

National Discussion on Oil Revenue Management in Sao Tomé and Príncipe (STP), and Regional Coordination Meeting of Civil society from Portuguese-speaking Countries in Africa

October 29-31 2007
Sao Tomé, Sao Tomé and Príncipe



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Introduction

Sub-Saharan Africa is experiencing a significant oil boom and the injection of large amounts of revenues from oil, gas and mineral extraction presents an enormous challenge. This money should serve as a basis for economic growth and poverty reduction across Africa, yet history shows that resource revenues have not generally contributed to better development outcomes. Portuguese-speaking countries in Africa, such as Guinea Bissau, Mozambique, Sao Tomé and Príncipe, and Angola are rich in oil and/or minerals and, while their experiences often vary, these countries display important similarities and complementarities. In this context, civil society organizations from these countries have expressed a need to better coordinate in order to facilitate exchange and learn from each other's experiences. Sao Tomé and Príncipe in particular is attempting to ensure its future oil wealth is harnessed for development by introducing legislation designed to ensure transparent management of oil revenues.

The Publish What You Pay (PWYP) campaign aims to ensure transparency over the payment by companies and receipt and management by governments of oil, gas and mining revenues in resource-rich developing countries so that citizens can hold their government to account for the expenditure of this important income. International Alert has been implementing a conflict prevention project in Sao Tomé and Príncipe since 2004, designed to help prepare civil society, parliament and the media for the advent of oil.

The PWYP coalition, International Alert and UNDP organized a roundtable discussion Oil Revenue Management in Sao Tomé and Príncipe (STP), and Regional Coordination Meeting of Civil Society from Portuguese-speaking Countries, which took place in Sao Tomé and Príncipe from 29 to 31 October 2007. The Roundtable Discussion was opened by His Excellency Fradique Melo Bandeiro de Menezes, President of the Republic of Sao Tomé and Príncipe, and included civil society participants from Angola, Guinea Bissau, Mozambique, Nigeria, and Sao Tomé and Príncipe; representatives of government, oil companies, and the private sector in Sao Tomé and Príncipe; international experts; and representatives from Columbia University, Global

Witness, Open Society Initiative for Western Africa, Open Society Initiative for Southern Africa – Angola , and Revenue Watch Institute.

Conference Proceedings



L – R: Salil Tripathi, Gana Fofang, H.E Fradique Melo Bandeira de Menezes, Dionisia Gomes, Mery Aguiar

The roundtable discussion and workshop were held in Sao Tomé and Príncipe because the country is on the verge of oil production and, as such, stands to serve as a case study for effective management of natural resources in the region. It is hoped that the national discussion in Sao Tomé and Príncipe, and the regional dialogue with Lusophone countries in Africa, will lead to greater sharing of best practices and improvement of standards, to ensure that oil, once found in commercial quantities, supports growth, instead of fuelling conflict.¹ The discussion and workshop built upon the steps taken during previous conferences on Lusophone Civil Society by presenting yet another invaluable opportunity to share experiences, lessons learned, and good practices.² A forum in which countries have the opportunity to share past experiences provides STP with the opportunity to learn from the mistakes of others and it is an opportunity for civil society partners to ensure these lessons can be put into practice. The discussion and workshop, therefore, are just a step in what is essentially a long process of engagement, bringing together partners from outside STP, strengthening those within the country, and making sure that government takes leadership in ensuring

¹ Opening Remarks by Salil Tripathi, International Alert, Monday October 29 2007.

² Opening Remarks by Dionisia Gomes, Working Group On Petroleum and other Extractive Industries (GTP-IE Guinea Bissau), Monday October 29 2007.

resources for the country are used in a manner that guarantees that the country moves forward.³

It is important to recognize, however, that civil society in Sao Tomé and Príncipe is still in its embryonic stage and lacks the resources and coordination necessary to deal with issues of development and awareness, information and training, and transparency as concerns the country's current management of oil resources. It is crucial, however, that civil society organize as a critical mass in STP, in order to scrutinize and criticize the daily management of resources and to hold accountable those who are responsible: it is up to the people of the country to actively demand accountability from their leaders.⁴ Regardless of whether or not there is oil, however, it is imperative that processes be put in place for monitoring and ensuring the good use of all revenues.

The advent of oil, however, presents an opportunity that cannot be wasted: an opportunity for an organized, but constrained civil society to fully realize its role and help STP become a country that provides a model for transparency; a country whose use and management of revenues provide an example to be followed; a country within which oil is not a curse, but becomes a blessing not only for some, but all of the people of Sao Tomé and Príncipe.⁵

³ Opening Remarks by Gana Fofang, UNDP, Sao Tomé and Príncipe, Monday October 29 2007.

⁴ Keynote Address by The President of the Republic, H.E Fradique Melo Bandeira de Menezes, Monday October 29 2007.

⁵ Opening Remarks by Mery Aguiar, FONG, Sao Tomé and Príncipe, Monday October 29 2007.

PART I- National Roundtable Discussion on Oil Revenue Management in Sao Tomé and Príncipe

I. Oil Prospects in Sao Tomé and Príncipe



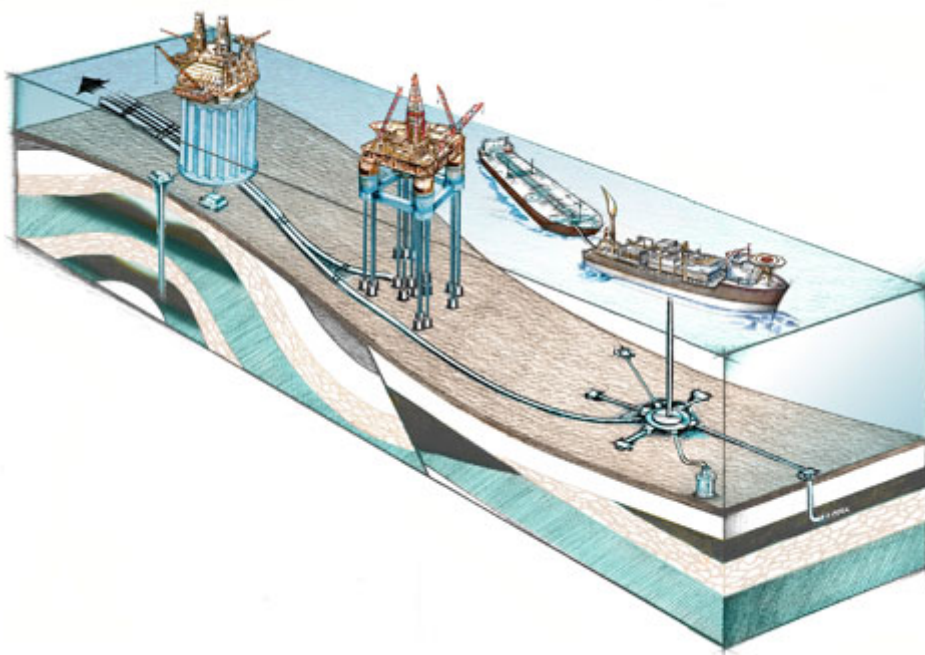
Semi-submersible Oil Rig⁶

A recurring theme, from the outset and throughout the initial proceedings of the roundtable discussion, was the question of whether or not there is actually oil in Sao Tomé and Príncipe. Before addressing issues of revenue management and promotion of transparency, it was imperative that the participants of the workshop be fully informed regarding the myths and realities surrounding oil in STP, the exploration outcomes and expected production, and existing financial projections. What emerged from the inaugural session of the roundtable discussion is that, in terms oil exploration, everything is hypothetical until an area is drilled and oil is actually discovered.⁷ Until that time, seismic studies and x-rays can discover whether it is likely that there may be oil, based on seismic profiles and on evidence discovered in subsoil. Seismic profiles show the various layers of soil and identify which structures are liable to store hydrocarbons. Oil migrates in accordance with hydraulic movements and deposits in reservoirs where it accumulates and has the potential to be exploited at a later point. Where a profile shows few seismic lines, there is no large activity. Various geological surveys reveal different information: mapping inside the ocean shows depths from 90m

⁶ Image from www.rigworker.com/industry/semisub.shtml

⁷ From presentation by Eng. Luis Paquete of the STP National Oil Agency (ANP), Monday October 29, 2007.

