

Civil Society members of the International Board of the Extractive Industries Transparency Initiative (EITI) condemn Russia's war of aggression against Ukraine

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Summary:

- **International Civil Society members of the EITI Board condemn Russia's war of aggression in Ukraine.**
- **We invite extractive and trading companies and governments to disclose all the information on oil and gas purchases from Russia, and to provide full details of their business relationships, including actual and planned projects in Russia.**
- **We call on all extractive and trading companies to stop investing in Russia at this time: any investment, tax, or payment made to the Russian government is a payment for war.**
- **We call on extractive and trading companies to provide urgent assistance to Ukraine, including fuel and other supplies to prevent a humanitarian catastrophe.**
- **We urge that the EITI reject any potential attempts by Russian companies or companies with Russian capital to become an EITI supporting company.**

We, the undersigned, condemn Vladimir Putin's regime for its invasion and war of aggression against Ukraine. We call on the Russian military to immediately implement a ceasefire, and to remove all Russian military forces from the internationally recognised territory of Ukraine. We stand in solidarity with fellow members of civil society in Ukraine, and we laud Ukraine's progress within the EITI up until this terrible time.

What is happening in Ukraine is shocking and heartbreaking. Russia's brutal war of aggression is killing civilians, including the elderly and children; destroying social infrastructure, hospitals and maternity hospitals, schools and residential buildings; it is destroying business infrastructure, and buildings and sites of historical and cultural significance; it is even bombing fuel stores, which will prevent the country from planting this year's crops, a matter with far reaching food security implications beyond Ukraine's borders. Putin's regime has lied to the Russian population in its effort to 'justify' and cover up its actions - the reality, instead, is that Russia is deliberately doing everything to plunge Ukraine into a deep humanitarian catastrophe. There can be no debate: these actions constitute the gravest of crimes against humanity, and we call on the International Community to make sure that all those responsible, together with those who aided and abetted these criminal acts, are held to account.

The extractives industries (oil, gas and mining sectors, which the OECD has described as the most corrupt¹), have played a key role in Russia's economic development, following the

¹https://read.oecd-ilibrary.org/governance/oecd-foreign-bribery-report_9789264226616-en#page10

collapse of the Soviet Union. But the sector has also been complicit in the looting of monies generated from extractives projects, providing the key financial support to Vladimir Putin's kleptocratic and violent dictatorship - and let's be clear, this has helped enable his regime today to wage a war of aggression against its neighbouring state.

How does this relate to the EITI?

Comparing the financing of the violence taking place in Ukraine today with the civil war in Angola 20 years ago, just prior to the birth of the EITI, shows that there has been no change to the willingness of the oil and gas sector to make itself complicit in the acts of violent dictators and kleptocrats who loot their country. EITI was launched as a policy response to civil society's demands for the extractive industries to be held to account - the basis of that call - the international oil industry, through its opaque and corrupt relationship with the then government in Angola, had made itself complicit in the looting of the country, and the appalling violent conditions causing mass death of Angola's citizenry, and the destruction of its cities and infrastructure. Civil Society's call for transparency of payments to governments was geared to enabling Angola's citizens to "follow the money" - it was hoped this would ensure that officials and the companies who had struck up corrupt relationships with the Angolan State could be held to account for their actions.

The EITI was thus born as an accountability mechanism, geared to enabling civil society to hold extractives companies and the governments they do business with to account for the deals they strike to exploit resources.

From its start, EITI ensured a diverse group of countries, companies, and civil societies organisations would work together to build accountability in the extractives sector, bound by the recognition that, if poorly managed, natural resources can have negative economic and social impacts - the example of Russia strongly confirms this. Although Russia is not a member of the EITI, at the point where agreements exist for the exploitation of natural resources, there are always at least two parties involved. That second party - the extractive companies - should recall that they can become complicit in corrupt arrangements. This complicity can also take place, even in circumstances where the company in question may not have breached any anti-corruption laws - such as where the company may have enabled the monetisation of corruptly obtained assets. As such, companies make themselves morally and actually complicit in the subsequent use of those funds by the regime in office.

Sadly, what we have seen in Russia shows that even though two decades have passed since EITI's creation, many companies appear to have neglected the value of human life, putting money first, and even using the influence of war to increase their profits. We are deeply disappointed and deplore the fact that among these companies were EITI supporting companies. This situation is untenable.

We are therefore calling on all extractive and trading companies to stop investing in Putin's war of aggression. Any investment, tax, or payment made to the Russian government is a payment for war - it is a payment to destroy a nation, and for the mass killing of its citizens. It is also an investment in a regime that seems hell bent on threatening existential-level violence against the whole of humanity.

At this time, it is totally unacceptable for companies to hide any information about their actual or planned economic relations with the aggressor country. We are inviting extractive and trading companies and governments to disclose all the information on oil and gas purchases from Russia, and to provide full details of their business relationships, including actual and planned projects in Russia.

Russia is destroying Ukraine's infrastructure, bombing fuel depots so that Ukraine cannot provide for the vital needs of people. We call on extractive and trading companies to provide urgent assistance to Ukraine, including fuel and other supplies to prevent a humanitarian catastrophe.

We also urge that EITI reject any potential attempts by Russian companies or companies with Russian capital to become an EITI supporting company. EITI should not destroy its reputation and enter into potential relationships with companies that are sponsors of the Putin regime.