

# **-Beyond the Resource Curse Harnessing Natural Resources for Development**

## **Workshop**

**Holmenkollen Park Hotel Rica, Oslo, Norway  
September 8-11, 2009**

*Jointly organized by Norad, the Norwegian Ministry of Foreign Affairs, CMI (Chr. Michelsen Institute) and the World Bank*

Governance challenges surrounding extractive industries have become increasingly central in developing countries across the world, particularly in the context of highly volatile international commodity prices. The recent commodity price slump highlights the fundamental challenges of managing these non-renewable and often price volatile resources effectively for development. For countries that have or are in the process of exploiting new stores of extractive/non-renewable natural resource wealth from oil, gas, and mining, it is increasingly recognized that the key determinants of success for countries rich in natural resources are the overall governance/institutional framework and the political economy of rent extraction and management. While a number of promising initiatives have emerged to promote good governance and transparency in the oil, gas, and mining sector, there is a clear need to strengthen and disseminate more systematic approaches to address the particular development challenges for natural resource-rich settings catered to the prevailing political-economy and institutional context across all elements of the extractive industry value chain. The World Bank and other development partners have increasingly sought to provide comprehensive support to resource rich countries across the full Extractive Industries (EI) value chain. At the same time, there is a recognition of the a need for concerted international action to ensure that the potential benefits from extractive industries are not siphoned off illicitly.

The World Bank has launched a global activity titled “Strengthening Political-Economy Analysis to Address the Resource Curse”, supported by Governance Partnership Facility (GPF) grant – a Multi-Donor Trust Fund Supported by the Netherlands, Norway, and the UK - to develop and implement a more systematic assessment and policy dialogue methodology that addresses both technical and political-economy issues and entry points in natural-resource rich developing countries. The key objective is to assist client governments, domestic and international stakeholders to prioritize actions to maximize the developmental impact of extractive industries, based on a systematic and realistic appreciation of the political-economy drivers of these types of settings. This year the Latin America Chief Economists Office is furthermore engaged in a flagship on commodity led development.

The Oslo plenary conference and subsequent workshop is intended to bring together selected key experts and policy practitioners around key entry points for linking domestic and international efforts to harness extractive resources for development. A one day plenary conference will highlight the promising areas of supporting development in resource rich/dependent economies. Particular the issues of revenue diversification, transparency in the use of extractive industry resource beyond EITI, and the special challenge of illicit capital flows from resource rich settings will feature plenary contributions during the first day of proceedings. The second and third day workshops will evaluate preliminary cross-cutting and country findings from the World Bank global activity, covering selected cases from sub-Saharan Africa (Angola, Cameroon, DRC, Ghana, Nigeria, Niger), East Asia (East Timor, Laos, and Mongolia), and Latin America.

**From curse to development:  
Natural resources, institutions and public revenues**

**Conference**

**8 September 2009**  
Holmenkollen Park Hotel, Oslo

**Jointly organized by Norad, the Norwegian Ministry of Foreign Affairs, Chr. Michelsen Institute  
and the World Bank**

Draft Program (June 26, 2009)

*Conference: Tuesday, 08 September 2009.*

- 08:30-09:10            **Registration and coffee** (40min)
- 09:10 – 09:30        **Opening and Introduction** by *Erik Solheim*, Minister of the Environment and International Development Cooperation. (20min)
- 09:30 - 11:00        **Part 1: Natural Resources and Public Revenues – the Challenges**
- Moderator: *Atle Leikvoll*, Assistant Permanent Secretary, Ministry of Foreign Affairs, Norway
- Speakers:
- *Alan Gelb*, Director, Development Policy, World Bank: *From foreign aid to domestic revenues: an overview of existing knowledge, knowledge gaps and main challenges* (15 min)
  - *Jonas Moberg*, Director, Extractive Industries Transparency Initiative (EITI): *Accountability and transparency of resource management* (10min)
  - *Charles McPherson*, Principal Economist, IMF Fiscal Affairs Department: *Taxing extractive industries in turbulent times* (10min)
- Discussion, summary of the session (55min)
- 11:00 – 11:15**        **Coffee break** (15 min)
- 11:15 – 12:45        **Part 2: What Institutions Matter for Public Revenue Enhancement – and Why**
- Moderator: *Debbie Wetzel*, Director, Public Sector Governance, World Bank (or

