

**Security Council Open Debate on Maintenance of International Peace and Security, June 19th 2013, Security Council Chamber**

*Briefing by Mr. Jan Eliasson, Deputy Secretary-General of the United Nations.*

Before I begin my remarks, let me say a few words about the tragic events in Mogadishu today. The Secretary-General and I were deeply saddened and shocked by the outrageous attack on the United Nations compound in Mogadishu this morning. Full details are still emerging, but we know that several people have died. The Secretary-General and I express our deepest condolences to the families of the deceased. Our thoughts are with the United Nations staff and all those who have suffered through this tragedy.

We remain committed to the principles of achieving peace and keeping Somalia on its path to recovery, which were strongly endorsed recently by the Council. I thank you, Sir, for your words before the beginning of this meeting. We thank the Government of Somalia and the African Union Mission in Somalia for their prompt response. I have just learned that the Secretary-General and the President of Somalia have spoken to one another by telephone.

The Council is well aware of the link between abundant extractive resources and conflict. In Sierra Leone, guns financed by blood diamonds and illegal timber are now silent.

Liberia's Charles Taylor is facing international justice. The scars of war are healing. But in too many countries, a wealth of resources — such as timber, oil, coal, diamonds and precious metals — fail to translate into equivalent wealth for the people. Instead, communities and individuals pay a terrible cost in terms of corruption, human rights abuses and environmental damage. Only a powerful few benefit. The result of this inequality — this injustice — is bitterness, mistrust and alienation. These are the precursors of conflict. This is the so-called resource curse.

Yet, managed wisely, extractive resources can and should be the foundation for sustainable development and lasting peace. I therefore welcome this thematic open debate of the Council and the opportunity to outline how the United Nations system is working with Member States, the private sector and other partners help transform the resource curse into a resource blessing, in the best of cases.

Last month, the Secretary-General briefed the Council about his joint visit with World Bank President Mr. Jim Yong Kim to the Democratic Republic of the Congo, Rwanda and Uganda. Their message was clear. Peace, development and the rule of law go hand in hand. That is why the Council and the United Nations system are supporting the Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the region. That is why the World Bank is investing heavily in the region and encourages business to follow.

The private sector is a key player in equitable, transparent and sustainable exploitation of extractive resources from Botswana to Brazil, from Cambodia to Colombia, and from Malaysia to Mozambique. But it is only one among a broad cast of actors. Civil society, national Governments and international organizations have important roles to play. And, where conflict rages or is a distinct risk, the Security Council has its obligations.

The primary responsibility for preventing conflict and transparently and equitably managing resources lies with Governments. Political leaders are to ensure that extractive industries generate employment and tax revenues that support economic development and the provision of basic services. And leaders are to be held accountable by national institutions that promote social cohesion and inclusion based on the rule of law and an independent judiciary. Transparency, it should be

noted, is not limited to just tracking the flow of payments from extractive industries. Information about the quantity, value and location of resources is also essential to managing public expectations and reducing tensions.

Preventing conflict related to resources also means identifying social, economic and environmental impacts. Measures must be taken to mitigate negative consequences, in close contact with local communities, and clear processes for compensation must be available to prevent tensions and disputes. The United Nations Environment Programme has been working closely with the Government of Nigeria, for instance, to assess the environmental and public health impact of oil contamination in Ogoniland, in the Niger delta, and to identify the options for clean-up.

United Nations political and peacekeeping missions and country teams support dispute resolution and grievance mechanisms through their rule of law programmes. We also work to ensure that issues related to extractive industries are part of mediation efforts and are addressed in peace processes. We have now included an expert on natural resources in our stand-by team of mediation experts. Together with international financial institutions, we can help Governments to develop capacity on taxation policies and regulations relevant to extractive industries, and to address the impact of inflation and currency fluctuations.

There is also a significant gender dimension to extractive industries. The United Nations is working to ensure that this aspect is addressed. In Mozambique, HIV/AIDS is a major problem related to migrant workers working in South Africa's mines. The Joint United Nations Programme on HIV/AIDS is working with companies in South Africa and with the miners' home communities to raise awareness and reduce transmission of the disease. And with the rapid expansion of Mozambique's own extractive industries, the United Nations system as a whole is working on the broad spectrum of related health and development issues.

Where countries are recovering from conflict, the United Nations Peacebuilding Commission and country teams can engage extractive companies in training and employing former combatants. Where resource extraction is fuelling conflict, the Security Council, of course, has a crucial role to play. The expert groups that support sanctions committees are a valuable tool. They have presented findings on extractive industries, such as charcoal, timber, diamonds and gold. Their recommendations to the Council, its committees and to Member States should be important catalysts for action.

The expert groups have also provided guidance to the private sector, for instance on due diligence for individuals and entities that trade, process and consume minerals from eastern Democratic Republic of the Congo. Private sector initiatives, such as the Kimberley Process in relation to Liberia and Côte d'Ivoire, and the Extractive Industries Transparency Initiative, are important to accountability, conflict prevention and sustainable development. Ending corruption must be a core goal of the United Nations.

Voluntary action by the corporate sector also underpins the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights. Endorsed in 2011 by the Human Rights Council, the Principles provide a global standard for preventing and addressing human rights abuses linked to business activity. Member States — both the traditional major players, as well as the emerging economies that are increasingly entering the resources market — should support these initiatives and principles.

Ultimately, all parties need to recognize and act upon the links between poverty, inequality, conflict and sustainable development. As demand for extractive resources increases, so will competition and rivalry. This must lead not to more violent conflicts in fragile nations, but rather to cooperation and a sense of shared responsibility. As we are seeing in many developing countries, resource wealth can be

a catalyst for development. As the report of the Secretary-General's High-Level Panel of Eminent Persons on the Post-2015 Development Agenda states:

“We need a transparency revolution, so citizens can see exactly where and how taxes, aid and revenues from extractive industries are spent.”

Let us support this process of transparency and sharing so that the people of developing nations can benefit from their own natural resources.