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Revenue Transparency in the Extractive Industries
The Role of International Financial Institutions

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In order to provide benefits to all citizens and contribute to poverty reduction, the extractive industries of oil, gas, and mining in resource-rich countries need to be managed responsibly and equitably. Unfortunately, responsible management is typically not the case and many resource-rich countries are among the most corrupt and poorest countries in the world.

One fundamental step towards responsible management of the extractive industries is revenue and contract transparency. Increasing transparency opens up the decision making process to public debate and moves the process towards more prudent and equitable management of extractive industry resources. For example, public disclosure of basic information regarding net payments made to the government and revenues received by the government can help citizens hold their governments accountable for the management and, ultimately, distribution of revenues from the extractive industries.

By virtue of their unique position as interlocutors with and financiers of both governments and the private sector and as development policy advisors with significant funding leverage, the International Financial Institutions (IFIs) have the potential to exert considerable influence on the management of the oil, gas and mining sectors in borrowing countries. The following document discusses revenue transparency in the extractive industries and the role of the IFIs, specifically the World Bank (WB)[i], International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD), and the International Monetary Fund (IMF).[ii]

Although these IFIs are supporting several activities to promote revenue transparency, overall the paper concludes that the IFIs should play a more proactive role to systematically advance transparency across all IFI activities and in all member countries. The paper highlights a number of key institutional policies and activities which need to be revised and strengthened, including:

- **IFC Information Disclosure Policy and Safeguard Policies,**
- **EBRD Energy Policy,**
- **Investment Promotion Commissions and Foreign Investor's Councils**
- **Country Strategies and Poverty Reduction Strategy Papers, and**
- **IMF Article IV Consultations**

The first half of the paper describes current approaches to transparency of the IFIs. The second half provides suggestions on how to strengthen mechanisms through which revenue transparency can be more systematically integrated into and promoted across all IFI activities. As such, the focus is on key institutional policies and country-level activities rather than specific investment projects or individual lending programs.

1. Current IFI Approaches

The four IFIs covered in this paper have all publicly endorsed the Extractive Industries Transparency Initiative (EITI)[iii], which began in 2002 and is headed by the UK Department for International Development (DFID). EITI is a voluntary approach for governments that aims to increase the transparency in transactions between governments and companies within the extractive industries. The following section describes IFI activities in support of EITI as well as individual IFI approaches to revenue transparency more generally.

1.1 World Bank and IFC

The main departments of the World Bank Group (WBG) that are working on extractive industry revenue transparency issues include the WB/IFC-joint Oil, Gas, Mining, and Chemicals Department; and the Energy Sector Management Assistance Programme (ESMAP). The WBG states that its activities in support of EITI presently include the following four main elements: pilot projects, a capacity building trust fund, reporting frameworks development, and country dialogue. Currently, pilot projects include: the Chad-Cameroon oil pipeline, the Baku-Tbilisi-Ceyhan oil pipeline (BTC), and the Azeri-Chirag-Deepwater Gunashli oil field. Box 1 provides the requirements of these pilot projects as described by the World Bank. The initial results of these pilot projects have so far been mixed.[iv]

In addition, the Bank has set up a trust fund chiefly to help build capacity to implement and monitor revenue and contract transparency. At present, the fund comprises of US$ 1 million from contributions of the UK and Norwegian governments. For example, in Azerbaijan the trust fund is being used to help build capacity among NGOs to monitor revenue transparency of BTC. Lastly, the World Bank, along with the IMF, is working with several oil-, gas-, and mining-dependent countries towards developing a set of common reporting guidelines.

