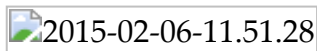


CRRT Online

Cambodians for Resource Revenue Transparency – working to achieve transparency in Cambodia's extractive industries.

The EITI: A path to create transparency in the resource industry

2015-02-06-11.51.28 (<https://cambodiacrtr.files.wordpress.com/2015/07/2015-02-06-11-51-28.jpg>)

Courtesy theepochtimes.com

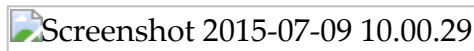
There are many cases of poor countries discovering rich oil, gas and mining resources – but many of them remain poor. What often causes problems is that the revenues generated from the extractive industries are not managed in a transparent and responsible manner. If properly managed, natural resources can benefit the country as a whole.

But with genuine commitment and efforts on the part of the government and other stakeholders, this problem could be solved. If properly managed, natural resources can benefit the country as a whole.

The Extractive Industries Transparency Initiative (EITI) is one method to try and achieve this. It provides citizens with more information on the resources that belong to all of them.

Unfamiliar with the EITI? Here is a brief guide.

What is the EITI?

Screenshot 2015-07-09 10.00.29 (<https://cambodiacrtr.files.wordpress.com/2015/07/screenshot-2015-07-09-10-00-29.png>)

Courtesy EITI

With the support of businesses, governments and civil society, the Extractive Industries Transparency Initiative was established in 2003 in London.

EITI is an international standard which requires its member countries to disclose the amount of money they make from natural resources. It also requires companies operating in the extractive industries to publish the payments they make to the government. These figures are then independently checked.

The publication of these figures means that civil society and the general public can track the money flow from resource companies to the government to prevent corruption. It ensures a government's transparency and that citizens are seeing the full benefit of the extraction of natural resources.

What does a country have to do to be a member?



Courtesy EITI

There are two kinds of members: an EITI candidate country and an EITI compliant country.

An EITI candidate country is one that is implementing the EITI standard, which requires the government to publish the money it makes from natural resources in one year in an EITI report.

Candidates are required to publish their first report within 18 months. The report is put together by an independent body and then reviewed by another independent party.

For a candidate country to become an EITI compliant country, it must meet another seven requirements and standards. These range from the continued on-time publication of the EITI reports to effective participation and compliance from all stakeholders involved – civil society, industry and government.

It is worth noting Cambodia is not an EITI compliant country yet, nor is it an EITI candidate country.

Why should Cambodia consider signing up?

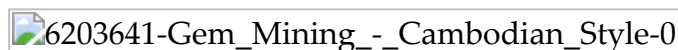
By signing up for the EITI, the Cambodian Government can demonstrate to its people that it is serious about the fair management of resource revenues. It stops opportunities for corruption and ensures Cambodia's natural resources are spread equitably. Currently, it is not mandatory for the Cambodian government to make extractive industries' revenue publicly accessible.

<https://cambodiacrtr.files.wordpress.com/2015/07/oil-rig.jpg>



As well as this, investors are more likely to come to countries with a stable and transparent economic climate. EITI membership sends a signal to investors that the government is committed to transparency and accountability in the resource sector. This presents a strong incentive for the Government to consider working towards EITI membership.

Overall, becoming an EITI member would be an important step towards building trust between the government, companies and the citizens. However, it is not a simple journey. While large oil and mining projects are on the horizon, the government is currently making limited revenues from the mining industry. The Cambodian Government also has a long way to go in terms of transparency, and achieving EITI status would require some serious reforms.



https://cambodiacrtr.files.wordpress.com/2015/07/6203641-gem_mining_-_cambodian_style-0.jpg

Courtesy www.travelblog.org

The Cambodian people could change the country for the better by urging the government to make such reforms, and eventually, become a member of EITI. Government accountability is an important goal, and the EITI could be a step in the right direction.



Posted in [Transparency issues](#) and tagged [access to information](#), [CRRT](#), [EITI](#), [extractive industries](#), [extractive industries transparency initiative](#), [good governance](#), [resource industry](#), [transparency](#) on [July 14, 2015](#) by [cambodiacrrt](#). [Leave a comment](#)

[BLOG AT WORDPRESS.COM. THE SUITS THEME.](#)