

14th April 2014 - For immediate release

500 groups from 40 countries urge the US to maintain leadership on transparency in oil, gas and mining

Civil society organizations call on the Securities and Exchange Commission (SEC) to reissue a strong rule on extractive industries payment disclosure

In a letter submitted today to Securities and Exchange Commission Chair Mary Jo White, more than 500 civil society organizations from 40 countries urged the commission to swiftly reissue a strong implementing rule for Section 1504 of the Dodd-Frank Act.

Section 1504 requires all oil, gas and mining companies listed on a US stock exchange to publish what they pay to governments of countries in which they operate. Last year, a lawsuit filed by the American Petroleum Institute (API) resulted in the implementing rule, released in August 2012, having to be reissued before the law can come into effect.

By reissuing a strong rule allowing for no exemptions and requiring fully public, project-level disclosure of payments, the SEC would ensure that the legislation is in line with recent laws adopted in the EU and Norway, and forthcoming legislation in Canada.

“The SEC’s August 2012 rule inspired the rest of the world to adopt extractive transparency legislation. Now the US needs to ensure that it maintains its leadership position or risk being left behind,” said Jana Morgan, National Coordinator of Publish What You Pay – US (PWYP). “Similar legislation has been vetted and passed elsewhere, and companies are even beginning to voluntarily disclose this information at no harm to their competitiveness or bottom line. The reality is that businesses, investors and resource-rich countries stand to benefit from greater transparency in the extractives sector. This letter further demonstrates that the time to act is now.”

More than 1.5 billion people live in countries rich in natural resources like oil and natural gas, but are forced to survive on less than \$2 a day. Because of opacity in the extractives sector, natural resource revenues have often been misused or squandered instead of serving as a basis to transform economies and advance human development.

“We campaign because we have a responsibility to ensure that our own natural resources benefit our country,” said Cielo Magno, National Coordinator of Bantay Kita in the Philippines. “But if we don’t know – and cannot find out – what companies are paying our governments, how can we hold our governments to account? It is crucial that we have access to what payments companies are making for each project – that way we can ensure local communities are receiving the share they are owed.”

Section 1504 of the Dodd-Frank Act will shine a light for countries around the world where oil, gas and mining are a crucial source of revenue. In 2011, exports of oil, gas and minerals from Africa were worth almost eight times the value of aid received by the continent. The potential of this sector, if properly managed, should not be underestimated. Leading oil, gas and mining companies have endorsed these laws, and investors worth \$5.6 trillion have called on the SEC to release strong rules as soon as possible.

“Gabon has failed to meet even voluntary standards of transparency under the Extractive Industries Transparency Initiative,” said Paulette OyaneOndo, of PWYP Gabon. “Thanks to this legislation, we will be able to access important information despite the fact that our government is dragging its feet on transparency.”

“From the Sahel to the Caspian Sea, local activists are united in their call for companies to publish their payments,” said Marinke van Riet, International Director of Publish What You Pay. “Our activists campaign tirelessly to change their country for the better, but while the international financial system remains opaque, the odds are stacked against them. Today, they told the world what they need to be effective in their campaigning – they deserve to be heard.”

Media Contacts

Publish What You Pay US – Jana Morgan, National Coordinator

Tel + 1 703 795 8542, Email: jmorgan@pwypusa.org

Publish What You Pay International – Alice Powell, Communications Coordinator

Tel + 44 7789 281 549, Email: apowell@publishwhatyoupay.org

Notes to Editors

The letter is available here: <http://publishwhatyoupay.org/resources/civil-society-around-world-calls-sec-reissue-strong-oil-gas-mining-transparency-rule>

On March 14th, PWYP-US submitted a position statement to the SEC, calling on the SEC to quickly reissue a strong rule. The letter can be viewed here: <http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resourceextractionissuers-28.pdf>