PUBLISH WHAT YOU PAY

PWYP BRIEF

FEBRUARY 2020

TAX AND TRANSPARENCY

HOW THE GLOBAL REPORTING INITIATIVE TAX DISCLOSURE STANDARD COMPARES WITH GLOBAL EXTRACTIVES TRANSPARENCY STANDARDS

ACKNOWLEDGEMENTS

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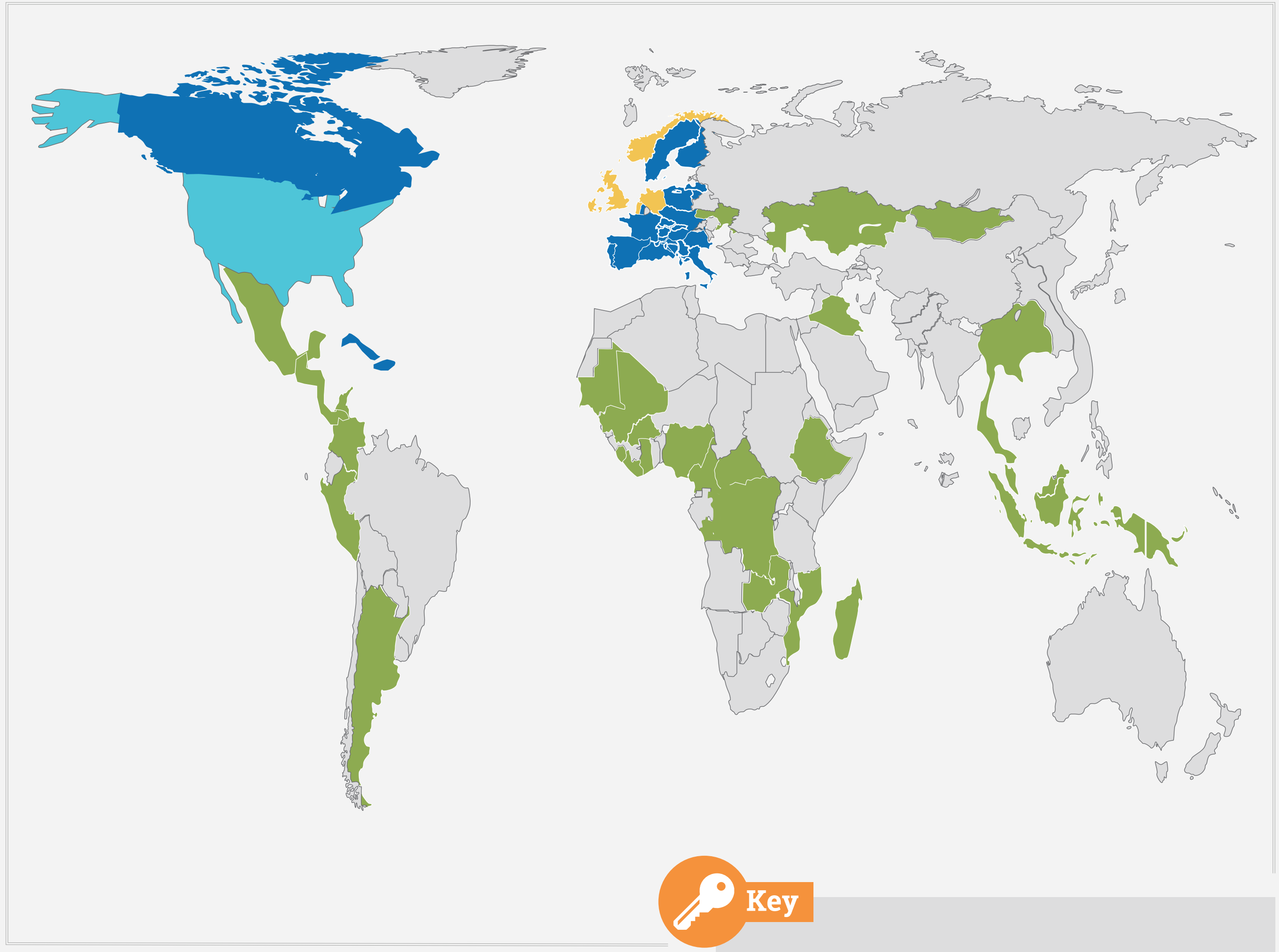
COUNTRIES COVERED BY MANDATORY DISCLOSURES (CANADA, EU, NORWAY AND UK) AND THOSE IMPLEMENTING THE EITI