(deep) to 2000m (ultra deep), the significance of this being that it is more likely to find oil deposits in ultra deep waters; examining tectonic fractures demonstrates ruptures in marine subsoil, which potentially serve as likely locations for oil deposits; and examining the distribution of *motherrock* demonstrates how oil migrates and identifies the structures liable to contain oil deposits.⁸ Essentially, there exist several structures, with several dimensions, and everything is a variable in the attempt to ascertain whether or not oil deposits exist. Once geological surveys are carried out, the results yield a hypothesis as to whether or not there might all. As such, thus far, it is known that oil reserves exist. However, it is only when another drill is carried out that the identified resources can be assessed. What can be verified, at present, is that some of the existing reserves are extractable, and it is projected that these reserves can yield approximately 10 billion barrels of oil.⁹



*Oil exploration at sea*¹⁰

⁸ Ibid.

⁹ Ibid.

¹⁰ Image courtesy of <http://www.technical-illustrations.co.uk/infographic.html>

II. Management of Oil Revenues in Sao Tomé and Príncipe

Historical Perspective

In terms of management of oil revenues, it has become clear that during the initial auction of oil blocks, numerous mistakes were made that led to agreements with oil companies that have subsequently proved detrimental to the country.¹¹ Many of these mistakes were made due to lack of technical expertise on the issue.¹² As such, regulations and transparency are crucial in ensuring such detrimental agreements are not entered into in the future, without all of the necessary information and expertise.

Legal Instruments and Mechanisms

There are currently two key areas of development in Sao Tomé and Príncipe, Exclusive Economic Zone (EEZ) and the Joint Development Zone (JDZ). The EEZ is managed in Sao Tomé and Príncipe by the National Oil Agency (ANP). However, relations between the ANP and the Joint Development Authority (JDA) of the JDZ are currently weak, and—in addition—the absence of strong ties between the ANP and the Nigerian National Oil Agency has the potential to generate conflict, particularly when it comes to taking joint decisions. As such, cooperation between the mechanisms for oil management within the EEZ and within the JDZ needs to be significantly strengthened. The JDZ is shared by both Nigeria and Sao Tomé and Príncipe as per the Abuja Declaration of 2001, and is managed by the JDA and the Joint Ministerial Council (JMC). The latter's decisions are based on the recommendations of the JDA and if ever there is a conflict, the JDA's recommendation serves as the last instance.

There are several legal instruments and mechanisms that address oil management in Sao Tomé and Príncipe. As mentioned above, the Abuja Declaration (2001) established the Joint Development Zone and determined the boundaries therein. According to the Declaration—which is valid for 30 years—Nigeria is entitled to 60%, while STP is

¹¹ Presentation by Eng. Arlindo Carvalho, the Director General of the Environment, Monday October 29 2007.

¹² Keynote Address by H.E Fradique de Menezes, Monday October 29 2007.

entitled to 40% of all revenues: during the second licensing round, 201 million USD was earned in total, with Nigeria getting 120.6 million dollars and STP getting 80.4 million dollars.¹³ The Declaration stipulates that all payments made to the JDA should be made public on a quarterly and annual basis by both the JDA and oil companies. In addition, it is required that all audits are made public.

In terms of national legal instruments, three key laws exist: the Framework Law of Oil Revenues (No. 8/2004) which is an essential tool for the application of transparency in the management of oil revenues; the Organic Law creating the National Oil Agency (no. 5/2005); the Organic Law creating the Petroleum Oversight Commission (no. 11/2006) which stipulates that civil society must be included in the management of resources; and the Decree Law establishing the Public Registry and Information Office (no. 11/2007). The Permanent Fund is constituted by Framework Law of Oil Revenues (2004) which stipulates that all revenues are deposited in an oil account. Section III of the law details how the fund should be managed, outlines specific rules for withdrawal of funds, and specifies that four signatories are required to operate the account.¹⁴ The Petroleum Oversight Commission (POC) was also established by law in 2006, and was set up to regulate management and use of oil revenues. It is composed of 11 members and it is—in constitution and mandate—similar to an EITI Committee.¹⁵ The POC is still in its preparatory phase, having received nominations for candidates to fill the eleven positions: one from the Presidency, 3 from Parliament, 1 candidate proposed by parliamentary group (opposition), 1 representative of Principe, 2 representatives of local municipalities, 1 representative of corporate associations, 1 representative of unions, and 1 of NGOs. The Public Registry and Information Office (PRIO) was established by law in 2007 and is a transparency instrument that deals with the management of oil resources whose objective is ensure that each citizen has access to all information concerning oil revenues. Concerning the operations of these mechanisms, the Fourth Commission, with help of Columbia University, has planned a budget to be presented to government and donors.¹⁶ In addition, there are several steps yet to be taken in order to implement the laws that were enacted in 2006 and 2007

¹³ Presentation by Norberto Costa Allegre, Representative of the JDZ in STP, Monday October 29 2007.

¹⁴ Article 10, Framework Law on Oil Revenues, 2004.

¹⁵ It is for this reason that STP has been considering merging the POC and the EITI Committee, as discussed below. Presentation by Silverio Pereira, National Oil Agency, Monday 29 October 2007

¹⁶ Ibid.

establishing the POC and the PRIO, respectively. To implement the PRIO, an administrator must be selected, and a website must be created in order for the public to gain access to an electronic database with all the necessary information.¹⁷ In terms of the POC, it is now necessary to elect members, guarantee funding, determine the most effective way to carry out its mandate in the next auction, elaborate plans of action and annual reports, create a website, and sort out how to coordinate domestic initiatives and international EITI initiatives.¹⁸

Lack of Clarity

Despite the existence of a clear legal framework, and of mechanisms at both the national and regional levels, it is apparent from the questions raised during the roundtable discussion that there is a general lack of information dissemination that has given rise to nebulousness surrounding issues of oil revenue management in Sao Tomé and Príncipe. There remains some confusion as to the specifics of how all of the mechanisms are meant to function, both individually, and together. There is lack of clarity, for example, as regards the role of society in the POC and as regards the distinction between the POC and an EITI Committee. In addition, according to the JDZ, all accounts have been audited, although revenues from signature bonuses were not subject to audits. It was noted, however, that the JDZ website does not contain detailed account information, which is precisely the type of information to which access is required to ensure complete transparency. Another key point is the fact that the law recognizes that before oil production, 20% of what is in the Permanent Fund can be used, whereas after production it is still unclear on how the Fund is meant to work. Furthermore, it remains generally unclear as to how exactly the JDZ functions, and how the money from the Permanent Fund is transferred to the JDZ. It becomes clear from the above issues that there is a significant lack of transparency that needs to be immediately addressed. The roundtable discussion and workshop, therefore, gave rise to an opportunity to discuss how the various mechanisms can work together in order to ensure effective management of oil revenues in Sao Tomé and Príncipe.

¹⁷ Panel Discussion contribution by Paulo Cunha, Columbia University, Monday 29 October 2007.

¹⁸ Ibid.

Transparency is crucial in every country because natural resources are the property of the nation, and as such, mechanisms used to manage said resources should be widely known and accepted.¹⁹ There must be a transparent process through which we monitor the way transactions are carried out, and this is why the Extractive Industry Transparency Initiative (EITI) is significant. It is important, therefore, to utilize the roundtable discussion and workshop, to identify whether to and how to combine existing mechanisms in Sao Tomé and Príncipe with the EITI. The EITI is just a process: a focussed, limited process, not unlike capturing an image of revenue management.²⁰ This tripartite process is meant to determine exactly how much will STP receive from the oil business by observing the various stages, from awarding contracts, to monitoring of operations, to collection of taxes and royalties, to distribution of revenues. The EITI is essentially meant to reveal how much revenue is received.

