



BAYELSA STATE GOVERNMENT
Due Process and e-Governance Bureau

PRESS STATEMENT

**BAYELSA EXPENDITURE AND INCOME TRANSPARENCY
INITIATIVE (BEITI) LAUNCH – YENAGOA November 5, 2008**

Enhancing transparency and participation in the management of oil and gas revenue is critical to fostering peace and sustainable development for all Bayelsans. To deliver this change and entrench good governance in Bayelsa State, Chief Timipre Sylva, Executive Governor of Bayelsa State has officially announced the creation the **Bayelsa Expenditure and Income Transparency Initiative (BEITI)**.

Speaking at the event in Government House, Chief Timipre Sylva said “The entire State was transiting from a person-centred platform to a system-centred approach, stressing that government would move the state to the highest level of transparency”. He noted that “through transparency, we would be able to deliver some of those infrastructural projects that would support business and Foreign Direct Investment (FDI) coming to Bayelsa State. He announced a follow-up team comprising The Director-General, Due Process & e-Governance Bureau, Honorable Commissioners for Finance, Health and Information to coordinate and make available a modular approach to meet our targets.

In a congratulatory Statement to the Governor of Bayelsa State, His Excellency Chief Timipre Sylva, the Chairman of the Open Society Institute, George Soros said: “I would like to congratulate Governor Sylva for the launch of the BEITI which represents a major opportunity to open policy dialogue and include civil society and communities in the management of oil and gas revenues in Bayelsa State.”

In a statement, Karin Lissakers, Director of the Revenue Watch Institute – technical partner and principal adviser to the Bayelsa State Government for the BEITI stated that: “The BEITI is an important institutional platform to increase transparency and accountability in Bayelsa. The adoption of fiscal responsibility legislation and the ability of the BEITI multi-stakeholder working group to exercise scrutiny over actual revenue transfers and public expenditures are critical to the credibility of this initiative.

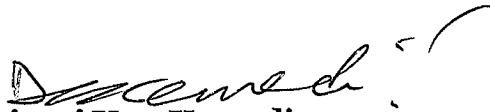
The BEITI will ensure transparency in the receipt, allocation, accounting and management of the Bayelsa State resources through:

- Creation of a **multi-stakeholder Steering Committee** composed of key Bayelsa State Government representatives, a representative of the Niger Delta Development Commission, Bayelsa State House of Assembly, civil society and the private sector under the leadership of a **“BEITI Champion”**.
- Development of a **detailed work plan – including cost of proposed activities-** which will represent the platform for reform of Bayelsa State and local public finance and expenditure processes
- Set up a **clear mechanism for civil society engagement in the budget process at the State and Local Government levels;** including budget monitoring and public awareness toolkit.
- Develop framework for **annual independent financial and process audits** of State and Local Government authorities finances
- Establish an expenditure tracking mechanism for key projects in all priority areas of the Bayelsa State Sustainable Development Strategy and towards meeting the Millennium Development Goals
- Assist in the **draft and passage into law of a Bayelsa State Expenditure and Income Transparency Bill**
- Manage technical and financial assistance from development partners, donor agencies and the Federal Government to implement BEITI.

The benefits of greater transparency and accountability for Bayelsa State include:

- **Democratic debate:** Transparency is needed to allow democratic debate on fiscal policy and spending priorities. When information is hidden, people can build unrealistic expectations about the state riches which are bound to be frustrated.
- **Accountability:** BEITI will strengthen accountability in both the executive and legislative branches of government by reducing opportunities for corruption and the potential for waste of public resources.
- **Improved Economic planning and human development:** BEITI creates a platform for monitoring revenue and expenditures which will improve economic planning and resource allocation. Fostering greater transparency can improve service delivery and access to basic social services to address the needs of the poor.

- **Access to finance and investment:** Demands for greater transparency not only come from citizens but also from international financial institutions, investors, banks, donor organizations and international civil society. Lack of transparency is seen as a major obstacle to the creation of a favorable investment climate, better management of public resources and poverty reduction. A more transparent system will stimulate private sector investment and mobilize more resources to achieve the goals outlined in Bayelsa State Sustainable Development Strategy.



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Director-General