

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
ATTORNEY-GENERAL'S DEPARTMENT

Group 2

Program 1.1

Question No. 18

Senator Rhiannon asked the following question at the hearing on 29 May 2013:

Senator RHIANNON: I return to the Extractive Industries Transparency Initiative. What obstacles, if any, are there to Australia signing up to the Extractive Industries Transparency Initiative's legislative obligations?

Mr Fredericks: We as a department are just not in a position to answer that. I could take that on notice.

Senator RHIANNON: When you take it on notice, does that mean you are in a position to answer it but you do not have the information? Before you have been sending me off to the A-G—this one stays with you?

Mr Fredericks: We will need to consider that. I suspect we would seek advice from other departments as well.

Senator RHIANNON: This has been a long one. When do you think Australia will do so, considering it has been 11 years since the commencement of the initiative?

Mr Fredericks: What do you mean by 'do so'?

Senator RHIANNON: The initiative started 11 years ago and it is still being considered. I am just trying to understand what your process is and when the decision might be made...

The answer to the honourable senator's question is as follows:

The following information has been provided by the Department of Resources, Energy and Tourism. Any further questions on this matter should be directed to that department.

1. What obstacles, if any, are there to Australia signing up to the Extractive Industries Transparency Initiative's legislative obligations?

The Extractive Industries Transparency Initiative (EITI) is a voluntary initiative and does not have legislative obligations. The Department of Resources, Energy and Tourism (RET) is the lead agency for the Extractive EITI in Australia, and is currently running the Australian Pilot of the EITI (the Pilot), which was announced in the lead up to Commonwealth Heads of Government Meeting in Perth in 2011.

The cost, challenges and benefits of Australia moving to implement the EITI, particularly for industry, community and the Australian and state and territory government, is a key component of the Pilot. A Regulatory Impact Assessment would then be undertaken if the Government considers that it is warranted.

2. When do you think Australia will do so, considering it has been 11 years since the commencement of the initiative?

Australia joined the EITI as a supporting country in 2007. Through AusAID, it has since committed around AU\$18 million to the EITI Multi-Donor Trust Fund (MDTF), and the EITI Secretariat.

The Australian Pilot is set to finish by the end of 2013, with a Multi-stakeholder Group (MSG) report to be submitted to the Australian Government in early 2014. The MSG's 21 members were drawn from state and federal governments, industry and civil society, with equal representation from the three groups.

The MSG report will include recommendations on whether or not to implement the EITI. The Australian Government, in consultation with its state and territory government counterparts, will consider the findings of the Pilot following delivery of the MSG report to Government.

Australia's decision to undertake a Pilot of the EITI does not constitute an agreement to full EITI domestic implementation.