

WRITTEN QUESTION P-0593/04  
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to the Council

Subject: EIR report to the World Bank on extractive industries

In July 2001 the World Bank (through the intermediary of its President, James Wolfensohn) initiated a study of the extractive industries. Following two years of consultation with civil society, governments and businesses the independent Extractive Industry Review (EIR) committee has submitted its report and its technical conclusions.

The committee highlights the shortcomings and the counterproductive effects of the World Bank's policy in resource-rich countries. According to the EIR the World Bank has been over-zealous in attracting investors without really taking any interest in helping countries to develop their ability to translate their natural wealth into ways of combating poverty. Similarly, the EIR draws attention to the World Bank's failings in terms of social and environmental supervision and points out that if the full force of the market is unleashed in the absence of a firm framework, the damage caused may be particularly serious.

Oil, gas or mineral extraction is not, therefore, synonymous with poverty reduction and sustainable development in the case of countries in which corruption is still rife, legal structures are unreliable and democratic practices are not firmly rooted. On the contrary, the EIR notes that countries which have produced disappointing results outnumber those in which substantial progress has been made.

Amongst other things the EIR advocates:

- phasing out funding for petroleum projects by 2008;
- phasing out funding for coal mines in order to combat greenhouse-gas emissions;
- providing increased funding for clean and renewable energy sources and for energy efficiency.

The European Union has an important role to play in relation to this report by calling upon the World Bank (through the intermediary of its Member States) to take into account the EIR's recommendations.

Is the Council planning to debate the significant conclusions contained in the report at one of its forthcoming meetings?

Does the Irish Presidency intend to coordinate the Member States' positions vis-à-vis the conclusions of the EIR report, with a view to establishing a common front in support of the report's recommendations?