Box 1. Transparency Requirements of World Bank Pilot Projects[v]

Chad-Cameroon oil pipeline:

- Loan and credit agreements on website
- Independent Oversight Committee (monitored by WB and US Treasury) made up of NGOs and Chad parliament to monitor usage of oil revenues
- Oil revenues deposited into offshore escrow account audited by the Committee and the government of Chad
- 10% of oil dividends and royalties to a "future generation fund" & 5% of revenues for development in the oil-producing zone

BTC oil pipeline and Azeri-Chirag-Deepwater Gunashli oil field:

- Nine layers of financial monitoring (4 internal & 5 external) with seven different reports made public
- HGAs, IGAs, and PSAs made public[vi]
- Revenues placed in the state oil fund, audited by Ernst and Young and disclosed to the public

<u>World Bank Extractive Industries Review Management Response</u> - In 2000, the World Bank Group agreed to support an independent assessment process of WBG activities in the extractive industries, called the Extractive Industries Review (EIR). This three-year process was led by an independent secretariat that conducted a series of stakeholder consultations and commissioned research. In December 2003, the EIR put forth a final report with several recommendations regarding the institution's future involvement in the sector. One of these recommendations was to require revenue and contract transparency for all extractive industry projects.

On September 17, 2004, the World Bank Group released the management's final response to the EIR recommendations.[vii] Although Bank management gave considerable attention to the recommendations regarding revenue transparency, its final commitments were limited. As shown in Box 2, the Bank will *require* certain revenue transparency measures only at the individual company-level. At the government- and country-levels, the Bank endorses a voluntary approach to transparency.

Concerns with the EIR response - There are several concerns with the Bank's response to the EIR, including: language discrepancies, no definition for significant project, no contract disclosure for "non-significant" projects, and lack of policy-lending coverage. An important discrepancy in language usage exists between the Executive Summary and the main text of the Bank's EIR response. The Executive Summary states that revenue transparency will be "required" for new projects, whereas the main text uses the phrase "is expected" of new projects. This inconsistency makes it difficult to determine whether or not transparency measures are in fact mandatory. *Expecting* revenue transparency in Bank-supported projects is a far weaker, and less enforceable standard than *requiring* it. The World Bank needs to clearly and concretely state their intention (see IFC Disclosure Policy below).

Further confusion surrounds the definition of a "significant" project and the scope of application of the transparency standards. The Bank states that revenue transparency will be applied immediately only to new "significant" projects. In the governance section of the World Bank's EIR response, a "significant" project is a project where revenues are expected to account for ten percent or more of government revenue. However, it remains unclear whether the Bank intends to apply this definition of significant to its commitments on revenue transparency. If the limited definition is used, then it is likely that the requirement for immediate revenue and contract transparency will apply to very few, if any, projects in the next two years.

Moreover, for non-significant projects the Bank does not include requirements on the disclosure of key contracts, e.g., host-government agreements and production sharing agreements. This would mean that the public still would not have access to the key revenue generation determinants and disclosure requirements of the majority of extractive industry projects. It does not make sense nor does the Bank provide a justification to vary contract disclosure according to project size. Contract disclosure is important for all extractive industry projects, however big or small, in order for the public to hold both the government and individual companies accountable. Transparency of extractive industry contracts is especially important given these contracts often represent new, and often non-publicized, legislative and regulatory mandates.

In addition to the weaknesses and inconsistencies identified with regard to project- or company-level transparency, the WBG does not specifically address revenue transparency

Box 2. World Bank Group EIR Management Response on Revenue Transparency[viii]

Company-level – Required/Expected

Required or expected immediately for new significant projects:

- World Bank Group will require revenue transparency with respect to project payments to governments as a condition for new investments in the extractive industries
- Relevant terms of key agreements are publicly available whenever these are of public concern, e.g., Host Government Agreements (HGAs), Inter-governmental Agreements (IGAs)

Required or expected within two years for all new projects:

- Transparency about material EI-related payments to governments for all new EI projects

Government-level – Voluntary

- A voluntary approach with emphasis on country ownership will generally be more effective than conditionality by donors
- Transparency results will be reviewed with stakeholders in two years [~ September 2006]

