

November 18, 2013

Rosita Compton Christian
U.S. Extractive Industries Transparency Initiative Secretariat
U.S. Department of the Interior
1849 C Street, NW
MS 4211
Washington, DC 20240

Dear Ms. Compton Christian,

We are writing, as members of the Right-to-Know network and the Coalition for Sensible Safeguards, and organizations working on openness, accountability and the environment, in support of the United States Extractive Industries Transparency Initiative (U.S. EITI). The extractive industries in the United States need greater accountability and transparency and the fiscal transparency proposed by the U.S. EITI is an important step forward. We believe much more needs to be done by the U.S. EITI Federal Advisory Committee, however, to reflect the community costs of the extractive industries.

The EITI is a global standard that promotes revenue transparency and accountability in the extractive sector. The United States began the process of becoming an EITI compliant country in 2011. The EITI standard requires the extractives industry, including oil, gas, and mining companies, to publish what it pays and the government to publish what it receives. The goal is to ensure that the numbers match and that citizens get every federal dollar they deserve for natural resources extracted from public lands.

Revenue transparency is not sufficient, however, to ensure that the U.S. EITI will measure costs borne by communities impacted by the extraction of natural resources. The U.S. EITI should not only include disclosure of data that will capture the publicly borne costs of extractive activity, but the data should be meaningful. To be truly meaningful, there needs to be transparency on the types of activities that are being conducted. The U.S. EITI report should:

- Make clear the laws and reporting requirements that apply to any extractive activities on public lands, so that industry and the public fully understand the information and documents that must be filed and made public, such as environmental impact statements. These documents should be made available to the public in a central online location.
- Explain the economic impacts of the extractive industries on the national, state, and local levels including, but not limited to, data on job creation, costs of damage to infrastructure, and costs of reclamation.
- Describe the social impacts of natural resource extraction on communities. There is increasing evidence that areas more dependent on extractive industry also bear hidden costs of higher rates of car accidents, crime, and even health problems; ~~and~~ the U.S. EITI reports need to review such impacts to give a better long-term picture of the effects of the extractive industries.

Furthermore, we urge you to expand the EITI program as quickly as possible to include reporting and disclosure around chemical use, emissions, and environmental impact. Disclosing the chemicals and emissions associated with various types of extraction methods is necessary to ensuring that domestic energy supplies do not compromise our water resources or threaten public health.

Hydraulic fracturing, the primary method used to extract natural gas or oil, uses numerous toxic chemicals in fluids pumped underground to cause fissures in rock and release the fossil fuels. In addition, extractive industries produce significant amounts of greenhouse gases. Recent data by the U.S. Environmental Protection Agency placed the oil and natural gas industry as the second-highest contributor of greenhouse gases. For these reasons, the EITI program should include reporting and disclosure around chemical use, emissions and environmental impact.

Thank you for all of the work the U.S. EITI Federal Advisory Committee has done thus far to promote an enhanced public understanding of what our government does and how it operates when it comes to extracting our precious natural resources. Not only does the public have a right to know what happens in our backyard, but government and industry have an obligation to report the consequences.

Questions about these comments can be directed to Sean Moulton, Director of Open Government, Center for Effective Government, (202) 234-8494 or smoulton@foreffectivegov.org.

Sincerely,

Sean Moulton, Director of Open Government
Center for Effective Government

Lisa Graves, Executive Director
Center for Media and Democracy

Lynn Thorp, National Campaigns Director
Clean Water Action

Anna Aurilio, Director, Washington DC Office
Environment America

Darcey O'Callaghan, International Policy Director
Food and Water Watch

Ellen Smith, Owner and Managing Editor
Mine Safety and Health News

Patrice McDermott, Executive Director
OpenTheGovernment.org

Dr. Andrew Rosenberg, Director
Center for Science and Democracy
Union of Concerned Scientists