet only in the exploratory phase. This is the only way to ensure that data is complete and comprehensive. It requires that, wherever necessary, the corresponding legal framework needs to be established in the respective countries.
- » The publication of data disaggregated by projects and companies is needed to effectively keep track of payments between companies and governments.

- » Discrepancies between the declared company payments and revenue as published by governments have to be explained in the context of EITI. This task should also be explicitly adopted in the terms of reference for the compilation of the EITI Reports.
- » The EITI Reports have to be transferred and further distributed in a generally intelligible language so that they are not only accessible to a small circle of insiders. This is already part of the EITI Criteria but requires better implementation.
- » Wherever it makes sense, EITI should also be implemented at local and regional level and thus be brought closer to the real world that people are living in. The CAR and the DRCK are in the process of putting this into practice.
- » The informal sector ought to be considered in the Reports because it represents the largest branch of the economy in some countries and generates a considerable share of revenue.

2. Extending the transparency rules to the entire value-added chain

Research in the Central African Region has shown that improving the transparency of payment flows in the context of EITI only addresses a small section of the problems that countries rich in natural resources have.

- » More transparency is necessary along the entire value-added chain in order to reveal the relationships between extractive industry companies and make corruption more difficult.

- » Furthermore, strong institutions are required that are in a position to sanction corruption. So far, this has not been an element of EITI. The World Bank already came up with a proposal in the shape of its "EITI++" model to raise transparency along the entire value-added chain. However, it has not actively pursued this proposal itself.⁴⁶
- » This is why EITI needs to be further developed so that the Initiative can also support national processes to reduce corruption and improve natural resource governance. This could for example be supported by the introduction of a higher standard within EITI which would mean an enhancement of the current compliant status.

3. Strengthening and protection of civil society groups

The PWYP groups that are represented in the EITI Committees and play an active role there need to be strengthened.

- » This applies both to capacity development and to financial support. Only in this manner will they be able to perform their watchdog role and promote the Initiative.

The protection of civil society activists in the national EITI Committees, but also outside EITI, is the chief precondition for the civil society organisations to assume their controlling role and thus give the process the credibility it needs.

- » The governments of the countries rich in natural resources have to give an unrestricted guarantee of the protection and freedom of movement and opinion of the civil society activists in the national EITI Committees. The governments of the supporting countries have to see to it that civil society participation within EITI is unreservedly guaranteed.

⁴⁶ The "EITI++" Model of the World Bank is conceived as a further development of EITI, also reaching beyond the area of transparency. The World Bank describes the model as follows: *"The original EITI called for the full publication and verification of company payments and government revenues from oil, gas, and mining. Since sustainable development requires paying attention to the whole process of natural resource utilization, EITI++ complements EITI's focus on transparency in reporting revenues. It will provide governments with a slate of options including technical assistance and capacity building for improving the management of resource-related wealth for the benefit of the poor. Through technical assistance, EITI++ aims to improve the quality of contracts for countries, monitoring operations and the collection of taxes and royalties. It will also improve economic decisions on resource extraction, managing price volatility, and investing revenues effectively for national development."* (World Bank, World Bank Group and Partners Launch EITI++, Press Release, April 12, 2008).

4. Country-by-country reporting beyond EITI

Further supporting measures that prevent companies from refusing to report are urgently required to improve transparency. One key to this would be country-by-country reporting. This would imply that (extractive industry) corporations would present a complete disclosure in their annual accounts and financial reports of which countries they are transacting what turnovers, making what profits and paying tax for all subsidiaries and holdings in. This would give clues to whether tax paid is appropriate in relation to turnover, declared profit and the respective local tax rates, or whether a company has consistently transferred its profits to tax havens.⁴⁷

In the USA, such obligations for the extractive sector were first established in the *Dodd-Frank Wall Street Reform and Consumer Protection Act*.⁴⁸ Section 1504 of this 850-page law prescribes that US-American and foreign companies whose shares are traded by a US-American stock exchange and that can be assigned to the extractive sector in the widest sense have to disclose how much they are paying governments for access to and the extraction of oil and gas and other mineral resources. The figures have to be reported to the U.S. Securities and Exchange Commission and published by the latter electronically. In detail, the *Dodd-Frank Act* requires that the following data be published:

- » the total amount of all payments, according to category (tax, production interest, etc.);
- » the currency in which this payments have been made;
- » the financial period under review in which these payments have been made;
- » the business segment of the corporation quoted on the stock exchange by which the payments have been made;
- » the government that has received the payment and the country in which the government is seated;
- » the project of the extractive industries corporation quoted on the stock exchange to which the payment refers; and
- » further information that the SEC deems necessary or appropriate in the public interest or for investors' protection.