Country-level – Encouragement

- The Bank will be proactive in encouraging transparency of EI revenues in client countries, including the appropriate use of such revenues
- The Bank already advises governments to establish revenue-sharing mechanisms that are transparent and robust enough to deliver benefits in practice

within its policy-based lending and technical assistance. Policy lending and technical assistance have often addressed such issues as government revenue management systems, hydrocarbon and mining codes, private sector contract models, and privatization frameworks, at times specifically targeting the extractive industries of a given country. Because Bank policy lending potentially affects the management of the entire extractives sector in a country, ensuring that policy loans include concrete transparency principles could help promote more systematic and sector-wide revenue and contract disclosure than simply the project-by-project or company-by-company approaches to transparency. This is especially important given the World Bank's preference for a voluntary approach to the promotion of government transparency in the extractive industries.

1.2 The EBRD

Like the World Bank Group, EBRD provides lending and technical assistance in the extractive industries to both governments and individual companies. Also like the WBG, the EBRD is taking a voluntary approach to government transparency. On its website, the EBRD states that it will actively promote EITI through consultative processes, cooperating with other IFIs and private financial institutions, and by building capacity to implement EITI through technical assistance and other activities in its countries of operations. In recent discussions (October 2004) regarding individual companies and revenue transparency, the EBRD stated that it is already a rule that the EBRD only engages with companies that will disclose their contract terms. Furthermore, according to the EBRD, loan agreements oblige the borrower to publish audited financial reports. The EBRD states that these transparency principles are directly in line with the institution's Article 1, which establishes that the EBRD is committed to applying the principles of democracy. If this is in fact the case, the EBRD is well ahead of the other IFIs on revenue and contract transparency.

However, these EBRD-stated transparency *rules* have so far been difficult to verify and, thus, difficult for civil society to hold both the EBRD and individual companies accountable. First, there are no published EBRD operational policies (such as the Natural Resources Policy or Information Disclosure Policy) that specify any revenue or contract transparency requirements that EBRD management must apply to its lending operations. Second, the EBRD will not disclose any sections of EBRD loan agreements that contain a project's specific revenue and contract transparency requirements. Lastly, a comprehensive evaluation of the implementation of revenue and contract transparency in EBRD projects in the extractive industries has not yet been conducted.

1.3 The IMF

Unlike the World Bank Group and EBRD, the IMF only provides public sector financing and thus its lending requirements will only apply to country governments. Similar to the WBG and EBRD, the IMF's general approach to governments and revenue transparency is voluntary. However, this general voluntary approach does not preclude the IMF from including at times specific revenue or budget transparency conditionailities, such as audits, for an individual country lending program. In its voluntary approach, the IMF supports revenue transparency mainly by prescribing good practices in fiscal transparency and assessing individual country's application of these practices.

First, the IMF has developed the *Code of Good Practices on Fiscal Transparency*, which includes standards on information disclosure, open budget processes, and the roles and responsibilities of governments. Second, as an accompaniment to the Code of Good Practices, the IMF has the *Manual on Fiscal Transparency*, which is a guide to the implementation of transparency standards. Third, for a number of oil, gas, and mining dependent countries[ix], the IMF has produced fiscal Reports on the Observance of Standards and Codes or ROSCs. ROSCs assess the extent to which a country meets standards on fiscal transparency as described in the Code of Good Practices, including a government's provision of information to the public. In addition, the IMF works jointly with the World Bank to develop revenue reporting frameworks for individual countries.

Currently, the IMF is preparing a resource-specific supplement to its Code of Good Practices and Manual on Fiscal Transparency called the *Guide on Resource Revenue Transparency*, which is to include, *inter alia,* EITI principles. The IMF plans to release a draft of this document sometime in December 2004 for public comments.

2. Key IFI Policies and Activities

Although the World Bank, IFC, EBRD, and IMF are supporting several actions to promote revenue and contract transparency in the extractive industries, there are a number of key institutional policies and activities that should be revised and strengthened to ensure that tangible progress takes place and that civil society possesses adequate tools to hold IFIs, governments, and private companies accountable to transparency standards.