Randi Ryterman, Director of Innovation and Change Management, World Bank Institute)

Speakers:

- **Ragnar Torvik**, Professor, Norwegian University of Science and Technology: *Institutions, capital flight and the resource curse. (15min)*
- **Serwalo S.G. Tumelo**, Chairman of the African Alliance Botswana and former Permanent Secretary, Ministry of Finance, Gaborone: *Botswana's experiences with managing natural resource revenues and their relevance for other resource rich countries. (10min)*
- **Odd-Helge Fjeldstad**, Research Director, Chr. Michelsen Institute: *Tax administration - an entry point for reforms. (10min)*

Discussion, summary of the session (55min)

12:45 – 13:45

**Lunch** (60 min)

13:45 - 15:30

**Part 3: New Approaches to Development in Africa – Implications for Institution Building and Public Revenues**

Moderator: **Per Øyvind Bastøe**, Director, Economics and Public Administration Department, Norad

Speakers:

- **Ernest Aryeetey**, Professor and Director, Institute of Statistical, Social and Economic Research, University of Ghana: *New approaches to institution building and domestic revenues in Africa (15min)*
- **Allen Kagina Nakawa**, Commissioner General, Uganda Revenue Authority: *The African Tax Administration Forum (ATAF) – at the centre stage to mobilise domestic revenues (10min)*
- **Olav Lundstøl**, Country Economist, Norwegian Embassy Lusaka: *The economics and politics of cobber taxation in Zambia (10min)*
- **Anand Rajaram**, Manager, Africa Public Sector Reform and Capacity Building Unit, the World Bank: *Strengthening technical assistance to address the resource paradox in Africa (10min)*

Discussion, summary of the session (60min)

15:30 – 15:45

**Coffee break** (15min)

15:45– 16:15

**Closing Session: The Need for Policy-Relevant Research**

- **Poul Engbert Pedersen**, Director General, Norad: *Wrap-up: Where do we go from here? (30 min)*

16:15 – 17:30

Reception with cocktails (60min)

*Day 2: Wednesday, 09 September 2009*

**Authors' Peer Review Workshop**

- 08:00-9:00            **Breakfast**
- 09:00-10:05        **Beyond the Resource Curse: Looking for Entry Points across the EI Value Chain (65min)**
- Objectives of the project, workshop and case studies:
- *Kai Kaiser, Senior Economist, PRMPS*
  - *Naazneen Barma, Public Sector Specialist, EASPR*
  - *Tuan Minh Le, Senior Economist, AFTPR*
- 10:05-11:10        **Benchmarking Performance: Designing Methodology for Actionable Governance Indicators across the EI Value Chain (65min)**
- Speaker:
- *Maks Kobonbaev, Consultant, PRMPS*
- Peer reviewers:
- *Kai Kaiser, Senior Economist, PRMPS*
  - *Adnan Vatansever, Consultant, PRMPS/AFTPR*
  - *Ivar Kolstad, Senior Researcher, CMI*
- 11:10-11:25        **Coffee (15min)**
- Focus on Oil: Preliminary Findings and Lessons from Country Case Studies*
- 11:25-12:30        **Angola (65min)**
- Speaker:
- *Ricardo de Oliveira, African Politics, University of Oxford*
- Peer reviewers:
- *Kjetil Hansen, Senior Public Sector Mgmt. Specialist, AFTPR*
  - *Arne Wiig, Senior Researcher, CMI*
  - *Alex Gboyega, Political Scientist, University of Ibadan (Nigeria)*
- 12:30-13:15        **Lunch (45min)**