¹⁹ Presentation by Eleodoro Mayorga Alba, Representative of the World Bank, Monday October 29 2007.

²⁰ Ibid.

III. The Extractive Industries Transparency Initiative (EITI)

*Introduction*²¹

The EITI process is just part of larger picture of effective management of revenues from extractive industries: it focuses only on revenue collection, on how much money is coming into a country's budget, and on how revenues are managed and distributed. The EITI is a multi-stakeholder process that involves producer countries, consumer countries (such as the UK, France, and the USA), civil society, the International Monetary Fund (IMF), the World Bank (WB), the African Development Bank (ADB), and Investors. The process is a voluntary initiative, and there is a trust fund available to provide assistance to the countries willing to participate. To be eligible to participate in the process, a country must ensure the following: government (including state agencies) publishes how much it receives; companies (including state companies) publish what they pay; an independent audit is held to reconcile the two sets of figures; and results are published and widely disseminated to sustain public scrutiny and debate.



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²¹ Summary of Presentation by Sarah Wykes, Global Witness, Monday October 29 2007.

²² Image courtesy of the Extractive Industries Transparency Initiative (www.eitransparency.org)

The stages of implementation include the initial signing up, and the preparation phase. The former entails that the Government must show willingness to work with companies and with civil society and must declare who will lead the process. The latter phase necessitates that a national committee is established comprising government, oil companies, and civil society with each sector nominating its own representative. In addition information must be audited and the committee must produce models of how the information will be published and disseminated.

An EITI International Secretariat and Board were established during the 3rd EITI Conference in Oslo, Norway, in October 2006. The Board identifies a group of experts to validate each country's process by evaluating whether all the different stakeholders mentioned above have been properly involved and by confirming the existence of a proper communication strategy. This validation process is necessary in order to determine the credibility of each country's EITI process. The EITI's focus for the future will be less on international conferences, and more on training, capacity building, and implementation, as well as proving support for civil society. In this context, it is necessary to examine at what stage Sao Tomé and Príncipe is in terms of implementing the EITI process.

EITI in Sao Tomé and Príncipe

Thus far, the government has fulfilled step one of the EITI criteria by publicly declaring its intention to implement EITI and to work with civil society and oil companies throughout the process. What is yet to be determined, however, is the EITI's connection with the POC, which is not very well defined. In addition, the government has completed the task of choosing a National EITI Coordinator (Genoveva Costa), to lead the process. Crucially, however, the composition of the EITI Committee remains unclear as does the publication and dissemination of a clear plan of action. As such, it is evident that STP has yet to fulfil all the requirements to qualify as a candidate country since its endorsement two years ago. It is therefore imperative that the country fulfils all the necessary criteria, before the December deadline, in order to ensure it remains a candidate. The challenges facing STP at present are to clarify and define the relationship between the POC and the EITI, meet the candidature criteria and to

increase the capacity and training for civil society to fully participate in transparency efforts.

The Role of Civil Society in the EITI and Promoting Proper Revenue Management

Civil society can potentially play a significant role throughout a country's EITI process. Given the voluntary nature of the EITI, civil society can and must pressure governments to sign up to and implement the initiative. In Sierra Leone, for example, the *National Advocacy Coalition on Extractives of Sierra Leone (NACE)* conducted advocacy visits to key decision-makers in government to press for implementation, choice of institution (usually a ministry), and selection of a person to lead the EITI implementation process.²³ In addition, they held a symposium on EITI implementation inviting key stakeholders to promote and explain the mutual benefits of EITI, and they finally released an advocacy report on EITI implementation.

Upon a government's public declaration to join the EITI, a public consultation must be held in order to explain the principles and criteria of the initiative. Subsequently, the government issues an EITI decree creating the governance structure of the EITI, notably the EITI committee(s). While civil society should be meaningfully involved from the very beginning of this process, some problems can be observed in the practice:

- Governments ***do not advertise or do not hold*** these consultations as widely or as openly as they should (ex: Mauritania)
- Governments ***do not allow civil society to freely elect its representatives*** on the EITI (ex: Gabon)
- Governments try to ***minimize civil society representation*** in EITI committees (which places CS in a position of weakness) (ex: Ghana)²⁴

The next step in the implementation process, as has been discussed above, is the elaboration of an action plan by the EITI committee, detailing a timeline for implementation, logistical and financial resources, objectives and scope of the EITI. Since the content of the action plan will affect the rest of the EITI implementation process, it is imperative that civil society actively participates in the design of the action plan. For example, the PWYP Liberia coalition sent a detailed briefing to the

²³ Presentation by Matteo Pellegrini, Publish What You Pay (Africa), Tuesday October 30 2007.

²⁴ Ibid.

government outlining key civil society “asks” and followed up with meetings.²⁵ Upon the elaboration of an action plan, a country must carry out an audit, after which an audit report is released containing details on data collected, any mismatches, and any possible explanations for these mismatches. At this juncture, civil society can analyze the report and openly take a critical position recommending that any findings of the audit report are followed up with concrete reforms by the government. In Cameroon, for example, the local civil society coalition analyzed data in reports and made some cross-calculations finding a mismatch of approximately 240 millions.²⁶ In Nigeria, civil society was able to support extensive process, physical and financial audits of the oil sector, which has subsequently led to a sustained reform process. In addition, civil society has initiated a law (NEITI Act) which officially institutionalized the EITI in the countries and shielded it against regime change²⁷. It is evident therefore, both in theory and in practice, that civil society can potentially play a significant role at each stage of the EITI process.

In light of the above examples of the potential impact of and the challenges facing civil society at the various stages of the EITI process, STP Civil Society expressed the urgent need to organize and seek out information in order to be more active. There is general concern, however, that since the creation of the Petroleum Oversight Commission, there have been problems within civil society arising out of lack of clarity and understanding regarding the law and the functioning of the POC. The same is true regarding the rules pertaining to the EITI, and this has caused significant confusion within civil society thus far.²⁸ It is crucial, however, that civil society takes control of its situation and organizes itself to take initiative, to demand information, to seek knowledge. International organizations and other stakeholders can accompany civil society in the process, but the latter must take the lead and ensure it has a strong vision and a unified effort.²⁹ Civil society in Sao Tomé and Príncipe must take initiative and expect to face and overcome numerous obstacles, as has been done in Nigeria.³⁰ Civil society in Sao Tomé and Príncipe must also take action and realize that they can utilize

²⁵ Ibid. full briefing available at:

http://www.publishwhatyoupay.org/english/doc/statements/pwypliberia_eiti_0607.doc

²⁶ Ibid.

²⁷ Contribution by Auwal Mussa Rafsanjani, CISLAC, Tuesday October 30 2007.

²⁸ Contribution by Mery Aguiar, President of FONG, Tuesday October 30 2007.

²⁹ Contribution by Mohamed Yahya, International Alert, Tuesday October 30 2007.

³⁰ Contribution by Edite Torres, WEBETO, Tuesday October 30 2007.

the multi stakeholder EITI process not just to address revenues, but also to deal with transparency as pertains to contracts and bidding.³¹ At this point in time, the eyes of the international community are on Sao Tomé and Príncipe, watching to see what it does with this opportunity to take full control of its EITI process and ensure its success.

Adapting the EITI to the Context of Sao Tomé and Príncipe

The EITI process, therefore, has the potential to be successful with the full involvement of all stakeholders. As established above, however, civil society maintains that there is significant lack of clarity particularly concerning whether or not there is oil, how the JDZ functions, and how the POC functions particularly in relation to the EITI. It is important to keep in mind that regardless of whether or not there is oil, the initial signature bonuses received by STP are relatively large enough to contribute significantly to the country's economy. As such, ensuring transparency remains crucial.

