Sum of Their Parts:
What factors help and hinder SAI effectiveness in natural resource revenue oversight?

Dana Wilkins
Session Overview

Background

Existing literature

Breakout discussions (x3)

- ability to access to information
- ability to publish credible reports
- ability to strengthen governance systems
Background

Me

Natural Resource Governance Institute (NRGI)
  ◦ think-and-do tank
  ◦ oil, gas, and mining governance
  ◦ 11 priority countries, plus some limited engagement countries
NRGI’s Current SAI Work

Country programs (limited engagement to date)
  ◦ Tanzania
  ◦ Mongolia
  ◦ Myanmar

Parliamentary capacity development
  ◦ early thinking in our work with PACs

Resource Governance Index

*Natural Resource Charter Benchmarking Framework*
NRGI’s Other Relevant Work

Courses
◦ MOOC
◦ regional hubs
◦ CEU & BSG

Topics
◦ Revenue management and economic diversification
◦ Tax policy and transfer pricing
◦ Non-fiscal costs and benefits
◦ Contract monitoring
◦ Corruption
◦ SOEs

Data Tools
Importance of SAIs

Check on government
  ◦ they are the first, and in some cases only, check on the government’s management of public funds

Universal
  ◦ they are everywhere

Neutral
  ◦ (theoretically) apolitical, dealing with an incredibly political area
Importance of Natural Resource Oversight

Value
- massive rents
- resource-dependent countries clustered at the top of all of the worst indices
- 80% of resource-rich countries have unsatisfactory levels of transparency and accountability

Complexity
- complex decision chain
- complex financial flows

Political sensitivity
- vested interests
- public attention
- suspicions, allegations, proven corruption
Existing Literature

On natural resource governance

On SAIs

Joined-up analysis
- no published academic literature
- some thinking from the Working Group on Audit of Extractive Industries
- some thinking embedded in natural resource governance literature
Ability to Access Information

What factors affect SAIs’ ability to access information? What conditions help? What conditions hurt?

- Authority
- Sanctioning Powers
- Relationship with Auditees
- Relationship with the Head of Government
- Quality of Records
Ability to Publish Credible Reports

What factors effect SAIs’ ability to publish credible reports? What conditions help? What conditions hurt?

Independence

Leadership

Relationship with Parliamentarians

Resources & Capacity

Presentation

Other SAIs
Ability to Strengthen Governance Systems

What factors affect SAIs’ ability to strengthen governance systems and combat corruption? What conditions help? What conditions hurt?

- Parliament
- Civil Society & Press
- Law Enforcement
- Key Officials & Elites
- Development Partners
Other Important Factors?

What factors are missing from our discussions so far? What conditions help? What conditions hurt?

- Timing
- System of Government
- Corruption
- Office Locations
- Fiscal Regime
- International & Regional Engagements
Conclusion

Final questions and thoughts

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