The following section focuses on reviewing some key institutional policies and country-level activities of the IFIs. The focus on policies and country-level activities instead of individual project investments is meant to target the mechanisms through which transparency can be more systematically integrated into and promoted across all IFI activities that impact the extractive industries. However, it should also be noted that individual IFI investment projects and lending programs would be expected to comply with transparency standards, and thereby serve as examples of good practice.

2.1 Operational Policies

IFI operational policies describe the requirements of IFI lending operations, including, *inter alia,* parameters for project design, mandatory assessments, social & environmental safeguards, and information disclosure obligations. Both IFI management staff and the Executive Board of Directors evaluate lending operations against these requirements. Moreover, civil society can hold the institutions accountable to operational policies through independent accountability mechanisms[x], with the exception of the IMF, which does not have an independent accountability mechanism. These reasons underscore the importance of the inclusion of revenue transparency standards in the operational policies of the IFIs. Unfortunately, currently there are no IFI operational policies that contain specific revenue or contract transparency requirements.

Several key operational policies need to be revised to include extractive industry revenue transparency requirements. Three important policies are currently open for revisions –IFC Information Disclosure Policy, IFC Safeguard Policies, and EBRD Energy Policy.

IFC Information Disclosure Policy – The current 1998 IFC Information Disclosure Policy does not address revenue or contract disclosure requirements of IFC clients, i.e., private companies. However, the 1998 policy specified that clients would *not* have to disclose legal documentation pertaining to IFC-financed projects nor specific covenants required by clients, which could include revenue transparency requirements of projects. It is not yet known how the new Disclosure Policy will compare to the 1998 policy regarding revenue transparency because the IFC currently has only released a concept note, not a draft policy document. Under the "roles of the client" the concept note mentions the IFC's commitments made in the World Bank Group's response to the EIR (see EIR section above). However, it is unclear how or if these EIR-related transparency commitments will be incorporated in the new Disclosure Policy.

IFC Safeguard Policies – In addition to the Disclosure Policy, the IFC is currently in the process of updating its Environmental and Social Safeguard Policies, which are now referred to as Performance Standards within the Social and Environmental Sustainability Policy. Given the Disclosure Policy is slated to address revenue transparency in the extractive industries, the new Performance Standards, as currently drafted, do not address transparency. However, unlike the Disclosure Policy, the new Standards are expected to be implemented by more than just the IFC. Specifically, more than 20 commercial banks have agreed to follow a set of environmental and social standards—known as the "Equator Principles"—that are based on the IFC's Safeguards. These Equator Banks provide over 75% of all development project financing around the world. Thus, if relevant Performance Standards also include specific commitments to revenue transparency, the benefits would extend well beyond IFC-financed extractive operations. Potential relevant IFC Performance Standards include: Social and Environmental Management System, Land Acquisition and Involuntary Resettlement, and Indigenous Peoples and Natural Resource Dependent Communities.

EBRD Energy Policy - The EBRD is currently preparing a new Energy Policy, which will replace two existing policies: the Natural Resources Operations Policy, and the Energy Operations Policy. The Natural Resource policy currently covers lending for oil, gas, coal mining, and mining of precious and non-precious metals. The Energy Policy currently covers lending for power generation, transmission and distribution, heat generation and distribution, gas distribution, and utilization of power, heat, and gas. Neither one of these policies specifically addresses revenue or contract transparency in the extractive industries.

As input to the new Energy Policy, the EBRD's Independent Project Evaluation Department prepared an evaluation of its past performance in the extractive industries. The review mainly concentrated on the EBRD's impacts on the transition of countries to open markets and the environmental performance of EBRD-supported EI projects. The main conclusion of the review is that the EBRD must focus on maximizing transition impacts and in order to achieve this, the EBRD should incorporate sustainable development more prominently into its sector objectives. The review further recommended that the new Energy Policy consider the World Bank Group EIR response. However, when listing important elements of the WBG response, revenue and contract transparency are not specifically mentioned in the review.