13:15-14:20

**Cameroon (65min)**

Speaker:

- *Stephen Ndegwa, Lead Specialist, AFTPR, and Alexandra Gillies, Consultant, AFTPR*

Peer reviewers:

- *Helga Treichel, Consultant, COCPO, Nigeria*
- *Olav Lundstøl, Country Economist, Norwegian Embassy, Luanda: The economics and politics of cobber taxation in Zambia.*
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14:20-15:25

**East Timor (65min)**

Speaker:

- *Catherine Anderson, Consultant*

Peer reviewers:

- *Naazneen Barma, Public Sector Specialist, EASPR*
- *Tuan Minh Le, Senior Economist, AFTPR*
- *Eivind Tandberg, Senior Adviser, Economics and Public Administration Department, Norad*

15:25-15:40

**Coffee**

15:40-16:45

**Nigeria (65min)**

Speakers:

- *Alex Gboyega, Professor, University of Ibadan (Nigeria)*

Peer reviewers:

- *Onno Ruhl, Country Director, Nigeria*
- *George Larbi, Senior Public Sector Specialist, AFTPR*
- *Ricardo de Oliveira, Lecturer, Oxford University (United Kingdom)*

*Day 3: Thursday, 10 September 2009*

**Authors' Peer Review Workshop**

08:00-9:00

**Breakfast**

*Focus on Mining: Preliminary Findings and Lessons from Country Case Studies*

09:00-10:05

**Niger (65min)**

Speaker:

- *Jérôme Chevallier, Consultant, MNSED*

Peer reviewers:

- *Robert Yungu, Senior Resource Management Officer, AFTPR*
- *Theodore Dreger, Governance Specialist, PRMP/ Paul A. Francis, Senior Social Scientist, AFTCS*
- *Harald Tollan, Senior Advisor, Ministry of Foreign Affairs, Norway*

10:05-11:10

**Democratic Republic of Congo (65min)**

Speaker:

- *Jerome Chevallier, Consultant, MNSED*

Peer reviewers:

- *Kai Kaiser, Senior Economist, PRMPS*
- *Tony Verheijen, Senior Public Sector Specialist, AFTPR*
- *Ingrid Samset, Researcher, CMI*

11:10-11:25

**Coffee** (15min)

11:25-12:30

**Mongolia (65min)**

Speakers:

- *Verena Fritz, Governance Specialist, PRMPS*
- *Christopher Finch, Senior Country Officer, EACCQ*

Peer reviewers:

- *Naazneen Barma, Public Sector Specialist, EASPR*
- *Maks Kobonbaev, Consultant, PRMPS*
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12:30-13:15            **Lunch** (15min)

13:15-14:20            **Ghana** (65min)

Speakers:

- **Joseph Ayee**, Professor, University of Ghana
- **Tina Soreide**, Economist, FEU

Peer reviewers:

- **Katherine Bain**, Country Manager, Ghana Country Office
- **Smile Kwawukume**, Senior Public Sector Specialist, AFTPR
- **Naazneen Barma**, Public Sector Specialist, EASPR

14:20-15:25            **Laos** (65min)

Speakers:

- **Naazneen Barma**, Public Sector Specialist, EASPR
- **Verena Fritz**, Governance Specialist, PRMPS

Peer reviewers:

- *To be selected from other sessions*
- **Eivind Tandberg**, Senior Adviser, Economics and Public Administration Department, Norad
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15:25-15:40            **Coffee** (15min)

15:40-16:45            ***Findings from Latin America***  
**Emerging Lessons from Latin America Country Cases: Bolivia, Chile, Ecuador, Mexico, Trinidad and Tobago** (65min)

Speakers:

- **Steven Webb**, Advisor, LCSPS
- **Emily Sinnott**, Senior Country Economist, LCSPE

Peer reviewers:

- *To be selected from other sessions*
- **Charles McPherson**, Principal Economist, IMF Fiscal Affairs Department
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