



global witness

tax justice network

24 March 2010

Dear MP,

We are non-profit organisations working in the fight against poverty and we are writing to ask you to support **Early Day Motion 912** which would assist the struggle against corruption in the oil, gas and mining industries of the world.

In many developing countries that are rich in oil, gas and minerals, corruption has wasted huge sums in revenues that should be used to lift people out of poverty, lower child mortality and treat disease. Such countries remain poor, unstable and dependent on foreign aid.

Corruption causes great suffering and conflict in such countries as Nigeria, Angola and the Democratic Republic of Congo. Corruption gives autocratic regimes the funds to rig elections and preserve their unaccountable power. And where companies are competing for access to oil or mineral deposits, corruption can give unscrupulous companies an unfair advantage.

A law has been introduced into the United States Senate which, if passed, could be a major step against corruption. The "Energy Security Through Transparency Act" (the ESTT Act) would ensure that all U.S.-regulated oil and mining companies disclose to the public, in full, their tax, royalty and other revenue payments to governments.

This law would enable citizens of resource-rich-but-poor countries to see how much revenue their governments are receiving from the oil and mining industries. It would deter corruption and help to ensure more open and fair competition between companies.

The ESTT Act would reinforce the Extractive Industries Transparency Initiative (EITI), which is voluntary for countries to join, making it vulnerable to backsliding by autocratic governments. However, some U.S. legislators are uncomfortable about adopting the ESTT Act without progress towards similar measures in other countries, notably the United Kingdom.

Members of Parliament have responded to this concern by supporting **Early Day Motion 912 on "disclosure of payments to governments by oil, gas and mining companies"**. This EDM has been commended by Senators Dick Lugar (Republican) and Benjamin L. Cardin (Democrat) in a press release which praises UK parliamentarians for their initiative.

We would urge you to add your support to this measure.

Thank you.

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