



global witness

For immediate release: 29.06.10

Global Witness welcomes new openness in Cambodia's oil sector but remains concerned over lack of transparency

Global Witness today welcomed the decision of Cambodian Deputy Prime Minister Sok An to provide a list of companies operating in the oil and gas sector and some information about the management of payments made by them. The information was released in response to questions from the opposition Sam Rainsy Party.

However, the pressure group said that it remained concerned that the government had not yet publicly audited the extractive revenue accounts or provided details of deals struck with oil and mining companies. It also remains unclear how payments from oil companies are being administered and used by the government.

Sok An's comments came in response to a series of questions posed by opposition MP Son Chhay in a letter dated the 7th of May about which companies had rights to Cambodian oil and gas and how funds from the sector were being administered. The Deputy Prime Minister responded by listing some of the companies involved in Cambodia's oil sector. He also stated that money paid by oil companies was jointly managed by the Cambodia National Petroleum Authority and the Ministry for Economy and Finance, and was held in an account at the National Bank of Cambodia.

However, Sok An failed to provide an exhaustive list of companies with rights to the sector, or to disclose details of contractual agreements, full details of all payments received, or what these payments have been spent on. Civil society and opposition parties have made calls for further information in the wake of the omissions.

"We welcome Sok An's response to the questions and the new information he has made available. This is a step forward for transparency in Cambodia and could contribute to improved democratic processes," said George Boden a campaigner at Global Witness. "But we still do not know how much has been paid by oil companies to the government or exactly where that money is. The government should publish the full details of all agreements and account balances so that the Cambodian people can be confident that the deals are above board."

Global Witness has consistently raised concerns about high-level corruption and a lack of transparency and accountability within Cambodia's natural resources sector. In 2009 the organization published *Country for Sale* revealing how oil and mining contracts were being awarded behind closed doors and raising serious questions about the whereabouts of payments made by oil and mining companies.

"We hope Sok An's response paves the way for greater transparency in the extractive industries", said Boden. "It is crucial that the government puts in place a transparent system for managing Cambodia's oil revenues before they come on stream so that they contribute to poverty reduction not corruption."

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Global Witness investigates and campaigns to prevent natural resource-related conflict and corruption and associated environmental and human rights abuses.