The SEC was originally supposed to submit regulations on the implementation of this section of the *Dodd-Frank Act* by April 2011. It exceeded this deadline and has now announced publication by August-December 2011. Only if strict implementing rules are adopted will the law really lead to a complete disclosure of the finance flows of extractive industry corporations.

Prompted by these US-American regulations, discussions are also being held more intensively on country-by-country transparency rules for transnational corporations at **EU level**. Currently, there are debates on initially concentrating the transparency demands on the extractive sector, like in the USA. Such regulations could, for example, be established in the revised version of the EU *Transparency Obligations Directive* (TOD) of 2004.⁴⁹ In autumn 2011, the European Commission intends to submit a draft version of a revised directive. The EU ought to use this as an opportunity to establish binding regulations on transparency along the lines of the *Dodd-Frank Act*.

⁴⁷ Cf. for more details Martens/Obenland (2011), pp. 39.

⁴⁸ Cf. for more details Brot für die Welt/Misereor/Global Policy Forum Europe (2011).

⁴⁹ Its precise title is: DIRECTIVE 2004/109/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC.

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Abbreviations

AfDB	African Development Bank
BAIE	Bureau d'Achats et d'Import-Export (Central African buying up agencies for gold and diamonds)
Bcf	Billion cubic feet
BEAC	Banque des Etats de l'Afrique Centrale (Bank of the Central African States)
BGR	Federal Institute for Geosciences and Natural Resources
GDP	Gross Domestic Product
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (Federal Ministry for Economic Cooperation and Development)
CCSRP	Collège de Contrôle et de Surveillance des Ressources Pétrolières (Chad Control Committee for Oil Revenue)
CDJP	Commission Diocésaine Justice et Paix
CEMAC	Communauté Economique et Monétaire de l'Afrique Centrale (Central African Economic and Monetary Union)
CIONGCA	Conseil Inter ONG en Centrafrique (Civil Society zivilgesellschaftliche Platform in the CAR)
CNPC	China National Petroleum Company
CONAC	Commission Nationale Anti-Corruption (National Anti-Corruption Committee)
CSO	Civil Society Organisation
DRC	Democratique Republic of Congo
EIA	U.S. Energy Information Administration
EITI	Extractive Industries Transparency Initiative
EU	European Union
DC	Development Cooperation
FCFA	Franc de la Communauté Financière en Afrique (currency of the African Economic and Currency Union)
FMI	Fonds Monétaire International (International Monetary Fund)
GI	Groupe d'Intérêt (interest group responsible for implementing EITI in Gabon)
GTZ	Gesellschaft für Technische Zusammenarbeit
G20	Group of the twenty most important industrial countries and emerging economies
HDI	Human Development Index
IAG	International Advisory Group
ICMM	International Council on Mining and Metals
ITIE	Initiative pour la Transparence dans les Industries Extractives (EITI – Extractive Industries Transparency Initiative)
IMF	International Monetary Fund
MPI	Multidimensional Poverty Index
PCQVP-PCQVG	Coalition Tchadienne Publiez Ce Que Vous Payez – Publiez Ce Que Vous Gagnez (publish what you pay – publish what you earn)
PSA	Production Sharing Agreement
PWYP	Publish What You Pay
RPDH	La Rencontre de la Paix et les Droits de
RRN	Réseau Ressources Naturelles
RWI	Revenue Watch Institute
SEC	U.S. Securities and Exchange Commission
SNH	Société Nationale des Hydrocarbures (national Cameroon oil company)
SNPC	Société Nationale des Pétroles Congolais (Congolese state corporation)
SONARA	Société Nationale de Raffinage (state oil refinery in Cameroon)
TOD	Transparency Obligations Directive
UNDP	United Nations Development Programme
ZAR	Central African Republic