Existence of Oil

As established earlier, while there is oil in Sao Tomé and Príncipe, the resources are not significant enough to be commercially viable.³² Almost all of the acreage in the EEZ and in the JDZ is in deeper than 2000m (ultra deep waters) and the Chevron-operated Bloc 1 is on the boundary line in the JDZ. The reason for the considerable size of signature bonuses is the fact that the region is similar to what can be found in the Niger Delta basin: it houses the same reservoirs and same structures. As such, it is likely Chevron bid on what was, in its opinion, the best block in JDZ, and in early 2006 it carried out the first drill which uncovered hydrocarbons in several layers, but not enough for the development of a facility.³³

³¹ Contribution by Sarah Wykes, Global Witness, Tuesday October 30 2007.

³² Presentation by Tim Parsons, Chevron, Tuesday October 30 2007.

³³ Ibid.



It is important to highlight, therefore, that although there is much expectation of huge oil reserves in STP, most of these predictions are hypothetical and not based on fact. It is, as yet, very early in the exploration phase and actual production is years away. Moreover—and most significantly—however there exists a confidentiality agreement between Chevron and the JDA that essentially restricts the information available to the public.³⁵ It is evident, therefore, that while there is a willingness on the part of the company to avail information, transparency within the JDZ is limited. In light of these facts, Chevron believes that it is premature to staff an office with the objective of oversight of oil revenues at this stage since the oil revenues can essentially be summarized on one sheet of paper: signature bonuses have been documented, as have annual acreage fees, as well as training and social funds.³⁶ Therefore, while Chevron maintains its full commitment to the principles of EITI and transparency, the company believes that meetings of an EITI Committee two or three times a year are sufficient to update information and keep stakeholders informed.

EITI and the Petroleum Oversight Commission

Regarding the POC, the Oil Commission is currently working to remedy the confusion that has arisen surrounding the mechanism, and Columbia University has worked with the National Assembly on dialogue and communication, including the establishment of an advocacy campaign in which members of the POC will go into communities to

³⁴ Image courtesy of Chevron

³⁵ Ibid.

³⁶ Ibid.

sensitize the people on the work of the Commission. Regarding the link between the POC and the EITI process, it is feasible to include some members of the POC on the EITI, and there are ways to link the two initiatives in order to ensure cooperation and exchange of information.³⁷

It is clear, therefore, that while there is the will to ensure transparency, there are several challenges, both legally and structurally. Despite this however, it is imperative to strengthen the capacity of leaders in civil society and in government in order to prepare the country for whatever happens in the future. At present, there are nine countries, including Sao Tomé and Príncipe, that have positively reacted to the EITI process and have therefore been given a period of time until the end of the year to be able to fulfil the first four conditions of the EITI. As has been established, there has been *some* effort on the part of the government to create an EITI Commission. However, Sao Tomé and Príncipe must fulfil *all* criteria by December 2007 otherwise the country will be excluded from the process. At this juncture, therefore, it is crucial that a committee be created, and that this committee agree upon an action plan and ensure information is widely disseminated.

EITI and Revenue Transparency in the Joint Development Zone

Within the JDZ, in order to qualify to bid during auctions, companies must pay 10,000USD per block, and meet certain criteria.³⁸ The Joint Ministerial Council meets to decide which companies are awarded blocs based upon recommendations made by the JDA, who assess bids according to technical considerations, bonuses offered, the maximum percentage of costs recuperated, their environmental policy, and their social projects and involvement in the producing countries. In terms of signature bonuses, the first licensing round yielded 123 million USD, and the second yielded 201 million USD. In total, STP received 87 million USD in signature bonuses for both rounds. Royalties are dependant on the daily production rate, and it only starts to have effect when the rate is at the minimum threshold of 22,000 barrels a day. According to the Abuja Declaration of 2004, all revenues must be made public by both the governments and the oil companies. It has been established, however, that in terms of oil companies, this information can be restricted by confidentiality agreements. In addition, the JDA is

³⁷ Contribution by Paulo Cunha, Columbia University, Tuesday October 30 2007.

³⁸ Presentation by Eugenio Tenjua, Representative of the JDZ in Abuja, Tuesday October 30 2007.

expected to publicize its annual budget, after it is approved by the JMC. In terms of the EITI process within the JDZ, it is crucial that that cooperation should be fostered between the two countries and that all stakeholders participate in periodical forums in order to facilitate transparency.

Currently in Nigeria, the government has taken an important step and now discloses information on all oil revenues; furthermore, there has been an unprecedented audit of the oil industry in Nigeria.³⁹ Once STP establishes its EITI Committee, it can work in tandem with NEITI to ensure the process is effectively applied within the JDZ. To this end, Nigeria has invited Sao Tomé and Príncipe to participate in a conference to further discuss reaching a joint understanding in order to effectively implement EITI in the JDZ.⁴⁰

³⁹ Contribution by Leo Atakpu, ANEEJ-PWYP Nigeria, Tuesday October 30 2007

⁴⁰ Contribution by Eleodoro Mayorga Alba, Representative of the World Bank, Tuesday October 30 2007.

PART II - Regional Coordination Meeting of Civil society from Portuguese-speaking Countries in Africa

I. Challenges, Opportunities, and Priorities for Revenue Transparency in Lusophone Africa



At the EITI Conference in Oslo, it was agreed that there is a need to establish a multi-stakeholder coordination at the regional Lusophone level in order to strengthen civil society and transparency initiatives. A Lusophone meeting was organized which included participants from Brazil, East Timor, Mozambique, Angola and Sao Tomé and Príncipe, and which provided ideas on areas for training directed at civil society. During this process, it was recognized that it is fundamental to have the EITI process specifically in Portuguese. As follow up, Lusophone CSO met in Limbé, Cameroon within the framework of the PWYP regional strategy meeting to approve a draft action plan for Lusophone countries in Africa.⁴¹

During the workshop, country delegates from Lusophone African countries presented a snapshot of the extractive sectors in their countries and provided an analysis of the challenges faced by civil society in promoting revenue transparency.

*Angola*⁴²

⁴¹ Presentation by Carla Sardinha Vieira Santos, WEBETO, Tuesday October 30 2007

⁴² Presentation by Carlos Gomez Soucami, ADPCI, Angola Delegation, Tuesday October 30 2007

Angola currently has 80,900,000,000 barrels in reserves, 74 blocs offshore, and produces approximately 2,000,000 barrels of oil per day. Angola is therefore the second largest producer of oil in Africa, with 50% of oil revenues supporting the GDP and 90% of exploration destined for export. In terms of transparency, the oil law is ambiguous and not published, and although Angola participated in the World Bank conference on transparency in Lusophone countries, it states that it only has observer status in the EITI process. In order to improve on the current situation, there are strategies in place to engage the press, encourage capacity building, carry out advocacy campaigns with official entities and other partners, and ensure the publicity of oil company revenues.

*Sao Tomé and Príncipe*⁴³

As has been established, despite the existence of a legal framework for oil management, and the establishment of various mechanisms, civil society has thus far been largely left out of the process and/or uninformed. Presently, the country is in the process of establishing an EITI Committee that should be functional and capable of carrying out the task of supervision of revenue management. In FONG's opinion, this should include keeping track of what social support oil companies provide to the country and who benefits from said support. Civil society in Sao Tomé and Príncipe is comprised of NGOs, religious institutions, unions, the private sector, and professional associations. The active NGOs in the area of transparency are Webeto, International Alert, FONG, Plataforma, and Step Up. Since 2004, civil society has participated in various conferences, seminars, and trainings concerning petroleum, but CSOs continue to be hindered by limited capacity and competence of human and financial resources. The challenges facing civil society are numerous, but not insurmountable. Joint efforts are required to ensure active effective participation of civil society in the whole process of oil exploration and transparency. Civil society must organize itself better, take initiative, and continuously monitor whether or not its representatives on the POC and on the EITI Committee are doing the work they are supposed to be doing.

