

# Using UK company data as an accountability tool

**Case Study**  
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## CONTEXT

**After well over a decade-and-a-half of campaigning by the Publish What You Pay (PWYP) anti-corruption movement, oil, gas and mining companies are starting to report payments to governments under long-awaited mandatory disclosure rules. By 2019 an estimated 84% or more of the world's 100 largest oil and gas companies, and at least 58% of the largest 100 mining companies, will be required by law to disclose their payments. The global extractives transparency standard will have well and truly arrived.**

Getting oil, gas and mining companies to publish their payments to governments is necessary to deter corrupt deals and poor revenue management. But resulting CSV files and data-filled company PDFs are not always the best tools for citizens and civil society to use when discussing payments or questioning government officials. That is why data infomediaries are needed to work with the data to enable citizens and civil society to assess company reports.

Data infomediaries can work across borders, jointly analysing data between companies' home and host countries. PWYP UK's Data Extractors project has been one of the first collaborations between PWYP coalitions in home and host countries using mandatory reported extractives data to hold governments and companies to account for specific extractive sector payments.

## ACTIVITY

PWYP UK focused on payments to governments made in 2015 as disclosed under UK regulations by UK-incorporated and London Stock Exchange-listed oil, gas and mining companies. Drawing on PWYP's strength as a global coalition, companies operating in four resource-rich developing countries were selected: Royal Dutch Shell in Nigeria; BG Group (now part of Shell) and Petrofac in Tunisia; BP and Shell in Indonesia; Shell and BP in Iraq.

Infographics were used in three cases, and an information and data summary was used in the fourth case. These highlighted important company disclosures as a basis for questioning governments on their revenue receipts, and about how they govern natural resources and allocate revenues.

**Nigeria.** An infographic summary was made of Shell's key payments in Nigeria along with questions that PWYP Nigeria thought useful to ask the Nigerian government about the payments. PWYP Nigeria sent the infographic with accompanying letters to relevant Nigerian government entities. Two months later, none of the government entities had verified the payments. PWYP Nigeria has submitted Freedom of Information requests for the information and is considering informing the media.

PWYP UK noted an anomaly in Shell's data regarding the valuation of production entitlements paid in kind. A dialogue with Shell led to the company providing some extra information but refusing to disaggregate between oil and gas payments, making it impossible for users to check its pricing of in-kind production entitlement payments.

**Tunisia.** PWYP UK developed infographics for the Tunisian Coalition for Transparency in Energy and Mines, focusing on payments made in 2015 by BG Group and by Petrofac. PWYP UK notified Petrofac about deficiencies in the company's data on the valuation of production entitlements and the identity of recipient government entities. Petrofac responded by publishing a corrected payments report with the previously missing information.

The Tunisian coalition are checking Tunisia's published resource contracts and will use the infographic as part of their planned dialogue with the government. The coalition presented their work on BG Group's and Petrofac's disclosures at an open data workshop for Tunisian civil society and media organised by the Natural Resource Governance Institute in November 2016.

**Indonesia.** To engage with the Indonesian government, an infographic combining payments by BP and Shell, and including verification questions for the government, was created. Colleagues at PWYP Indonesia say that government officials have refused to verify the disclosed payments and have told civil society to wait for Indonesia's next EITI report. PWYP UK has suggested a Freedom of Information request to pressure the government to release the information.

**Iraq.** The PWYP-affiliated Iraqi Transparency Alliance for Extractive Industries are also interested in using payment disclosures by Shell and BP to seek greater accountability from their government and the companies. The Iraqi alliance, which is particularly concerned about risks of corrupt accounting for operating costs, plans to cross-check the data with the country's forthcoming EITI report on 2015 and indicates that it has identified a significant discrepancy in the tax payments reported by Shell.

## CONCLUSION

Interim outcomes from this PWYP project in terms of government accountability in Nigeria and Indonesia have proved disappointing but not surprising. It is too soon to assess initial outcomes in Tunisia and Iraq. But civil society engagement with the disclosed data sends an important signal to host governments that civil society is ready to expose corrupt or questionable dealings. And the project has demonstrated to two companies at least – Shell and Petrofac – that civil society is monitoring their disclosures and expects them to fully address their legal obligations.

Overall, we are working for a major change in norms, attitudes and practice. Despite its urgency, such change is likely to occur only over the longer term and will require persistent coordinated effort across the global PWYP coalition.