Key

- Countries implementing the EITI
- Countries covered by mandatory disclosures (Canada and most of EU)
- Countries implementing both mandatory disclosures and EITI (DE, NL, NO, UK)
- Country with mandatory disclosures rules in place (*not yet implemented*)

INTRODUCTION

Publish What You Pay (PWYP) and other civil society organisations support the view that legislation requiring extended public country-by-country reporting of tax and related information by multinational companies across all sectors is necessary.[1] PWYP nevertheless recognises that voluntary initiatives such as the Global Reporting Initiative (GRI) make an important contribution to advancing company transparency and accountability. This briefing compares the GRI's recently introduced tax disclosure standard with global extractive industry (oil, gas and solid minerals) transparency standards.

The GRI is an international initiative developing and supporting implementation of global best practice in voluntary reporting by businesses on their economic, environmental and social impacts though its Sustainability Reporting Standards.[2] In December 2019 the GRI launched a new public reporting standard on tax and related information, GRI 207: Tax 2019, with the aim of "Making tax data more widely accessible … [to] help build stakeholder trust and contribute to better-informed policy and investment decisions."[3] Investors, civil society groups and others have welcomed the new GRI standard, which is due to take effect from 1 January 2021, with early adoption encouraged.[4]

Like all GRI standards, GRI 207 is intended for voluntary adoption by businesses, and it is based on companies' own accounting and assurance principles. It is likely to result in companies, including those in the extractive (oil, gas and mining) industries, becoming increasingly publicly transparent on tax and related information such as on tax governance and policy, tax jurisdictions where present, employee numbers, certain revenues, profit and loss (see table below for details).The International Council on Mining & Metals requires members to report against the GRI "Core" Sustainability Reporting Standards, including the Mining and Metals Sector Supplement.[5]

The objectives of the new GRI tax disclosure standard are aligned with those that have driven work by PWYP and its members for two decades. PWYP's advocacy has helped achieve two complementary systems for reporting by extractive companies, including on their payments to governments:

1 PWYP, Transparency International, Oxfam and others, PWYP, Transparency International, Oxfam and others, https://www.pwyp.org/wp-content/uploads/2017/12/EU-extractives-review-coalition-paper-final-1.pdf. The Tax Justice Network has long advocated using international accounting standards as a cost-effective route to global corporate tax transparency and also supports legislative requirements for mandatory public reporting across all sectors: https://www.financialsecrecyindex.com/PDF/8-C-b-C-Reporting.pdf

2 https://www.globalreporting.org/information/about-gri/Pages/default.aspx; https://www.globalreporting.org/standards

3 https://www.globalreporting.org/standards/gri-standards-download-center/gri-207-tax-2019/

4 https://www.globalreporting.org/information/news-and-press-center/grinews/Pages/Backing-for-GRIs-Tax-Standard.aspx

5 https://www.icmm.com/en-gb/publications/commitments/gri-mining-and-metals-sector-supplement (ICMM website in process of updating).

- Mandatory reporting under the law in force for several years in Canada,[6] the European Union/European Economic Area[7] (including Norway)[8] and the United Kingdom[9] by extractive companies incorporated, or publicly listed on a regulated stock exchange, in their jurisdiction and by their subsidiaries.[10] Mandatory reporting applies to extractive companies' payments to governments made in every country of upstream operation (i.e. not only in country of incorporation or listing) and uses companies' own accounting and assurance principles. Payments must be disclosed on a cash basis.
- The Extractive Industries Transparency Initiative (EITI), which is implemented by governments of countries that voluntarily choose to participate. Once a country is implementing the EITI, the EITI Standard requires compliance by material companies operating in that country's domestic upstream extractive sector.[11] Although far broader in informational scope than mandatory reporting, the EITI requires disclosure of only those payments made to government entities (or in special cases to third parties) within the implementing country itself, and not to governments in other countries. The EITI uses governments' accounting principles and is cash-based. All EITI-supporting companies are expected to publicly disclose taxes and payments and, where they choose not to, to state why.[12] The majority of EITI reporting requirements need to be fulfilled by the government of the implementing country.

