

Workshop on Monitoring Governments' Revenues

"There is no issue of greater importance than ensuring the long-run prosperity and stability of resource-rich countries by developing ways to use these resources and the wealth they generate well," Joseph E. Stiglitz, Nobel Prize winner in economics.

The resource-rich states today face the very real prospect of unprecedented growth in revenues from the sale and transport of oil and natural gas. Until now, most attention has focused on how these resources will come to market and which companies and which national interests will benefit. But if we look beyond the pipeline routes, swap deals and mining concessions, there are even more fundamental questions for these countries: Who will control the resources, and how will they be used?

The Arab Region Parliamentarians against Corruption (ARPAC) sees the transparent use of revenues generated by the sale and transport of the oil produced by these countries, as an issue of great importance for sustainable development and strengthening democratic institution.

Monitoring revenues helps generate and publicize research, information, and advocacy on how revenues are being invested and disbursed and how governments and extraction companies respond to civic demands for accountability in the region. It also seeks to build the capacity of local groups to monitor government management of oil revenues through capacity building and budget monitoring.

ARPAC hopes to ensure that existing and future revenue funds in the region be invested and expended for the benefit of the public, such as poverty reduction, education, and public health - through the promotion of transparency, parliamentary involvement and civic oversight.

Without systemic reforms in the management of oil revenues in resource-rich countries, the money beginning to flow into the countries will not result in healthy, long-term economic growth, higher living standards, and more freedom for the countries' people.

As a follow up for the session on increasing the capacity of Arab Parliamentarians in budgetary oversight which was held in Rabat in May 2006, ARPAC is suggesting to hold in the framework of Global Organization of Parliamentarians against Corruption



(GOPAC)'s Global Conference in Tanzania (September 20-23, 2006) a session whose objective is to shed light on the need for increasing the oversight capacity of Parliamentarians in monitoring governments' revenues.

The objective of the workshop is to highlight the importance of monitoring governments' revenues and the role of parliamentarians especially for countries that rely on extractive industries such as oil and gas as the main exports. The workshop also aims at increasing corporation between parliamentarians and civil society in order to insure an efficient monitoring of governments' revenues. The workshop will identify the need for encouraging:

- **Resource-rich governments** to incorporate the resources and recommendations of this initiative into the structuring and implementation of these funds.
- **Establishment of publicly accountable natural resource funds** in the country.
- **Principles of transparency and accountability** and other manifestations of good governance and democracy to ensure that petroleum revenues generate social prosperity and stable governments.

Designing and implementing a mechanism for managing countries oil wealth in an efficient, equitable, and transparent way, and within a federal framework, could reduce conflict and open the way for compromises in other contentious areas.

Parliamentarians can play a vital role through their influence on legislation. Thus strong and well-placed leadership of the revenue monitoring is essential for overcoming political and bureaucratic obstacles.

The workshop will extend over 210 minutes. Stage will be opened for open discussions, which will help exchange ideas and recommendations that could be applicable in tangible ways in countries represented at the conference.