

Oil, Gas, and Mining Company Support for Transparency
September 2017

Oil, gas, and mining companies are now reporting project-level payments to governments in over thirty countries in compliance with disclosure laws modeled on Section 1504 of the Dodd-Frank Act. No negative impacts have been reported by companies – in fact, many oil and mining majors have spoken out about the benefits of transparency to citizens in resource rich countries and investors.

BHP Billiton

On the business case for transparency

“I think it’s very easy to answer the question of what the business case is, you’ve only got to look at the realities of being the largest natural resources company in the world, and what that entails, to understand how important transparency is. Quite simply, for a company like ours, public acceptance and trust is at the forefront.”

“It’s not a ‘nice to have’ for BHP, it’s an absolute imperative to our business.”

On project by project reporting

“When you start to get granular it starts to become a lot more useful.”

- **Geoff Healy, Chief External Affairs (September 2017)**¹

“To be meaningful, information and data should be disclosed in a format that is accessible and easy to understand. To this end, **we support the establishment of a globally consistent regulatory disclosure framework**, including equivalency provisions between jurisdictions. This would create a consistent basis for companies to disclose payments to governments, minimise compliance costs and make it easier for stakeholders to compare information between jurisdictions, sectors and companies. We remain concerned that the number and variety of local disclosure initiatives introduced in recent years will result in unhelpful complexity and we will continue to engage with governments and regulators to move towards global consistency.”

- **Economic Contribution Report 2017 (September 2017)**²

Shell

“Tax binds governments, communities and businesses together. Revenue transparency provides citizens with important information to hold their government representatives accountable and to advance good governance. Shell is committed to transparency as it builds trust. Trust is essential for a company that operates in our line of business, reflecting our core values of honesty, integrity and respect for people.”

¹ Healy, Geoff. “Transparency, anti-corruption, and sustainable development: Is progress possible?” (September 18, 2017) Brookings Institution, Washington, DC. Available at: <https://www.brookings.edu/events/transparency-anti-corruption-and-sustainable-development-is-progress-possible/>

² BHP Economic Contribution Report 2017 (September 7, 2017) Available at: <http://www.bhp.com/-/media/documents/investors/annual-reports/2017/bhpeconomiccontributionreport2017.pdf>

“By fulfilling the mandatory disclosures in line with the new UK legislative requirements we demonstrate that extraction of natural resources can lead to the opportunity of government revenue, economic growth and social development.”

- **Jessica Uhl, Chief Financial Officer (June 2017)**³

British Petroleum (BP)

“BP supports the concept of transparency in revenue flows from oil and gas activities in resource-rich countries. It helps citizens of affected countries access the information they need to hold governments to account for the way they use funds received through taxes and other agreements.”

- **Report on Payments to Governments (June 2017)**⁴

Kosmos Energy

“Being transparent in everything we do requires courage; it takes true commitment, but is the right thing to do. We have set a standard for transparent behavior by publishing our host government contracts, along with payments to governments at the project level and in aggregate.”

- **2016 Corporate Social Responsibility Report (July 2017)**⁵

Barrick Gold

“We believe that transparency— whether through disclosing payments to governments, reporting on our energy and water use, voluntarily opening ourselves to third-party scrutiny, or otherwise — is integral to being a true partner. As such, we support consistent global standards for payment transparency [...] transparency is a core value at Barrick that we strive to achieve in everything we do.”

- **Response to inquiry from the Business & Human Rights Resource Centre (February 2017)**⁶

Newmont Mining

“Newmont believes that revenue transparency is essential to generating long-term value. Building broader awareness of how taxes and royalties are spent in-country – and how much is paid – can provide greater clarity around the economic and social benefits natural resource development can bring to local communities. In addition, reporting those revenues according to internationally accepted standards makes that information more credible and accessible to all stakeholders.”

- **Response to inquiry from the Business & Human Rights Resource Centre (February 2017)**⁷

For more information visit www.pwypusa.org

³ Shell. “Revenues for Governments” (June 2017) Available at:

<http://www.shell.com/sustainability/transparency/revenues-for-governments.html>

⁴ BP p.l.c. Report on payments to governments, Year ended 31 December 2017. (June 2017) Available at:

<http://www.bp.com/content/dam/bp/en/corporate/pdf/sustainability-report/group-reports/bp-report-on-payments-to-governments-2016.pdf>

⁵ Kosmos Energy 2016 Corporate Social Responsibility Report (July 2017) Available at:

<http://www.kosmosenergy.com/responsibility/pdf/2016-CR-Report-Letter-to-Stakeholders.pdf>

⁶ The full statement is available at: <https://business-humanrights.org/en/publish-what-you-pay-urges-oil-gas-mining-firms-to-support-us-law-on-disclosure-of-payments-to-govts-statements-of-support-by-8-firms#c151944>

⁷ Newmont. “The Importance and Value of Revenue Transparency” (February 2, 2017) Available at:

<http://ourvoice.newmont.com/2017/02/02/the-importance-and-value-of-revenue-transparency/>