*Mozambique*⁴⁴

⁴³ Presentation by Eugerio Moniz, FONG, Sao Tomé and Príncipe, Tuesday October 30 2007.

⁴⁴ Presentation by Tomas Selemene, Centre for Public Integrity, Mozambique

In 2001, a new oil law (no. 2/2001) replaced the standing law, and a new law on mining was passed in 2002. Despite these developments, however, it is difficult to ascertain whether or not there is any actual transparency. Contracts between the governments and the companies are not publicized and it is difficult to gain access to information about revenues from natural resources. At the moment, the EITI is providing the Government of Mozambique with the opportunity to further its anti-corruption strategy. It is also providing civil society with the opportunity to act as a watchdog in terms of monitoring natural resource revenues. As such, the current priorities for Mozambique are to ensure that EITI enters the government agenda. There was a memorandum signed between the government and World Bank in which the government expressed the will to join the EITI, but from March until now, nothing concrete has been done to fulfil the commitment. The memo came about largely as a result of pressure from donors and, as such, more in-country advocacy and pressure is required to ensure Mozambique actively becomes a part of the EITI process.

*Guinea Bissau*⁴⁵

Civil society in Guinea Bissau is quite well organized, but lacks sufficient information with which to act. A Movement of Civil Society for Peace, Democracy, and Good Governance has been formed to share information and knowledge on issues of governance and stability. For more than ten years, some companies have been conducting oil exploration in the country, but the country does not have much practice in transparency and good governance. Civil society organizations are currently carrying out several awareness and information campaigns, including holding a workshop on Oil, Good Governance, and Development. In 2005, an NGO group was created to promote dialogue and create a database on oil exploration. Civil society in Guinea Bissau aims to create a coalition to promote and encourage PWYP initiative; to make good use of the existing coalitions within Guinea Bissau; to take advantage of the current political climate, which has stabilized after a pact signed between the three political parties. Moreover, civil society currently has a good relationship with the Government and the National Assembly. In light of this, the priorities for Guinea Bissau are to launch a PWYP campaign to reinforce current ongoing efforts of civil

⁴⁵ Presentation by Mamadou Queta, Movement of Civil Society for Peace, Democracy, and Good Governance, Guinea Bissau

society and to take advantage of the democratic opening to allow for further and better participation of civil society organizations.

As it stands, Lusophone African countries are weak in comparison with other African countries in terms of advocacy concerning transparency and good governance.⁴⁶ Lusophone African countries must evaluate and decide how to best take advantage of the PWYP process to strengthen their efforts at promoting transparency and good governance as regards natural resource revenues. Feasible priorities must be established, as must short and long-term deadlines. It is important to identify key players that are actively engaging the process and target them. Furthermore, it is imperative to come up with clear strategies and concrete plans for cooperation and for moving forward. The experience of more advanced civil society organizations can and should be drawn upon to strengthen newer ones, and it is crucial that this workshop is used to highlight comparative advantages and establish a few realistic priorities that can actually be implemented by Lusophone civil society delegates.

⁴⁶ Contribution by Elias Isaac, OSISA – Angola, Tuesday October 30 2007.

II. Outreach, Coalition Building, Advocacy, and the Role of the Media in Lusophone Countries

Through the exchange of experiences, civil society organizations in Lusophone Africa have the potential to organize and forge ties that will fortify their efforts at promoting transparency and good governance. Coalition building, outreach, advocacy, and actively engaging the media are central to promotion and the dissemination of information.

Coalition Building

The development of civil society coalitions is instrumental to increase the voice of civil society and protect them against retaliation. This has been the case of Angola, where local organisations have been working to set up a network on transparency issues. The focus has been on the definition of an action plan, a code of conduct for members and terms of reference governing the operation of the network. Difficulties encountered have to do mostly with lack of preparation and specialization in technical issues such as oil revenue management, budget and contract monitoring. It is clear, therefore, that specialized expertise and training are required in order to move forward.⁴⁷

In Guinea Bissau, the civil society-led Working Group on Petroleum and other Extractive Industries (GTP-IE) was established to promote good practices and transparency in the use of revenues from natural resources. The lessons learned in Guinea Bissau thus far are that it is crucial to foster partnership with national, regional and international players, and that it is fundamental to establish a permanent and open dialogue namely with the government and lawmakers in order to ensure sustainable transparency and good governance. Central to this process, moreover, is increasing the capacity of civil society to work around revenue transparency issues.⁴⁸

*Advocacy*⁴⁹

⁴⁷ Summary of Presentation by Agostinho Chicaia, CRTC, Angola, Wednesday October 31 2007

⁴⁸ Summary of Presentation by Dionisia Gomes, GTP Guinea Bissau, Wednesday October 31 2007

⁴⁹ Summary of Presentation by Eduardo Nhabanga, Justiça Ambiental, Mozambique, Wednesday October 31 2007

The case of Mozambique shows that companies appear to have more influence on governments than the citizens do. These often results in agreements that are detrimental to the interests of people. In this respect, civil society efforts should be geared at initiating and monitoring legislation that can prevent the potentially detrimental social and environmental impact of oil exploration companies. Given the experience accumulated by civil society in other advocacy areas, such as for instance, environmental protection, it is expedient to capitalize on past experiences and technique and apply them to the framework of revenue management-related advocacy.

*Role of the Media*⁵⁰

Engaging all forms of media in promoting and raising awareness on issues of transparency and good governance is a key aspect of advocacy. To enable good governance, there should be access to information; institutions should be given some incentives to ensure that they do not get affected by corruption; and everyone should feel a part of what is going on and be fully invested. None of these critical elements can exist, however, without transparency. Transparency requires that institutions and processes try to serve all the stakeholders within a certain time frame and with a certain quality. Access to information should be timely, relevant, and there should be quality in that level of information. Relevant information should be provided to the media in a managed manner.

Good governance and transparency can only be achieved if there is transparent information and knowledge; if there are institutional incentives for prevention; if there is effective political leadership with integrity; and if there is collective action, which entails participatory consensus building and engagement by all stakeholders. Without communication, however, good governance and transparency cannot be achieved. Change cannot be effected without the use of systematic, planned, and organized information. Regardless of what form of media is utilized, it serves a specific audience and viewpoints are changed and conditioned by how the media manipulates its audience. The media can potentially play a number for roles: the informational role, the participatory role, the advocacy or activist role, the accountability role, the investigative role, and the “watch-dog” role. As such, it is crucial to identify, train, and invest in

⁵⁰ Summary of Presentation by Batilloi Warritay, Deputy Representative, UNICEF, Sao Tomé and Príncipe, Wednesday October 31 2007.

media specialists. In the context of Lusophone countries, in particular, it is crucial to improve the quality of media personnel through professional training, demand greater diligence of media professionals in the performance of their work, and improve working conditions for media personnel to deliver objective and analytical information. In addition, partnerships must be created between civil society organizations and the media, and governments must create the appropriate environment for free-flow of information.

In the context of Sao Tomé and Príncipe, there remains much to be done on the part of journalists in the struggle for transparency. The most significant obstacle facing journalism in STP is disinterest in the profession: many people become journalists simply to support themselves, and not due to genuine interest in journalism.⁵¹ As such, there is continuous inappropriate use of available resources, such as the Media Centre in Sao Tomé, with no real effort being exerted to actively research and report. Journalists cannot forget that it is their duty to demand and disseminate information particularly as concerns the management of public revenues: they must be clear, use appropriate terminology, and delve deeper into the issues.

⁵¹ Presentation by Valdimir Antonio, PANAPRESS, Wednesday October 31 2007.

