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Coalition Urges Securities and Exchange Commission to Match Global Transparency Standard

Publish What You Pay says a new global standard has emerged for transparency in the extractive industries; Calls for strong payment disclosure rules this year

WASHINGTON, D.C. – Publish What You Pay (PWYP), the global network campaigning for greater openness in the extractive sector, urges the Securities and Exchange Commission (SEC) to issue a strong rule on payment disclosures for oil, gas and mining companies. In a statement submitted to the SEC and a meeting with SEC Chairwoman Mary Jo White yesterday, members of the PWYP coalition presented their case for a strong rule for Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Section 1504) that aligns with the emerging global transparency standard.

“The 2012 rule has ignited a global movement for transparency in the extractives sector,” said Jana Morgan, National Coordinator of Publish What You Pay – United States. “In issuing a strong rule in 2012, the SEC inspired the emergence of a global standard. It now needs to retake its leadership on transparency and re-issue a strong rule that aligns with the standard it helped to create.”

Less than two years after the release of the 2012 rule, more than 30 countries with large numbers of oil, gas and mining companies incorporated within their borders or listed on their stock exchanges have adopted, or have begun the process of adopting, mandatory disclosure laws. The reach of these transparency provisions has been enormous: of the world’s 100 largest oil and gas companies by market capitalization, 84 are subject to existing or future mandatory disclosure requirements in the EU, US, Norway or Canada. Of the top 100 mining companies, 58 are subject to these rules.

In promoting transparency standards that mirror the 2012 rule, lawmakers across the globe have rejected calls for categorical exemptions and anonymous, highly-aggregated public disclosure. Instead, these lawmakers recognized that strong disclosure requirements have huge benefits to investors, companies, and communities, without harming the competitiveness of, or imposing a significant compliance burden on, extractive companies. Investors with assets of more than \$5.6 trillion voiced their support for a strong rule when they wrote to the SEC in August 2013 emphasizing their need for detailed payment information and calling on the agency to align its new rules with the global standard.

“Each of these jurisdictions have considered the concerns raised by certain extractive companies, consulted widely with industry, investors and civil society, subjected each issue to rigorous debate, and in every case determined that industry’s concerns were unfounded,” said Morgan. “Country after country has reached the same conclusion: that the benefits of payment transparency far outweigh the negligible costs.”

PWYP urged the Commission to re-issue a rule this year that mandates public, project-level disclosure with no exemptions – in line with the global standard. In its March 14 submission to the SEC, the coalition refuted the arguments of the American Petroleum Institute (API), noting that many of API’s members have already agreed to disclosure at the project level by endorsing the Extractive Industry Transparency Initiative (EITI).

“API members continue to lobby to hide information that is important to both investors and citizens,” said Morgan. “Meanwhile, the dominoes continue to fall around the world as the mining industry in Canada has come out in full support of strong mandatory disclosure standards, as have a number of oil companies, such as Tullow and Statoil.”

Section 1504 of Dodd-Frank requires U.S.-listed oil, gas and mining companies to publicly report payments they make to governments. Last year, the U.S. District Court for the District of Columbia vacated the rule the SEC had written in August 2012 to implement Section 1504, and the SEC is now required to rewrite the rule. A strong rule will allow investors to properly assess risk and citizens to monitor the revenues from their natural resources.

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Notes to editors:

- The PWYP Position Statement on Section 1504 that was submitted to the SEC can be found [here](#).

[Publish What You Pay](#) is a global civil society coalition that believes 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. Founded in 2002, PWYP comprises over 650 organizations working from nearly 70 countries that advocate for revenue transparency as a necessary ingredient for accountability. In the U.S., PWYP comprises 35 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.

PWYP US Members: ActionAid International USA · Amnesty International USA · Bank Information Center · CARE · Catholic Relief Services · Columban Center for Advocacy and Outreach · CorpWatch · Crude Accountability · EarthRights International · EARTHWORKS · EG Justice · Environmental Defense Fund · Friends of the Earth · Gender Action · Global Financial Integrity · Global Rights · Global Witness · Government Accountability Project · Human Rights Watch · International Budget Project · International Labor Rights Forum · Justice in Nigeria Now · ONE Campaign · Open Society Policy Center · Oxfam America · Pacific Environment · Presbyterian Church USA · Project On Government Oversight · Revenue Watch Institute · Robert F. Kennedy Center for Human Rights · Sierra Club · Sustainable Energy & Economy Network · United Steelworkers · United to End Genocide

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