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U.S. House of Representatives

Committee on Natural Resources Washington, DC 20515

June 6, 2017

The Honorable Ryan Zinke Secretary Department of the Interior 1849 C Street, N.W. Washington, D.C. 20240

Dear Secretary Zinke:

The U.S. Extractive Industries Transparency Initiative (EITI) Advisory Committee was scheduled to meet on Wednesday and Thursday of this week to continue the work required of the U.S. to become EITI compliant. However, on May 25, 2017, the Department of the Interior (DOI) published a notice postponing the scheduled meeting, saying merely that it would be "rescheduled at a later date." When combined with reports from earlier this year, this postponement appears to reflect a lack of commitment to EITI by this Administration. The EITI is a global initiative to fight corruption and encourage transparency in the development of energy and mineral resources, and the United States' commitment to this effort, and to these ideals, has never been called into question—until now.

In March, press reports indicated that DOI was backing away from EITI and would abandon attempts to become a compliant country under that initiative.² This news drew sharp condemnation from outside watchdog groups,³ the current Democratic Ranking Member and former Republican Chairman of the Senate Foreign Relations Committee,⁴ and others. The Department insisted shortly thereafter that it "remains committed to the principles and goals of EITI including transparency and good governance of the extractive sectors," but also that "no decision has been made on applying for validation under the EITI standard."⁵

These actions suggest that DOI may be deciding to prioritize the desires of fossil fuel and mining companies to keep their activities secret over the principles of transparency and good governance. Abandoning efforts to become EITI compliant now would erase years of effort for no apparent positive purpose, other than as simply another favor to industry.

In 2011, as part of the Open Government Partnership, the United States announced its intention to become an EITI compliant country. The goals of doing so were to ensure that taxpayers were

¹ 82 F.R. 24141 (May 25, 2017)

² E&E News, U.S. opts out of transparency effort for oil, coal firms, March 20, 2017.

³ Global Witness, U.S. Administration Sounds Death Knell for Transparency Initiative, March 20, 2017.

⁴ Cardin-Luger Statement on U.S. Withdrawal from Extractive Industries Transparency Initiative, March 20, 2017.

⁵ E&E News, Department hits back at critics on mining transparency, March 21, 2017.

receiving the money owed to them for the extraction of coal, oil, gas and minerals on federal land, to promote a transparent process for the extractive industries in the United States, and to set a positive example for the rest of the world. Since then, the U.S. has undergone a years-long process to meet the eight primary requirements necessary to become an EITI compliant country. A May 2017 report by the Interior Department's Office of Inspector General found that the U.S. has met "seven of the eight EITI requirements and partially met one requirement in its effort to achieve EITI compliant status, the highest level of implementation."

As a world leader in producing coal, oil, natural gas, and minerals, the United States has a responsibility to govern these industries in a manner that is open and accountable to the American public and set an example for other countries that also have abundant resources. The Department of the Interior must reconsider any decision to reverse course from working to achieve EITI compliance.

The Secretary of the Interior serves as the Administration's senior official representative for EITI implementation. Please clarify the Trump Administration's stance on EITI in writing no later than June 30, 2017. Additionally, as a first step to reassure the public of the Interior Department's commitment to transparency, I ask that you commit by that date to holding the postponed U.S. EITI Advisory Committee meeting no later than the end of August, 2017. The activities and duties of the Advisory Committee must continue if the U.S. is to manage its natural resources in a transparent manner. If you have questions about this letter, please have your staff contact Steve Feldgus on the Democratic Staff of the Natural Resources Committee at (202) 225-6065.

Sincerely,

Raúl M. Grijalva

Ranking Member

Committee on Natural Resources

⁶ "United States' Implementation of the Extractive Industries Transparency Initiative," Report No.:2016 EAU 041. Office of the Inspector General, Department of the Interior. May 2017. https://www.doioig.gov/sites/doioig.gov/files/AIE EITI FinalInspectionReport Public.pdf