III. Role of International Organizations

Central to establishing a culture of transparency and good governance in Lusophone African countries is the training and capacity building not only of the media, but of civil society, and the state as well. Good governance is of particular importance when resources suddenly become available and the need to realize poverty alleviation goals and socio-economic rights is so high. This requires open space for dialogue, transparent discussions, and participative processes, which are fully consistent with the right to seek, receive, and impart information, and participate in democratic processes. To this end, numerous regional and international organizations, campaigns, and initiatives are in place to provide support to all stakeholders involved in the transparency process. The role of regional and international organizations in this context is to work within the sub-region to provide technical and financial assistance for groups working on extractive industries and to stimulate and support innovations in the management of resource-derived revenues.⁵² These organizations can target the policies and practices of governments, companies, international institutions and donors in order to mainstream transparency and accountability in the management of extractive industry revenues.⁵³ Within resource-rich countries, they can ensure the promotion of a transparent and participatory budget processes; effective revenue management framework at national and sub-national levels; adherence to the IMF Guide on Resource Revenue Transparency and Codes on Fiscal Transparency; and donor support for capacity building of civil society groups, media and parliamentarians to allow proper tracking of revenues and expenditures.⁵⁴ A crucial part of the transparency process therefore, is the cooperation between international organizations and target groups in order to strengthen the capacity of the latter to play an active role in society and to advocate and promote transparency and good governance.⁵⁵

⁵² Presentation by Oladayo Olaide, OSIWA, Wednesday October 31 2007.

⁵³ Presentation by Ingrid Anderson, RWI, Wednesday October 31 2007.

⁵⁴ Presentation by Matteo Pellegrini, Publish What You Pay Africa, Wednesday October 31 2007.

⁵⁵ Presentation by Mohamed Yahya, International Alert, Wednesday October 31 2007.

IV. Conclusions and Recommendations: Priority Actions and Strategies for Lusophone Civil Society



It is evident from the country presentations, and the subsequent discussion, that civil society in Lusophone African countries is not prepared and specialized enough when it comes to technical knowledge of oil and knowledge of all of the issues surrounding natural resources. As such, the plenary decided that in order to prepare civil society to deal with management of resource revenues, it is vital to:

- Reinforce the capacity of CSO in the process to ensure consultation, and contact with government;
- Mobilize and sensitize different NGOs to train in different areas of expertise;
- Provide training in initiatives that promote and strengthen transparency and good governance;
- Engage actively with national governments and oil companies;
- Appeal to donors to pressure government to implement initiatives such as EITI;
- Promote debates at the national level in order to identify a common anti-corruption strategy;
- Identify and invest in a national NGO directly and specifically involved in follow-up and monitoring of natural resource revenues;
- Explore potential long-lasting partnerships, such as the process of twinning a country's less experienced civil society with one that has already has experience and capacity;
- Actively seek out cooperation opportunities: choose a focal point from NGOs to travel to other Lusophone countries to make connections.

In addition, the civil society workshop resulted in decisions as to priority actions and strategies for Lusophone Civil Society for the next year.

Communication/Media Mobilization Strategy

Proposed strategies included: discussion amongst different Lusophone countries to identify an area on which to concentrate; production of a brochure, to be prepared by WEBETO; production of a CD containing information about EITI and PWYP in relation to each country; and the utilization of existing radio space to disseminate information.

Capacity Building and External Outreach Strategy

To facilitate capacity building, interconnected seminars should be carried out: workshops on basic notions about EITI; workshops specifically aimed at journalists concerning the EITI process and the PWYP campaign; and workshops about the monitoring of revenues on the extracting industries. In addition, seminars should be held in each country from February 2008 onwards, and in June 2008, there will be a regional seminar about extractive industries, focusing on oil management, revenue monitoring, and transparency. Furthermore, an aspect of external outreach is necessary—it is important for several countries to have exchanges such as apprenticeships and mentorship programs, in order to exchange experiences and build capacity.

Lusophone Advocacy Strategy

Advocacy campaigns should be aimed at the state, companies, international organizations, regional organizations, and friendly countries. An action plan is necessary to carry out the advocacy strategy in which it is decided who does what, when, and how within the specific objectives. In addition, advocacy must be carried out at all four stages of the EITI. At the announcement stage, the strategy would involve lobbying with the international community, and training at the national level on the basics of EITI. At the stage of constituting a committee, the strategy would include

promotion of debates and meetings in which the media will always be involved. When the committee is deciding upon an action plan, a workshop should be coordinated for all three parties represented in the committee. Finally, during the monitoring and auditing phase, the advocacy strategy will include wide dissemination of information, and sensitization of the community. In conclusion, the group decided that the advocacy strategy should focus on lobbying throughout 2008 to ensure that all four countries join the EITI.

Conclusion

The three days of meeting saw participants taking part in a civil society–initiated roundtable discussion between all relevant stakeholders on how to push forward the implementation of Sao Tome’s own legislation, in particular establishment of the Petroleum Oversight Committee, the Public Registry Information Office as well as the EITI, an international initiative designed to introduce more transparency into payments for access to oil and mineral resources.

After the roundtable, a regional Lusophone training and best practice workshop was held to enhance civil society groups’ ability to participate in the EITI and other transparency initiatives in their respective countries. The workshop also identified mechanisms to facilitate continuing information exchange and sharing of learning among the civil society organizations participating in the workshop.

Annex I—Final Agenda

National Discussion on Oil Revenue Management in Sao Tomé and Príncipe (STP), and Regional Coordination Meeting of Civil society from Portuguese-speaking Countries in Africa

Oct 29-31 2007
Palacio dos Congressos

Agenda

Day 1 – ROUNDTABLE ON TRANSPARENCY OF THE OIL INDUSTRY IN Sao Tome and Príncipe		
Time	Theme	Presenters
09h00 10h00	Arrival of participants/registration	Facilitator: International Alert
10h00 10h30	Keynote address	The President of the Republic, H.E Fradique Melo Bandeira de Menezes
10h30 11h00	Brief overview of oil prospects in Sao Tomé and Príncipe - myth and reality - exploration outcomes and expected production - Financial projections	ANP (National Petroleum Agency)—Eng. Luis PAQUETE
11h00 11h30	The management of oil revenues in STP: - historical perspective - overview of established regulations (the ORML) - the JDZ vs. the EEZ	Eng. Alcindor CARVALHO, Director General of Environment
11h30 12h30	Questions and answers	Facilitator: Maximino CARLOS, Director of National Radio
13h00 14h30	Lunch	
15h00 15h30	Elaborating on Revenue management in Sao Tomé and Príncipe A) <i>Briefing: The Permanent Fund</i> - provisions - regulations on transfers B) <i>Briefing: The Petroleum Oversight Committee</i> - role and functions - other anti-corruption measures C) <i>Briefing: the Public Registry and Information Office</i> - role and function - Operations - other transparency requirements	A) Silverio PEREIRA, Parliament—Fourth Commission
15h30 16h00	D) <i>Briefing: The joint Development Zone (JDZ)</i> - what is it - how is it governed	Norberto COSTA ALEGRE (JDA)

16h00 16h15	Questions and answers	Facilitator: Mery AGUIAR, FONG
16h15 16h20	Management of Oil Revenues - The experience in Sub-Saharan Africa - Lessons for Sao Tome and Principe --Examples from Mauritania, Mozambique, Norway and Chad.	Eleodoro Mayorga ALBA, World Bank
16h20 16h30	Coffee break	
16h30 17h30	Briefing: The EITI a)- historical background b)- functioning to date and international best practices c)- in Sao Tomé: status, next steps and challenges	a) and b) Sarah WYKES c) Carla Sardinha SANTOS
17h30 17h45	Questions and answers	
17h45 18h15	Panel Discussion: The management of oil revenues in STP: - Where are we? What is the experience to date? What needs to be done? Panel discussion	Short Presentation and Facilitation: Agostinho RITA Panel Discussion: Columbia, Ministry of Finance, JDZ, STP civil society
18h15 18h30	Questions and answers	
17h45 18h00	Wrapping up and summarizing deliberations	Gerhard SEIBERT, expert

