

Support the Cardin-Lugar Provision to Protect US Energy Security and National Security

The Cardin-Lugar Provision requires oil, gas, and mining companies listed on US stock exchanges to publicly disclose the payments they make to the US and foreign governments for the extraction of oil, gas and minerals, on a company and project-level basis.

<u>Request</u>

• Vote Against S.J. Res 9 and H.J. Res 41 to protect the bipartisan Cardin-Lugar Provision

Transparency of oil, gas, and mining company payments to governments are key to battling corruption and bribery: In resource-rich but economically poor countries, natural resource revenues can be lost to fraud, corruption, wasteful spending, and military adventurism. The Cardin-Lugar Provision brings these payments to light, showing citizens how much revenue their governments received for granting companies access to natural resource wealth. This will empower citizens to pressure their governments to spend the revenues responsibly. Disclosures through the Cardin-Lugar Provision require companies to disclose payments from their operations all around the world. As such, the Cardin-Lugar provision is providing otherwise inaccessible information that is critical for citizens to hold their governments accountable for natural resource revenues.

A vote against the Cardin-Lugar Provision is a vote for corruption

Corruption, secrecy, and government abuse have catalyzed conflict, instability, and violent extremist movements globally: Corruption and mismanagement of natural resource revenues, can breed discontent and resentment, and, ultimately, violence and conflict. The terrorist groups currently posing the gravest threats to the United States and its allies have taken root in highly fragile countries or regions with certain defining characteristics: 1) corrupt governments with inadequate service delivery and limited responsiveness to citizens; 2) high poverty and inequality; 3) low quality of life and a lack dignity for ordinary citizens. *The mayor of Mosul, Iraq has said that corruption was essential to the city's fall to Da'esh (the so-called 'Islamic State), which relied on smuggled oil to raise finances.* The Cardin-Lugar Provision empowers citizens to fight for a more accountable and responsive government that meets their needs, and shines light on payments to ensure that they do not fall into the wrong hands.

Corrupt regimes with no transparency of natural resource revenues are not reliable sources of oil and gas for the US over the long term: Oil, gas, and mineral revenues encourage a "winner takes all" approach for corrupt governments. It encourages such regimes to hold on to power at all costs, while undermining democracy, rule of law, and conflict resolution. The Cardin-Lugar Provision disrupts this vicious cycle by revealing otherwise secret oil, gas, and mineral revenues so that citizens can hold their governments accountable. Venezuela, Iraq, and Angola are among the top 10 most corrupt countries; these countries are also among the top 15 sources of US oil imports. Energy security is best protected when the US can help promote a stable operating environment and long-term mutually beneficial relationships with oil producing countries.

For more information visit www.pwypusa.org

<u>Publish What You Pay</u> (PWYP) is a global civil society coalition with more than 600 members from over 60 countries who believe that the wealth generated by oil, gas and mining industries can be a pathway to poverty reduction, stable economic growth and development in resource-rich countries. In the U.S., PWYP comprises 39 members, including development, faith based, human rights, environmental, financial reform and anti-corruption organizations representing over 2.5 million constituents spread through every state in the nation