Cardin, Lugar Statement on U.S. Withdrawal from Extractive Industries Transparency Initiative

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WASHINGTON – U.S. Senator Ben Cardin (D-Md.), Ranking Member of the Senate Foreign Relations Committee, and former U.S. Senator Dick Lugar (R-Ind.), former Chairman of the Senate Foreign Relations Committee, released the following joint statement Monday after the U.S. Department of Interior announced the United States would effectively leave the Extractive Industries Transparency Initiative (EITI), a global standard to promote open and accountable management of oil and gas mineral resources:

“When the United States entered into the EITI in 2011, it was a watershed moment for American leadership on transparency and accountability measures. U.S. participation was both bipartisan and welcomed by private industry and civil society. It demonstrates that Americans ‘walk the talk’ of good governance. What will those countries, or countries planning to join, say now at this American retreat away from transparency and accountability? Such a retreat is a retreat from our values, which give America its strength and its moral leadership in the world.

“This is the second time in less than a month that this administration has abdicated American leadership in fighting corruption around the world. The first was when President Trump signed a bill to repeal the Cardin-Lugar anti-corruption regulation on extractives industry transparency, which had become the global standard. We will continue to champion transparency and accountability in the oil and gas extractive industries while also working to expose and eradicate the endemic corruption that keeps too many millions of innocent people trapped in a vicious cycle of poverty and underdevelopment worldwide.

“We hope that President Trump will reaffirm his trust in the American public and fight corruption. We call on him to overrule Interior Department bureaucrats to reassert U.S. commitment to EITI and to order his Administration to encourage passage of new transparency rules under existing law, the Cardin-Lugar Amendment.”
Background:

Senators Cardin and Lugar were the authors of *The Energy Security Through Transparency (ESTT) Act*, which included language to encourage the United States to become an implementing country of the EITI and committed the Department of Interior to disclosing extractive payments received for resources derived from federal lands. The bill also included a provision instructing the Securities and Exchange Commission to promulgate a rule for domestic and foreign extractive industry companies traded on U.S. stock exchanges to publish the payments they make to foreign governments as the price to operate in their countries. The latter section of the bill later became Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act in 2010. Though law, the provision continues to face challenges from Big Oil and Congressional Republicans. Cardin is also the author of Combatting Global Corruption and Ensuring Accountability Act of 2016, and is preparing updated legislation for introduction in the 115th Congress.