Day 2 – Training/ exchange of experiences: the EITI in Lusophone countries		
Time	Topic	Presenter
09h30 10h15	Short Presentation and Panel discussion: the role of civil society in the EITI and promoting proper revenue management: - refresher on the role of civil society - how can civil society support EITI implementation - the experience from Africa - the case of Nigeria (Rafsanjani) - civil society and EITI in Sao Tomé	Presentation and facilitation: Matteo PELLEGRINI and Auwal Musa RAFSANJANI Panel: Edite TORRES: Webeto, Mery AGUIAR: FONG, Mohamed Yahya: IA, Sarah Wykes: Global Witness
10h15 10h45	Questions	
10h45 10h55	Coffee break	

11h00 11h45	Adapting the EITI to the context of Sao Tomé and Principe – How to create synergies between the National EITI Committee and POC/PRIO in Sao Tomé? - steps for moving forward - timelines - needs, support available - definition of action points	Facilitator: Salil TRIPATHI International Alert Panellists: Chevron, ANP, Eleodoro Mayorga ALBA, World Bank, Paulo Cunha :Columbia University
11h45 12h05	Questions	
12h15 12h45	Panel Discussion: EITI and Revenue Transparency in the Joint Development Zone - Record , Challenges and opportunities - ensuring transparency in the JDZ: - how to implement the EITI in the JDZ	Presentation: Eugenio TENJUA - JDA Abuja Panellists: Global Witness, Local Organizations, Eleodoro Mayorga ALBA, Leo ATAKPU PWYP Nigeria.
12h45 3h00	Questions	
13h00 15h00	Lunch	
12h30 13h00	Wrapping up and summarizing deliberations	Gerhard SEIBERT
15h00 15h30	Welcome and presentation: - refresher of Oslo and Limbe “Lusophone conferences’ discussions - Goals and objectives of this conference	Carla Sardinha Santos Vieira, WEBETO
14h30 15h30	Challenges, opportunities and priorities for revenue transparency in Lusophone Africa: - Angola - Carlos Sucami, ADPCI - Sao Tomé—FONG—Eugério MONIZ	One delegate (specifying context, current country situation, ongoing transparency efforts as well as needs/supports for the regional Lusophone coordination process
15h30 15h45	Coffee Break	
15h45 16h45	Challenges, opportunities and priorities for promoting revenue transparency in Lusophone Africa: - Mozambique, Tomas Selemene CIP-Moz - Guinea Bissau, Mamdou Queta, GTP	
16h45 17h30	Summary of emerging preliminary regional orientations and areas for mutual support	Valdimir Antonio

Day 3 – Civil society organization nationally and regionally – sharing of best practices		
Time	Theme	Presenters (Facilitator: Elias ISAAC)
09h00 09h30	Outreach and coalition building in Lusophone countries - the experience of Angola—Augustin Chicaia, CRTC - the experience of Guinea Bissau—Dionisia Gomes, GTP	Angolan and Guinea-Bissau delegates
09h30 09h45	Questions and answers	Facilitator: Elias ISAAC

09h45 10h15	Advocacy: tools and strategies to campaign around good governance and extractive industries - the experience of Mozambique, Eduardo Nhabanga, JA! Questions and Answers	Mozambican delegate
10h15 11h00	The role of the media in promoting transparency and good governance The role of the media in advocating and raising awareness on transparency - the case of Sao Tome and Principe Question and Answers	Batilloi WARRITAY UNICEF Valdimir ANTONIO
11h00 11h15	Coffee Break	
11h15 11h45	Communication strategy for civil society - proposals for the Lusophone group	Carla Sardinha SANTOS VIEIRA
12h00 13h00	Work in groups: - Group 1: priority actions and responsibilities for a Lusophone communication/media mobilization strategy - Group 2: priority for capacity building and external outreach - Group 3: priority actions and responsibilities for a Lusophone advocacy strategy	Facilitators: Group 1: Carla Sardinha Santos Group 2: Elias Isaac Group 3: Dionisia Gomez 30 minutes work/preparation and 10 minutes each for presentation in plenary
13h00 14h00	Lunch	
14h00 14h30	Presentation of consolidated action plan	Matteo PELLEGRINI
14h30 16h30	<ul style="list-style-type: none"> • Presentation of IA/UNDP/FONG's ongoing and future projects in STP (Mohamed Yahya) • Presentation of PWYP and other transparency initiatives (Sarah Wykes) • Presentation of OSIWA activities on revenue transparency (Oladayo OLAIDE) • Presentation of Revenue Watch Institute' activities (Ingrid Anderson) 	
16h30 17h00	Reading of Communiqué and Closing	

Annex II—List of Participants

	Name	Organization	Country		
1	H.E Fradique MELO BANDEIRO de MENEZES	President of the Republic	Sao Tome and Principe		
2	Manuel de DEUS LIMA	Minister of Natural Resources	STP		
3	Manuel BARRETO	ANI	STP	_____	
4	Otavio SOARES	ANI	STP	_____ _____ _____	
5	Oscar BAIA	OSDH	STP	_____ _____	
6	Anastacio PAIXAL	Ass. Plivivi	STP	_____	
7	Aquiles PEQUINO	Journal Transparencia	STP		
8	Salil TRIPATHI	International Alert	UK	_____ _____ _____	
9	Mohamed YAHYA	International Alert	UK	_____ _____ _____	
10	Courtrimo H.	ACS	STP	_____ _____	
11	Ferando SANTO	ACS			
12	Idalino RITA	DP	STP	_____ _____	
13	Sarah WYKES	Global Witness	UK	_____ _____	
14	Paula vas A.	ONTEPCS/ONTS TEP	STP		
15	Afonso	MARAPA	STP	_____ _____	
16	Eugerio MONIZ	FONG	STP	_____ _____ _____	
17	Diallo SANTOS	WEBETO	STP	_____ _____	
18	Daizi LOUREIX	FONG	STP	_____ _____	
19	Roberta SANTOS	ANADARKO	STP	_____ _____	

	Name	Organization	Country		
20	Luiselio PINTO	FMS	STP	_____	
21	Arlindo CARVALHO	AMBIENTE	STP	_____	
22	Isabel SANTOS	WEBETO	(Portugal)	_____	
23	Batilloi WARRITAY	UNICEF	STP	_____	
24	Maria Odette AGUIAR	FONG	STP	_____	
25	Maria do Ceu CARVALHO	FONG	STP	_____	
26	Eduardo NHABANGA	Justiça Ambiental	Mozambique	_____	
27	Valdimir ANTONIO	Panapress/WEBET O	STP	_____	
28	Jan HARTMAN		STP	_____	
29	Agostinho CHICAIA	SS Angola	Angola	_____	
30	Edite C. TORRES	WEBETO	STP	_____	
31	Oladayo OLAIDE	OSIWA	Nigeria	_____	
32	Mamadou QUEITA	M.N.S.C	Guinea Bissau	_____	
33	Tim PARSONS	Chevron	STP	_____	
34	Leo ATAKPU	PWYP	Nigeria	_____	
35	Dulce F.B. GOMES	FONG	STP	_____	
36	Emmanuel COSTA	ADRA	STP	_____	
37	Luis CORTILIANO	ADADER	STP	_____	
38	Guilherme OCTAVIANO	CEDEC	STP	_____	
39	Luis PRAZERES	ANP-STP	STP	_____	
40	Julio de ALMEIDA NETO		STP	_____	
41	Helder CEITE	AID	STP	_____	