The GRI standard builds on the idea that transparency encourages, and helps companies demonstrate, responsible behaviour. Progress in agreeing international norms to combat base erosion and profit shifting[13] in tax has led to the expectation that multinational companies in every sector of the world economy disclose key financial information for each jurisdiction they are present in. GRI standards as a whole are applicable to any organisation that chooses to use them on a voluntary basis, with the recently introduced GRI 207 specifically focused on corporate income tax and tax-related information. (GRI guidance also recommends additional disclosure of other, industry-specific payments.) GRI 207's objectives include building public trust in corporate tax practices and levelling the playing field to decrease aggressive tax planning strategies, while "tax transparency also informs public debate".[14] It will also assist stakeholders in assessing whether taxes paid in each jurisdiction are commensurate with economic activity.

Mandatory and EITI reporting for extractive companies, by contrast, is largely rooted in anti-corruption efforts and in making governments' financial management of extractives payments more publicly accountable. The EU's 2013 Accounting Directive, for instance, states that "The [payments-to-governments] report should help governments of resource-rich countries … account to their citizens

6 Canada: https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/mining-materials/PDF/Technical%20Reporting%20Specifications%20-%20Version%202.pdf

7 EU (and EEA): https://www.pwyp.org/wp-content/uploads/2013/11/PWYP-fact-sheet-on-EU-Accounting-and-Transparency-Directives.pdf

8 Norway's public disclosure law for extractive companies requires, in addition to country-by-country reporting of payments to governments (as in Canada, the EU/EEA and the UK), extended tax-related country-by-country information, largely similar to the new GRI requirements; https://www.publishwhatyoupay.no/sites/default/files/import//PWYP_N%C3%A6ringslivsveileder_Eng_Web_F.pdf

9 UK https://www.pwyp.org/wp-content/uploads/2019/04/PWYP-UK-fact-sheet-UK-regulations-rules-for-reports-on-payments-to-governments-EU-Directives-updated-October-2016.pdf;

10 A similar law dating from 2010 also exists in the United States, although it has not yet been implemented: see https://www.pwyp.org/pwyp-news/resource-guide-2020-sec-rulemaking-us-anticorruption Ukrainian extractive companies now also report payments under a 2018 mandatory extractives transparency law, although to date there is no evidence of disclosure of payments made to governments in countries other than Ukraine itself; i.e. in implementation the law appears to be closer to the EITI than to mandatory reporting in other jurisdictions: https://ukraineoffice.blogactiv.eu/2018/12/18/new-reporting-standards-for-extractive-companies-in-ukraine

11 EITI: https://eiti.org/. A company is "material" in the EITI if its omission or misstatement could, according to the threshold determined by a country's EITI Multi-Stakeholder Group, significantly affect coverage of payments in EITI disclosures.

12 https://eiti.org/supporters/companies; https://eiti.org/document/expectations-for-eiti-supporting-companies

13 https://www.oecd.org/tax/beps/

14 GRI / Global Sustainability Standards Board, https://www.globalreporting.org/standards/media/2369/item_04_-_final_version_of_gri_207_tax_2019.pdf, page 11.

for payments such governments receive."[15] Canadian and European mandatory disclosure laws for extractive companies require detailed disclosure of different types of payments made in countries of operation, wherever possible at project level. The EITI has complementary, and in several cases additional, requirements. Use of both types of data – GRI and extractives-specific – can enable better-informed analysis of companies' tax and related payments behaviour and of governments' ability to collect and manage revenues.

A number of payments to governments (including those made in-kind) specific to the extractive sector and included in the EU/EEA/UK/Canadian laws and/or the EITI can often far exceed amounts of corporate income tax paid and can have a bearing on the macroeconomic position of a country's finances. These payment types include production entitlements, payments to governments for the purchase of oil, gas and minerals (commodities trading), royalties and bonuses. While these payment types are not included in GRI 207, the GRI has other standards under development or due to be revised that offer an important opportunity for inclusion: development of a GRI standard for the oil, gas and coal sector, which is set to be opened to public comment in Q1 2020; and GRI 201: Economic Performance 2016, which incorporates reporting on payments to governments and is to be considered as part of the planned review of the other GRI standards in the 200 series (economic topics).[16]

Contextual information is often important to enable stakeholders to make full sense of the data provided. PWYP and others have pointed out that the EU/EEA's (and now UK's) extractive industry transparency requirements currently lack this element, inclusion of which would assist data analysis (and that full contract transparency and beneficial ownership disclosure across the sector are also required).[17] The GRI denotes several contextual elements that companies are encouraged to provide, such as: an explanation where data disclosed does not reconcile with the financial statements; reasons for an entity to be excluded from the scope of a report; and information on tax reliefs, allowances, incentives, special tax provisions or preferential tax treatment that explain instances where paid corporate income tax differs from what would result from application of the statutory tax rate to taxable profit.[18]