The operational policies of the World Bank, IFC, and EBRD should be revised to reflect:

- Clear definitions of the specific projects requiring revenue and contract transparency, as well as an explanation for any discrepancy in requirements for large and small projects;
- Concrete transparency commitments and binding language (i.e., mandatory instead of discretionary measures);
- Contract transparency (HGAs, IGAs, & PSAs) for all extractive industry projects not just "significant" projects;
- Revenue transparency requirements for policy lending and technical assistance; and
- Mandatory disclosure of the transparency-related requirements contained in loan agreements, as well as an explanation of where the required information must be disclosed (for example in the IFC's Project Summary Information (PSI) document).

Submitting Comments:

The IFC will be accepting comments on the Disclosure Policy and the Safeguard Policies through **17 December 2004**. The IFC will be conducting four regional consultations, which are by invitation only, to take place between September–December 2004. It is further planned that a draft Disclosure Policy will be released in January 2005 and final draft Performance Standards will be released in April 2005, both for a 30-day public comment period. To obtain the draft policy papers and the IFC process schedule, go to: www.ifc.org/policyreview.[xi]

The EBRD is accepting comments on the existing Energy and Natural Resource policy documents through **15 December 2004**. In addition, the EBRD will be holding workshops in London, Moscow, and Sofia at the end of November and first half of December. In March 2005, it is expected that the Draft Energy Policy will be available for a 45-day public comment period. For more information go to http://www.ebrd.com .

Other key operational policies, which should address revenue transparency, but are not currently open for revision, include the World Bank (IDA & IBRD) and the EBRD's Information Disclosure Policies and the World Bank's Development Policy Lending Operational Policy 8.60. The latter policy is important because it covers the Bank's lending to governments for EI sectoral and institutional reform and specifically addresses the Bank's consideration of public expenditure management (please see above concerns regarding WBG's response to the EIR).

2.2 Investment Promotion Commissions & Foreign Investor's Councils

Under the rubric of "improving the investment climate", the World Bank Group has advised and supported the establishment of Investment Promotion Commissions[xii] within governments of borrowing countries. The Commissions' mandate is to attract more investment in the country. Such commissions typically have been charged with such duties as: advising the government on policy issues related to investment, issuing foreign business permits, negotiating specific incentive packages for investors, and approving and awarding new investment contracts. In some cases, these commissions have been set up as part of a technical assistance loan or policy lending program of the WBG. Given the specific contractual duties of these newly established Investment Promotion Commissions:

- The WBG should advise governments that the Investment Promotion Commissions should be charged with ensuring revenue and contract transparency in all extractive industry investments.

In addition, the EBRD and World Bank have been instrumental in setting up and facilitating Foreign Investor's Councils (FICs) in a number of resource rich countries that borrow from the IFIs.[xiii] These Councils often consist of the EBRD and/or World Bank, selected government agencies, and the CEOs or senior management of large foreign private banks and extractive industry corporations as well as other foreign corporations. The Council meets to discuss government policies and prospects for investment in a given country. Special working groups of the Council develop proposals and recommendations on reforms to the legal and tax regimes and general operational guidelines of significant sectors in the economy. In resource-rich countries, these sectors are mainly the extractive industries.

Given the leading role played by the World Bank and EBRD on these investment councils and the participation of both governments and large extractive industry companies, the FIC provides a valuable forum in which the World Bank and EBRD could promote revenue and contract transparency, including:

- IFIs should play a more proactive role in promoting revenue and contract transparency at the Foreign Investor's Councils, such as encouraging the adoption of transparency commitments for the members of the F I C in a given country.
- IFIs should propose that a specific working group on implementing revenue and contract transparency is set up within the Foreign Investor's Councils.

2.3 Country Strategies & Poverty Reduction Strategy Papers (PRSPs)

For each borrowing country, both the World Bank Group and EBRD have country strategies that are intended to determine lending priorities and to guide the design of specific project and programs for a two- to three-year period. At the WBG these strategies are called Country Assistance Strategies (CAS) or Country Partnership Strategies (CPS) and at the EBRD they are called Country Strategies (CS).