	Name	Organization	Country		
42	Maximino AGUIAR	CARITAS	STP	—	
43	Norberto COSTA ALLEGRE	JDA	STP	—	
44	Gerhard SEIBERT	IICT	Portugal	—	
45	Leonardo A. LIVONGUE	Jubileu 2000	Angola	—	
46	Carlos SUCAMI	ADPCI	Angola	—	
47	Joao Pedro MUACA	SODI	Angola	—	
48	Andre QUITARI	CRS	Angola	—	
49	Manuel COSTA	Airways	STP		
50	Angela COSTA	AMP	Ilha do Principe	—	
51	Ingrid ANDERSON	RWI	USA	—	
52	Juan Carlos QUIROZ Joao VIEGAS do	RWI	USA	—	
53	CEITA...	CD Agua Grande	STP	—	
54	Emidio PEREIRA	FONG	STP	—	
55	Roberto RAFOSO	PER	STP	—	
56	Liberato MONIZ	WEBETO	STP	—	
57	Matteo PELLIGRINI	CRS	Cameroon	—	
58	Sara RODRIQUES	Ambassade de France	France	—	
59	Eneior SANTOS	WEBETO-STP	STP	—	
60	Armino DUARTE	OTP	STP		
61	Guilherme MATAN	ANP-STP	STP	—	
62	Jorge do	STS	STP		
63	Luis PAQUETE	ANP-STP	STP	—	

	Name	Organization	Country		
64	Jose PEDRONHO	ACOSP	STP	<u> </u>	
65	Gana FOFANG	PNUD	STP		
66	Hamilton BONFIM	STJ	STP	<u> </u>	
67	Osvaldo VIARA	Minister of	STP		
68	Armindo AGUIAR	Agriculture...	STP		
69	Ricardo NETO	STP-Press	STP	<u> </u>	
70	Angelo BONFIM	PR	STP	<u> </u>	
71	Rui VERA CRUZ	ANP-STP	STP		
72	Dilsau TINY	Particular	STP		
73	Aldo BONIFACE	Privedo	STP	<u> </u>	
74	Unknown	PPC	STP		
75	Unknown	IUCAI	STP	<u> </u>	
76	Adriano ALVEDA	NSTPJPA	STP	<u> </u>	
77	Basilio S. DIOGO	Assembleia	STP		
78	Jose Carlos BARREIROS	Sociedade Civil	STP	<u> </u>	
79	Tomas SELEMANE	CIP	Mozambique		
80	Lazaro BARBOSA	NANTINYA	Guinea Bissau		
81	Auwali I. MUSA	CISLAC/PWYP	Nigeria	<u> </u>	
82	Elias ISAAC	OSISA	Angola		
83	Carla SARDINHA SANTOS	WEBETO	STP		
84	Fransico LIMA	RNSTP	STP	<u> </u>	
85	Gisa WESZKALNYS	University of Oxford	UK		

	Name	Organization	Country		
86	Arsoyir YARIGA	USAUO/WA	Ghana		
87	Dionisia GOMES	WIRNET/WANEP	Guinea Bissau		
88	Sebastiao TRIXEIRA	OPP	STP		
89	Stefane CARVALHO	Deputado	STP		
90	Maximino CARLOS	Director, National Radio	STP		
91	Nairy Teles NETO		STP		
92	Eleodoro Mayorga ALBA	World Bank	USA		
93	Beatriz AZEVEDO	AMP/Stome	STP		
94	Verlaine da GLORIA	South Arican Consulate	STP		
95	Eric MAMUREMI	South Arican Consulate	STP		
96	Antonio	ASPF	STP		
97	Fernando PONTIFACE	ALSTP	STP		
98	Julia Mello NEIVA	Columbia University	USA		
99	Paulo CUNHA	Columbia University	USA		
100	Eugenio TENJUA	JDZ	Nigeria	_____	
101	James Reis dos NEVES	International Alert	STP	_____	
102	Milu AGUIAR	UNDP	STP	_____	
103	Ceutonia LIMA	International Alert	STP	_____	
104	Anne MAZIMHAKA	International Alert	STP	_____	

Annex III: Communiqué

Communiqué

National Discussion on Oil Revenue Management in São Tomé and Príncipe and Regional Coordination Meeting of Civil Society from Portuguese-speaking Countries in Africa

October 29-31 2007

The National Discussion on Oil Revenue Management in Sao Tomé and Principe and Regional Coordination Meeting of Civil Society from Portuguese-speaking Countries in Africa was organized by Publish What You Pay, International Alert, UNDP and UNICEF. The Event was attended by civil society representatives from São Tomé and Príncipe (STP), Angola, Mozambique, Guinea Bissau and Nigeria as well as international NGOs (Global Witness, Revenue Watch Institute, OSIWA and OSISA), the World Bank, the University of Columbia, the Joint Development Authority of Nigeria and Sao Tomé and Principe as well as the private sector.

Confirming their commitment to promote transparency in the management of natural resources, the *participants*:

Welcome the first steps the STP government has taken to adhere to the Extractive Industries Transparency Initiative (EITI).

Recognise that the implementation of the EITI in STP will represent a positive sign to the international community of the government's commitment to transparency at a time when STP is making efforts to obtain a reduction of its foreign debt and is preparing a licensing round for blocks in the Exclusive Economic Zone (EEZ).

Acknowledge that, given the size of STP's economy, bonus payments received for the signature of exploration and development contracts represent an important source of revenue for the country.

Advise the government of STP that if it opts to merge the EITI committee with the Petroleum Oversight Commission, it should ensure that:

- There is adequate representation of all three stakeholder groups (government, civil society and private sector);
- The government is adequately represented in the committee by the relevant ministries (Ministry of Natural Resources and Environment, Ministry of Finance and Planning), National Petroleum Agency, and the Central Bank;
- Oil industry representation includes not only Chevron but also other companies present in the oil sector, such as Addax, Anadarko, and SINOPEC among others;
- Civil society is represented by national NGOs;
- Each stakeholder group freely nominates its representatives;
- Whatever the final size of the EITI Committee, a small working group (task force) with equal representation of the three stakeholder groups is formed to work for effective implementation of the action plan.

Note the need to devise and publish an action plan with clear objectives, a timetable for implementation, clearly identified capacity building needs, and a budget.

The aims of the action plan are:

- To promote collaboration with the Nigerian EITI Committee (NEITI) and address the issue of transparent management of oil operations in the Joint Development Zone (JDZ). In particular, the accounts of the Joint Development Authority (JDA) should be audited and published, as per the Abuja Declaration;
- To develop a public information campaign in anticipation of the forthcoming bidding round in the EEZ. Civil society members of the EITI committee should receive capacity building and spearhead this campaign as a way of monitoring the EITI process and managing public expectations;
- To devise effective training programmes for the government and civil society members of the STP EITI committee. These programmes must be implemented in parallel to the above actions. The World Bank, Chevron and international NGOs have expressed interest in providing financial and technical support for this training.

Urge stakeholders in Nigeria to ensure that:

- The Nigerian government proactively implements the provisions of the Abuja Declaration and ensures that they are respected;
- The Nigerian EITI (NEITI) supports the establishment of EITI oversight in the Joint Development Zone in close collaboration with the STP EITI committee;
- Nigerian civil society and the Nigerian Parliament monitor existing transparency efforts and support any necessary investigations, both nationally and internationally.

Urge stakeholders in Angola, Guinea-Bissau and Mozambique to ensure that:

- Lusophone governments sign up to, and effectively implement, the EITI;
- Civil society in Lusophone countries effectively and proactively support their respective governments and each other to promote the EITI and other independent monitoring efforts;
- Lusophone civil society implements the mutual support strategies agreed in this workshop;
- A permanent Lusophone civil society coordination mechanism is established to monitor implementation of the mutual support strategies.

Urge international partners to:

- Provide technical and financial support to civil society efforts to promote transparency across Lusophone Africa;
- Monitor the operations of the JDZ and ensure that the interests of both STP and Nigeria are fully respected.

Finally, we wish to thank his Excellency, the President of the Republic of Sao Tomé and Príncipe, Fradique Bandeira Melo de Menezes, for his leadership in both hosting and participating in this conference, and we also thank the organisers for providing this vital platform for dialogue on transparency in the extractive industries.

Acknowledgements

The organizers of the workshop and seminar would like to express their sincere gratitude to the following international organizations for all their support:



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