Annex 1: Structure of the EITI Committees in the countries of Central Africa

Equatorial Guinea

Ministerial Committee

- » President: Minister of Finance
- » Vice-President: Minister of Mining, Industry and Energy
- » Minister of Planning, Economic Development and Public Spending
- » Representative of the Minister of Finance
- » Representative of the Minister of Mining, Industry and Energy
- » State Secretary for Planning, Economic Development and Public Spending
- » State Secretary for Industry and Trade
- » State Secretary for the Treasury and the State Budget

Technical Committee

Government representatives

- » President: State Secretary for Planning, Economic Development and Public Spending
- » Vice-President: State Secretary for Industry and Trade
- » Secretary
- » Inspector-General of the Ministry of Industry and Trade
- » Director-General for the State Budget and the Non-Employed Population
- » Director for Oil of the Ministry of Mining, Industry and Energy
- » Director for Tax and Duties
- » Treasurer General
- » Director-General for Industry
- » Director-General for Statistics
- » National Director of the BEAC
- » Director-General for Customs Duty
- » Director-General and Cabinet Secretary for the Ministry of Finance
- » Director-General for Auditing and Oil Affairs
- » Treasury Inspector
- » GEPetrol Director
- » Director of Finance, GEPetrol

Private sector

- » Mobil Equatorial Guinea (MEGI)
- » Maratón E.G. Production Limited (MEGPL)

- » Noble Energy
- » Hess
- » Ophir Energy
- » Gepetrol
- » Sonaga

Members from civil society

- » 5 party members
- » 5 members of federations
- » 3 representatives of CSOs
- » 2 representatives of religious communities

Democratic Republic of Congo

Executive Committee (*Comité Exécutif*)

President: Minister of Planning (Ministre du Plan)

Vice-President: Minister of Mining

Vice President: Minister of the Environment

Government representatives (8)

- » Representative of the Ministry of Planning
- » Representative of the President
- » 2 Representatives of the Prime Minister's Office
- » Representative of the Ministry of the Environment
- » Representative of the Ministry of Finance
- » Representative of the Ministry of Oil
- » Representative of the Ministry of Mining

Members from the private and parastatal sector (4)

- » Representative of the state mining corporations: Gécamines
- » Representative of the private mining corporations: Kamoto Copper Company (KCC)
- » Representative of the oil companies: Perenco-REP MIOC
- » Representative of the timber companies: not chosen yet

Members from civil society (4)

- » Representative of civil society in the mining sector: Nouvelle Dynamique Syndicale (NDS)
- » Representative of civil society in the oil sector: Centre de Promotion et d'Education des Communautés de Base (CE-PECO)

- » Representative of civil society in the timber sector: Réseau Ressources Naturelles (RRN)
- » Representative of an international network: Publish What You Pay DRK

Technical Secretariat (*Secrétariat Technique*)

The Co-ordinator was appointed by the President by decree, the rest of the staff were chosen by the World Bank.

Members of PWYP DRC

National co-ordination: Association Africaine de Droits de l'Homme (ASADHO)
 Executive Secretariat: Femme et Justice Economique (FJE)
 Cercle pour la défense de l'environnement (CEDEN)
 Centre national d'Appui au Développement et à la Participation Populaire (CENADEP)
 Centre pour la Promotion et l'Education des Communautés de base (CEPECO)
 Conseil Régional des ONGs (CRONGD)
 Groupe d'Appui d'exploitants en Ressources Naturelles
 Ligue contre la Corruption (LICOCO)
 Maniema Liberté (MALI)
 Organisation concertée des Ecologiste et Amis de la Nature (OCEAN)
 Réseau Ressources Naturelles (RNN)

Gabon

Interest Group (*Groupe d'Intérêt*)

Government Representatives (5)

- » President: Director of the Presidential Cabinet Privé
- » Vice-President: Economic and Finance advisor to the Office of the Prime Minister
- » Technical Secretary: Financial Advisor to the Minister of Industry, Finance, State Budget and Privatisation
- » 2 representatives of the Ministry of Mining, Energy, Oil and Water
- » Members from the private sector (3)
- » Representative of the mining corporations: Comilog
- » 2 representatives of the oil companies: Total Gabon and Marathon

Members from civil society (6)

- » Representative of the Economic and Social Council
- » Representative of the religious communities
- » Representative of the NGOs
- » Representative of Publish What You Pay Gabon
- » Member of Parliament
- » Representative of the media

Working Group (*Groupe de Travail*)

