



Promoting greater transparency from businesses and governments

The problem of misallocation of oil & gas revenues by host governments in developing countries is attracting worldwide attention. Poor revenue management and corruption greatly increases the likelihood of poverty, inequality and conflict. Greater transparency over the amounts paid to governments, and the way they are spent, is a necessary step towards better governance and economic & social development.

The UK Government's Extractive Industries Transparency Initiative (EITI) is an important collaborative venture, which seeks to engage extractive companies and governments in a methodical process of agreeing and publishing data about these payments in a meaningful, consistent way. The disclosure of data will give stakeholders better information with which to hold governments to account for their behaviour.

EITI is a voluntary rather than mandatory process; it recognizes that requiring extractive companies to publish data without governments reciprocating is of limited value. It includes national as well as international companies in the equation. And it respects legal and contractual provisions on confidentiality.

BP believes that transparency is a core value of sound corporate governance, and seeks to create the level playing field for all investors that transparency will bring. BP actively supports the principles and practical application of EITI. We are working with the EITI team and host governments to launch pilots of the scheme in a number of locations.