In most cases, civil society is invited to provide comments on upcoming strategies. However, typically a draft of the proposed country strategy is not released for comments prior to Executive Board approval. This constrains civil society's ability to ensure that their comments have been reflected in the final strategy and limits their opportunity to recommend specific language before the strategies are approved by the lending institutions. In recent years, there have been several country strategies of both the World Bank and EBRD that highlight the need for revenue transparency in the extractive industries. Unfortunately, these country strategies often do not include specific transparency interventions and, therefore, follow-up activities overall have been minimal.[xiv]

In addition to the mainly IFI-generated country strategies, many borrowing countries[xv] develop Poverty Reduction Strategy Papers (PRSPs). As the name suggests, these country strategies are aimed at determining development priorities and specific actions to reduce poverty. PRSPs are also meant to guide IFI and bilateral donor funding priorities. In some PRSPs, countries may emphasize the importance of revenue and contract transparency for poverty reduction.

When revenue transparency has been determined to be a country priority, it will be important in both the IFI-generated country strategies and the PRSPs to:

- Ensure that revenue and contract transparency statements in country strategies and PRSPs are linked to specific IFI interventions.[xvi]
- Ensure a clear commitment in country strategies and PRSPs to civil society participation in the implementation and monitoring of revenue and contract transparency.

2.4 IMF Article IV Consultations

Annually, the IMF produces a general macroeconomic assessment and recommendations for all country members called an Article IV Consultation. In addition to measuring general macroeconomic indicators, these assessments give recommendations on how various macroeconomic variables should potentially be adjusted as well as recommendations on institutional reform. Although these reports are intended to be the basis for which the IMF consults with countries, these reports are also reviewed and given considerable weight by donor governments and private investors. Thus, the Article IV Consultations represent an important vehicle to promote revenue transparency by the IMF. Through these consultations, the IMF is already encouraging some governments to enhance both revenue and contract transparency in the extractive industries, for example in Kazakhstan and Nigeria.

However, the IMF’s encouragement for transparency is not consistent across all member countries, such as the degree of importance given to transparency or the type and extent of recommended transparency measures. IMF treatment is even not consistent across countries that have endorsed the EITI. Furthermore, Article IV Consultation statements on revenue and/or contract transparency are often not linked to specific commitments in lending operations. Lastly, the IMF does not address sequencing of revenue transparency, i.e. a necessary condition in legislation and contracts before decisions are made regarding the development of and investment in extractive industries.

The IMF should play a more proactive role in promoting revenue and contract transparency across its member countries, starting by:

- IMF should ensure that revenue and contract transparency statements in Article IV consultations are linked to specific commitments in loan documents, for example in the Letter of Intent for a Stand-by-Arrangement or for a Poverty Reduction and Growth Facility program.
- IMF should advise governments on the sequencing of revenue and contract transparency measures, e.g., the adoption of transparency legislation and contract models should take place before any decisions regarding the development of or increasing investments in extractive industries.

3. Summary of Ways to Strengthen Revenue Transparency at the IFIs

Although the World Bank, IFC, EBRD, and IMF are supporting several activities to promote transparency, the IFIs could be doing much more. Given that revenue and contract transparency are fundamental to more effective and more equitable management of the extractive industries, it is essential that the IFIs move beyond voluntary rhetoric to concrete commitments and, when relevant, mandatory transparency requirements.

This document has identified several key institutional policies and country-level activities through which revenue and contract transparency could be more systematically integrated into and applied across all IFI activities impacting the extractive industries. Following is a summary of some of the main suggestions on how to strengthen revenue transparency within the identified policies and activities:

- **IFC Disclosure Policy** and relevant **Performance Standards** and the **EBRD Energy Policy** should contain:

  Concrete transparency commitments and binding language (i.e., mandatory instead of discretionary measures);

  Contract transparency for all extractive industry projects not just "significant" projects; and

  Mandatory disclosure of the transparency-related requirements contained in loan agreements.