- » President: Director of the President's Private Cabinet
- » Vice-President: Economic and Finance Advisor to the Prime Minister
- » Technical Secretary: Financial Advisor to the Minister of Economics, Finance, State Budget and Privatisation

Members

- » Representative of the Commission on Combating Illegal Enrichment
- » Technical Advisor on Oil Affairs to the Ministry of Economics, Finance, State Budget and Privatisation
- » Representative of the Ministry for the Control of the State
- » Representative of the Directorate-General for Oil
- » Representative of the Directorate-General for Mining
- » Representative of the Directorate-General for Taxation
- » Representative of the Directorate-General for Administration of the Treasury
- » Representative of the Directorate-General for Customs Tax and Indirect Taxation

Members of PWYP Gabon

Afrique Horizon, ALCR, Amis du Pangolin, ANPH, BD Boom, Brainforest, Caritas, Cris de Femmes, FEMO/COSYGA, Formation Nouvelle, Grace Land, Justice et Paix, Mouetsa, OND, Overcaf, Prometra, Regosida, Renames, RENAPS/AJ, Scouts, SENA, SOJECS, SYGEF, Theopolis, UGSR, UPSA, USAP.

Cameroon

Decision-making Committee (*Comité de Suivi*)

Chaired by the Minister of Finance

Government representatives and parastatal organisations (6)

- » Representative of the President
- » Representative of the Prime Minister
- » Minister of Industry or his Representative
- » Minister of Justice or his Representative
- » Executive Director of the National Oil Company (Société Nationale des Hydrocarbures)
- » President of CONAC (Commission Nationale Anti-Corruption)

Members from the private sector (6)

- » Director-General TOTAL E&P Cameroon
- » Director-General PECTEN Cameroon
- » Director-General PERENCO Cameroon
- » Director-General GEOVIC Cameroon
- » President of the Industry, Mining, Crafts and Trades Chamber
- » President of the Employers' Association of Cameroon

Members from civil society (12)

- » 2 Members of Parliament, one of whom a representative of the Governing Party and one a representative of the Opposition
- » President of Transparency International, Cameroon Division
- » 3 Representatives of CSOs
- » 3 Representatives of the Territorial Authorities
- » President of the Association of Cameroon Journalisten
- » 2 Representatives of religious communities

Technical Secretariat (*Secrétariat Technique*)

Co-ordinator: Agnès Solange Ondigui Owona

Members from the private sector

- » Director-General TOTAL Cameroon
- » Director-General PECTEN Cameroon
- » Director-General PERENCO Cameroon or his Representative
- » Director-General GEOVIC Cameroon
- » President of the Industry, Mining, Crafts and Trades Chamber
- » President of the Employers' Association of Cameroon

Members from civil society

- » 2 Members of Parliament, one of whom a representative of the Governing Party and one a representative of the Opposition
- » President of Transparency International, Cameroon Division
- » 3 representatives of NGOs
- » 3 representatives of the Territorial Authorities

Members of PWYP Cameroon

Secretariat: Service National "Justice et Paix" (SNJP)/Conférence Episcopale Nationale du Cameroun (CENC)

Service Œcuménique pour la Paix (SeP)

Fondation Camerounaise d'Actions Rationalisées et de Formation sur l'Environnement (FOCARFE)

Transparency International Cameroun (TIC)

Centre pour l'Environnement et le Développement (CED)

Réseau de Lutte contre la Faim (RELUFA)

Environnement Recherche Action-Cameroun (ERA)

AGAGES Management Consultant

Réseau National Anticorruption (RENAC)

Dynamique Mondiale des Jeunes (DMJ)

Republic of Congo

Executive Committee (*Comité Exécutif*)

President: Representative of the Ministry of Finance

2 Vice-Presidents: from civil society (PWYP/RDPH) and the private sector (TOTAL E&P CONGO)

Government representatives and parastatal organisations (10)

- » Representative of the President
- » Representative of the Prime Minister's Office
- » 2 Representatives of the Ministry of Finance
- » 2 Representatives of the Ministry of Oil
- » 2 Representatives of the Ministry of Mining
- » 2 Representatives of the State Oil Corporation SNPC

Members from the private sector (5)

- » Representative of ENI Congo
- » Representative of Morel&Prom Congo
- » Representative of Chevron Congo
- » Representative of Congorep
- » Representative of Murphy West Africa