If oil, gas and mining companies start reporting voluntarily using GRI 207 to the full, this could provide extractive industry stakeholders with valuable additional information, such as on companies' approach to tax policy and relating to tax incentives and preferential treatment allowed to companies in specific instances in certain countries. Comparison with EITI country-level information on the applicable fiscal framework would then enable civil society to pinpoint where individual incentives have been granted to extractive companies. If extractive companies follow GRI 207 recommendation 2.3.4 on "industry-related and other taxes or payments to governments"[19] – or if other GRI standards being developed/revised include these other payment types – recommended/required GRI disclosures could be reconciled with most categories reported under Canadian and European mandatory payments-to-governments laws and would advance convergence of reporting norms between the different standards.

15 EU Accounting Directive 2013/34, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32013L0034

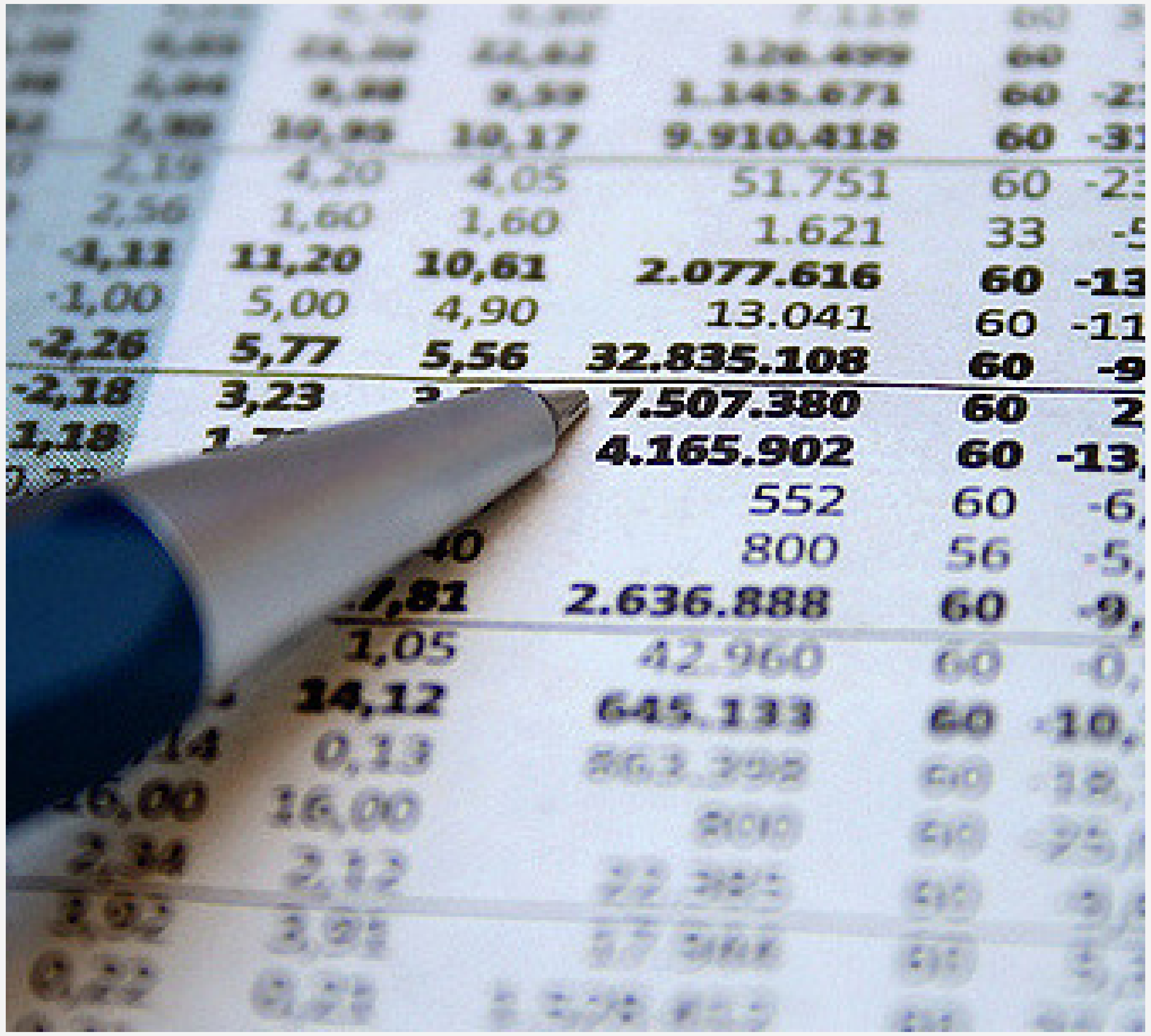
16 https://www.globalreporting.org/standards/media/2504/gssb-basis-for-conclusions-for-gri-207-tax-2019.pdf page 7