- IFIs should play a more proactive role in promoting the adoption of revenue and contract transparency within the **Foreign Investor's Councils** and government **Investment Promotion Commissions**.

- **IFI country strategies and PRSPs** should link general revenue and contract transparency statements to specific IFI interventions.[xvii]

- **IFI country strategies** and **PRSPs** should include clear commitments to civil society participation in the implementation and monitoring of revenue and contract transparency.

- **IMF Article IV Consultations** should encourage governments to adopt legislation on revenue and contract transparency before any decisions regarding the development of or increasing investments in extractive industries, i.e. appropriate sequencing of transparency measures.

Schedule for public comments on current policy revision processes and draft documents:

15 December 2004 – EBRD Energy Policy

17 December 2004 – IFC Disclosure Policy and Performance Standards

December 2004 – draft IMF *Guide on Resource Revenue Transparency*

January 2005 – draft IFC Disclosure Policy

March 2005 – draft EBRD Energy Policy

April 2005 – draft IFC Performance Standards

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End Notes and Literature Cited

[i] World Bank refers to the International Development Association (IDA) and the International Bank for Reconstruction and Development (IBRD) of the World Bank Group.

[ii] The Asian Development Bank, Inter-American Development Bank, and the African Development Bank are also important IFIs that are not addressed in this paper.

[iii] To learn more about EITI go to http://www.eitransparency.org/. For initiatives surrounding revenue transparency of the private sector, see the Publish What You Pay (PWYP) campaign at http://www.publishwhatyoupay.org/index.html .

[iv] To obtain more information on these projects see: http://www.bicusa.org/bicusa/issues/africa/index.php, http://www.bankwatch.org/issues/oilclima/baku-ceyhan/mbaku.html; and http://www.ifc.org/btc

[v]World Bank Group 2004, Fact Sheet on Revenue Management and Transparency http://ifcln1.ifc.org/ifcext/eir.nsf/AttachmentsByTitle/RevenueManagement&Transparency1/$FILE/REVENUE+MANAGEMENT+&+TRANSPARENCY+FACT+SHEET.pdf

[vi] HGA = Host Government Agreement, IGA = Inter-Governmental Agreement, and PSA = Production Sharing Agreement

[vii] World Bank, 2004. Striking a Better Balance - The World Bank Group and Extractive Industries: The Final Report of the Extractive Industries Review, World Bank Group Management Response. September 17, 2004.

[viii] World Bank, 2004. Striking a Better Balance - The World Bank Group and Extractive Industries: The Final Report of the Extractive Industries Review, World Bank Group Management Response. September 17, 2004.

[ix] Including: Azerbaijan, Ghana, Iran, Kazakhstan, and Papua New Guinea.

[x] The independent accountability mechanisms include: World Bank – The Inspection Panel, IFC – the Compliance Advisor/Ombudsman (CAO), and EBRD – the Independent Recourse Mechanism (IRM).

[xi] For more information on NGO activities surrounding the consultation process go to www.grrr-now.org.

[xii] In some countries the commissions have been referred to as Investment Promotion Centers.

[xiii] Also sometimes called Foreign Investors' Advisory Councils (FIACs).

[xiv] OED, 2003. Extractive Industries and Sustainable Development: An Evaluation of World Bank Group Experience, Volume II. World Bank/Operations Evaluation Department, July 29, 2003. Report No. 26373)

[xv] These are mainly the highly indebted poor countries (HIPC), but also include many other countries.

[xvi] For example, language linked to clear measures in the Poverty Reduction Support Credits (loans of the World Bank in support of PRSPs) and Poverty Reduction and Growth Fund (loans for the IMF in support of PRSPs).

[xvii] For example, language linked to clear measures in the Poverty Reduction Support Credits (loans of the World Bank in support of PRSPs) and Poverty Reduction and Growth Fund (loans for the IMF in support of PRSPs).