Members from civil society (5)

- » Publiez ce que vous payez (PWYP)
- » Comité de liaison ONG
- » Groupe thématique pétrole DSRP
- » Fédération Nationale des Jeunes Individualités du Congo (FNJIC)
- » Centre d'Echange, d'Appui et de Renforcement des Capacités (CEPAREC)

Advisory Committee (*Comité Consultatif*)

Chaired by the Minister of Oil

Government representatives and parastatal organisations (3)

- » Representative of the Ministry of Oil
- » Representative of the Ministry of Mining
- » Representative of the State Oil Corporation SNPC

Members from the private sector (2)

- » Representative of Total
- » Representative of Soco E&P Congo
- » Members from civil society (2)
- » Representative of PWYP
- » Representative of the Groupe Coopératif Mutuel des Payans

Executive Secretariat (*Secrétariat Exécutif*)

Members of PWYP Congo

Action des Chrétiens pour l'Abolition de la Torture (ACAT)
 Action Evangélique pour la Paix (AEP)
 Association pour les Droits de l'Homme et l'Univers Carcéral (ADHUC)
 Commission Diocésain Justice et Paix (CDJP Ponte Noire)
 Fondation NIOSI
 Observatoire Congolais des Droits de l'Homme (OCDH)
 Rencontre pour la Paix et les Droits de l'Homme (RDPH)

Chad**National Committee (*Haut Comité National*)**

President: Minister of Oil and Energy

Vice-President: Coalition PWYP, represented by Maoun donoji Gilbert

Government representatives (12)

- » Representative of the President
- » Representative of the Prime Minister
- » Representative of the Minister of Finance
- » Representative of the Ministry of Oil and Energy
- » Representative of the Ministry of Mining
- » Representative of the Ministry of Communications
- » Representative of the General Secretariat of the Government
- » Representative of the CCSRP
- » 2 Parliamentarians
- » Representative of the Council on Economic, Social and Cultural Affairs

Members from the private and parastatal sector (6)

State corporations:

- » 2 Representatives of Société des Hydrocarbures Tchadienne (SHT)
- » 2 Representatives of Société Tchadienne d'Exploitation des Carrières (SOTEC)
- » International corporations:
- » Representative of Esso Chad
- » Representative of China National Petroleum Company

Members from civil society (10)

- » 2 Representatives of Trade Unions
- » 2 Representatives of human rights organisations
- » 2 Representatives of women's organisations: Association des Femmes Arabophones and CELIAF
- » 2 Representatives of the Union of Journalists
- » 2 Representatives of the Chamber of Commerce

Steering Committee (*Comité de Pilotage*)

President: Commission Nationale Justice et Paix (civil society)

Government representatives and parastatal organisations (6)

- » Representative of the President
- » Representative of the Ministry of Finance
- » Representative of the Ministry of Oil
- » Representative of the Ministry of Mining
- » Representative of the CCSRP
- » Representative of the Prime Minister's Office

Members from the private sector (2)

- » Representative of SHT
- » Representative of ESSO Tchad

Members from civil society (2)

- » Representative of the Commission Nationale Justice et Paix (CNJP)
- » Representative of the Commission Permanente Pétrole N'Djaména (CPPN)
- » Secretariat
- » President: Representative of the Commission Nationale Justice et Paix (civil society)

Members of PWYP Chad

Commission Nationale Justice et Paix (CNJP)

Cadre de concertation et de Développement du Logone Orientale (CACODELOR)

Cellule de Liaison et d'Information des Associations féminines (CELIAF)

Collectif des Associations de Droit de l'Homme (CADH)

Comité de Réseau des Organisations de la Société Civile en Appui à la Population du Mayo Kebby (CROSCAP)

Commission Permanente Pétrole N'Djaména (CPPN)

Commission Permanente Pétrole Locale (CPPL)

Groupe de Recherches et Alternatives et de Monitoring du Project Petrole Tchad-Cameroun (GRAMPTC);

Réseau de Suivi des Activités Pétrolières au Moyen Chari (RESAP)

Union des Journalistes du Tchad

Maison de la presse du Tchad

Central African Republic

National Council (*Conseil National*)

President: Prime Minister

Vice-President: Minister of Trade, Industry and Small and Medium Enterprises

Reporter: member of civil society

Members (20):

