

## Protect Oil, Gas and Mining Anti-Corruption Rule

*The Cardin-Lugar Provision requires U.S.-listed oil, gas and mining companies to publicly disclose the payments they make to the U.S. and foreign governments for the extraction of oil, gas and minerals.*

### **Request**

- **Vote** against any harmful legislative actions, including a Congressional Review Act resolution of Disapproval

**Background:** In 2010, in an effort to empower citizens, better protect and inform investors, reverse the resource curse, and strengthen U.S. national and energy security, Senator Patrick Leahy (D-VT) introduced the Cardin-Lugar Amendment<sup>1</sup> to the Dodd-Frank Act of 2010 (Section 1504).<sup>2</sup> The Securities and Exchange Commission released strong, fair final rules in June 2016.

The “resource curse” refers to the paradoxical situation where countries blessed with abundant natural resources such as oil, gas and minerals, suffer from crippling debt, corruption, and poverty. The transparency mandated by this law will empower citizens to follow the money, hold their governments accountable and ensure oil and mining revenues are used for public good, rather than line the pockets of a select few. Investors will also benefit from better understanding their risk exposure.

**Broad Support:** The law is supported by investors with nearly \$10 trillion in assets under management, as well as faith-based, anti-corruption, human rights, development and transparency groups in the U.S. and around the world. Numerous companies and industry associations also support this law, such as Newmont Mining, BHP Billiton, Rio Tinto, Kosmos Energy, Total and Statoil. There is broad agreement amongst U.S. government agencies that decreasing corruption is crucial to U.S. foreign policy goals, as well as securing U.S. national security and energy security.<sup>3</sup>

**Global Norm:** US leadership set the international transparency standard and 30 of our allies adopted rules that are harmonized with Cardin-Lugar final rules. This includes all EU member states, Canada, and Norway, which cover the majority of oil, gas and mining companies that compete with US firms. This includes Shell, BP, BHP Billiton, Rio Tinto, Total as well as several Russian oil majors: Rosneft, Gazprom and Lukoil. All of these companies have already filed their first reports in 2016 and are now working on 2017 reports. Canada passed its own legislation in 2014; Canadian stock exchanges host more than one-third of the world’s oil and gas companies and nearly three-fifths of the world’s mining companies.

*[Publish What You Pay](#) (PWYP) is a global civil society coalition with more than 600 members from over 60 countries who believe that the wealth generated by oil, gas and mining industries can be a pathway to poverty reduction, stable economic growth and development in resource-rich countries. In the U.S., PWYP comprises 39 members, including development, faith based, human rights, environmental, financial reform and anti-corruption organizations representing over 2.5 million constituents spread through every state in the nation.*

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<sup>1</sup> Read the legislative history of Section 1504 here: [http://www.pwypusa.org/sites/default/files/Legislative%20History%20Timeline\\_1504.pdf](http://www.pwypusa.org/sites/default/files/Legislative%20History%20Timeline_1504.pdf)

<sup>2</sup> Read the text of the law here: <http://pwypus.wpengin.com/wp-content/uploads/2016/05/1504-Law-Text.pdf>

<sup>3</sup> See June 2013 Statement of Administration Policy: [http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/113/sap1613r\\_20130625.pdf](http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/113/sap1613r_20130625.pdf)