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**Submission for the**  
**POSITIVE AWARD**  
**2006**  
**Filed by: Global Witness, London, UK**

## Global Witness

Headquarters:	London, UK
Established:	1993
Web site:	<a href="http://www.globalwitness.org">www.globalwitness.org</a>
Number of employees:	31
Number of members:	Not a member-based organization.
Area of activity:	Natural resources, human rights, sustainable development and conflict resolution.
Main objectives:	By advocating for transparency and good governance in relation to natural resource management around the world, Global Witness aims ultimately to achieve its vision of a world in which the populations of countries rich in timber, minerals and oil equitably benefit from the sustainable use of these resources.

### Summary

*Across the globe, revenues from oil, gas and mining that should be funding sustainable development are being misappropriated. With its "Revenue Transparency Campaign," the British NGO Global Witness is advocating for good governance and increased revenue transparency for poor nations with large extractive sectors, and crucially, the international financial institutions and resource extraction companies which deal with them. Its work has resulted in international initiatives such as the "Extractive Industries Transparency Initiative" and the "Kimberly Process".*

### Reasons for the submission

It is widely known that the leaders of many resource rich countries embezzle foreign investment in state-owned natural resources for their personal gain. Nonetheless, numerous extractive industry companies are willing to do business with them. Foreign companies that extract minerals or oil generally pay various access fees and royalties to the nations in which they operate. In extreme cases, corrupt governments siphon off such revenues for personal use whilst their populations subsist on international aid programs, usually with the full knowledge or the convenient ignorance of international companies and financial institutions paying them and backing the ventures in the first place.

In 1999, Global Witness launched its *Revenue Transparency Campaign* to increase revenue transparency in the oil and mining industries, and nations with large extractive sectors. Global Witness believes that the disclosure of royalties, taxes and other payments to governments by natural resource companies is a necessary precondition for equitable development. To achieve this, Global Witness launched, in cooperation with other agencies, the *Publish What You Pay* Campaign in 2002. It has now become a coalition of 280 NGOs worldwide. The coalition calls for the disclosure of net payments made to national governments by oil, mining and gas companies.

With its investigations, Global Witness has exposed the multinational corporations that play a willing role in facilitating misappropriation of state assets, off-the-book payments, and other nefarious activities as an anti-competitive means of winning business with unaccountable regimes.

Through a combination of undercover in-country investigations, in-depth research and partnerships with local people, civil society groups, journalists and academics, Global Witness gathers firsthand evidence of dubious business practices. A recent investigation by Global Witness into Freeport McMoRan Copper and Gold Inc. revealed that the US based mining company paid large sums to individual police and military officers in Indonesia rather than to the government. This happened in a conflict ridden region where McMoRan controls a gigantic mine and where security forces have a reputation for corruption and brutality.

The NGO publishes its findings in hard-hitting reports and briefings which are distributed around the world. In 2004, Global Witness released a report called *Time for Transparency* which exposed five major examples of revenues from oil, mining and gas being misappropriated in Kazakhstan, The Republic of the Congo, Angola, Equatorial Guinea and Nauru. But Global Witness does not just catalogue long lists of abuses; its reports always make considered and practical recommendations for the future.

### **Results of the campaign**

Global Witness' work has resulted in international initiatives such as the *Extractive Industries Transparency Initiative* (EITI) which aims to ensure that revenues from extractive industries contribute to sustainable development and poverty reduction; and the *Kimberly Process*, a joint government, international diamond industry and civil society initiative to stem the flow of conflict diamonds. Furthermore, the insistence of Global Witness brought about the inclusion of revenue transparency provisions in US appropriations legislation and put the issue at the top of the UK's agenda during its G8 Chairmanship in 2005.

### **What happens next?**

Global Witness will continue to press governments, private banks, companies and investors on the issue of transparency. A sharp focus will be put on payments to the military. A new campaign will identify the role of private banks and the ways in which their business practices negatively affect countries embroiled in or emerging from conflict. The goal is to raise public and government awareness of the issue and to demonstrate to businesses, banks and officials involved in resource extraction that their days of impunity are numbered.

**Detailed submission:** [www.publiceye.ch/nominierungen](http://www.publiceye.ch/nominierungen)

Further information and links:

- [www.globalwitness.org](http://www.globalwitness.org)
- [www.eitransparency.org/](http://www.eitransparency.org/)
- [www.kimberleyprocess.com](http://www.kimberleyprocess.com)