- » Minister of Mining, Energy and Oil
- » Minister of Economics and International Co-operation
- » Minister of the Environment
- » Minister of Finance
- » Minister of Communications
- » Economic and Financial Advisor to the President
- » Representative of Parliament
- » Representative of the Prime Minister
- » Representative of the Economic and Social Council
- » Representative of the Ministry of Mining
- » Representative of the Chamber of Trade and Industry
- » 2 Representatives of the Mining Companies
- » Representative of the Buying Up Agencies
- » 2 Representatives of the CAR State Association of Mining Co-operatives (UNCMCA)
- » Representative of the Conseil Inter ONG en Centrafrique (CIONGCA)
- » Representative of the Bank of Central African States (BEAC)
- » Representative of the Donors (Bailleurs de Fonds)
- » Representative of the Multilateral Partners

Steering Committee (*Le Comité de Pilotage*)

President: Minister of Mining

Vice-President: Director of the Cabinet of the Ministry of Mining

Reporter: Technical Secretary of EITI-CAR

Members:

- » 3 Representatives of the Ministry of Mining
- » 2 Representatives of the Ministry of Finance
- » Representative of the Ministry of Trade
- » Representative of the Ministry of Economics and International Co-operation
- » Representative of the Ministry of the Environment
- » 2 Representatives of the Mining Companies
- » 2 Representatives of the Buying Up Agencies
- » 2 Representatives of the Miners
- » 2 Representatives of the State Mining Co-operatives of the CAR (UNCMCA)

- » Representative of the Association of Solicitors
- » Representative of the Central African Human Rights Organisations
- » Representative of the public media
- » Representative of the private media
- » Representative of the Trade Union Federations
- » Representative of school pupils and students
- » Representative of the religious communities

Technical Secretariat (Le Secrétariat Technique)

- » Technical Secretary
- » Staff Division (Cellule) on Data Gathering
- » Staff Division on Capacity Building
- » Staff Division on Information and Communication
- » Staff Division on Fiscal Administration
- » one solicitor
- » one assistant

Civil society organisations, government representatives and companies are represented in these Staff Divisions.

Members of PWYP CAR

CIONGAG (Conseil Inter ONG en Centrafrique)
 LCDH (Ligue Centrafricaine des Droits de l'Homme)
 OCDH (Observatoire Centrafricaine des Droits de l'Homme)
 Radio Ndéké Luka

Annex 2: List of interview partners

DRC

Jean Claude Katende.....ASADHO, member of PWYP and EITI and on the International EITI Board

Léonie KIANGU.....PWYP and member of EITI

Gabon

Georges M’PAGA.....Member of PWYP and EITI

Cameroon

Agnes Solange Ondigui.....Co-ordinator of EITI Cameroon

Bernard Dongmo.....Secretariat PWYP Cameroon

Honoré Ndoumbe.....FOCARFE, member of PWYP and of the EITI Secretariat

Samuel Nguiffo.....CED, member of PWYP and on the EITI Committee

Silvanus Binla.....BASE/Caritas, Member of the EITI Committee

Justin Mabouth.....SNJP, member of PWYP

Roger Kouokam.....Geovic (Safety, Social & Environment Manager)

Anastasié Efoa.....Geovic (Deputy General Manager)

Geerd Wurthmann.....German Embassy

Faustin Koyasse.....Senior Economist, World Bank

Evelyne Tsague.....Revenue Watch Institut / Accra

Valéry Nodem.....RELUFA, member of PWYP

Tim Fomete.....Rainbow Consult

Republic of Congo

Brice Mackosso.....CDJP Pointe Noire; member of PWYP and EITI

Christian Mounzeo.....RDPH; member of PWYP and EITI; former Member of the International EITI Board

Cchad

Rimtebaye NASSINGAR.....CPPN, member of PWYP and EITI

Abbé Raymond Madjiro.....Commission National Justice et Paix, member of PWYP and EITI

CAR

Modeste GONDA.....CICONGCA, member of PWYP and EITI

Europa/USA

Sarah Wykes.....Independent Expert and Human Rights Activist

Simon Taylor.....Global Witness

Joseph Williams.....PWYP International

Jürgen Runge.....Former Co-ordinator of the GTZ-CEMAC-REMAP Project

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