17 PWYP, Transparency International, Oxfam and others, Improving transparency in the oil, gas and mining sectors: the European Union's payments to governments legislation, https://www.pwyp.org/pwyp-resources/improving-transparency-european-unions-oil-gas-mining-sectors/. On contract transparency, Oxfam, https://policy-practice.oxfam.org.uk/publications/contract-disclosure-survey-2018-a-review-of-the-contract-disclosure-policies-of-620465 On beneficial ownership disclosure, Natural Resource Governance Institute, https://resourcegovernance.org/topics/beneficial-ownership

18 GRI 207, Guidance for disclosure 207-4-b-x, https://www.globalreporting.org/standards/gri-standards-download-center/gri-207-tax-2019/, page 12.

19 GRI 207, Guidance for clause 2.3.4, https://www.globalreporting.org/standards/gri-standards-download-center/gri-207-tax-2019/, page 13.

The table on the next pages shows in more detail how the GRI 207 requirements compare with extractive companies' public reporting obligations (and relevant encouragements) under mandatory reporting laws in Canada, the European Union/European Economic Area (including Norway) and the United Kingdom, and with complementary obligations (and relevant expectations and encouragements) under the global EITI 2019 Standard.[20]



20 https://eiti.org/document/eiti-standard-2019#download

Area/topic	GRI 207 tax disclosure standard requirements (and recommendations) for all companies	Canadian/EU/EEA/UK mandatory reporting requirements (and encouragements) for extractive companies	Norwegian mandatory reporting requirements for extractive companies[21]	EITI 2019 Standard requirements (and expectations and encouragements) for extractive companies[22]
Approach to tax (GRI Disclosure 207-1)	**Required:** a description of the approach to tax, including: • whether the organisation[23] has a tax strategy and, if so, a link to this strategy if publicly available • the governance body or executive-level position within the organisation that formally reviews and approves the tax strategy, and the frequency of this review • the approach to regulatory compliance • how the approach to tax is linked to the business and sustainable development strategies of the organisation	No disclosure requirements regarding approach to tax[24]	No disclosure requirements regarding approach to tax. The required disclosures below are intended to be included as a note to, and to provide contextual information for, the annual accounts (financial statements)	**Required** for companies that are state-owned enterprises (SOEs): • explain the role of the SOE in the sector and prevailing rules and practices governing funds transfers to the government, retained earnings, reinvestment and third-party financing, including for SOE joint ventures and subsidiaries • assess whether practices conform with rules and policies
Tax governance, control and risk management (GRI Disclosure 207-2)	**Required:** a description of the tax governance and control framework, including: • the governance body or executive-level position within the organisation accountable for compliance with the tax strategy • how the approach to tax is embedded within the organisation • the approach to tax risks, including how risks are identified, managed and monitored • how compliance with the tax governance and control framework is evaluated **Also required:** • description of the mechanisms for reporting concerns about unethical or unlawful behaviour and the organisation's integrity in relation to tax • description of the assurance process for disclosures on tax and, if applicable, a reference to the assurance report, statement or opinion	No disclosure requirements regarding the tax governance and control framework	No disclosure requirements regarding the tax governance and control framework	**Expectation:** material companies are expected to: • publicly disclose their audited financial statements, or, where financial statements are not available, the main items (balance sheet, profit & loss statement, cash flows) • include with disclosures of financial transactions with government entities an explanation of the underlying audit and assurance procedures the data has been subject to, with public access to supporting documentation **Additional encouragements for SOEs:** • explain the rules and practices related to operating and capital expenditures, procurement, subcontracting and corporate governance • explain governance and reporting mechanisms towards the state for financial transactions
Stakeholder engagement and management of concerns related to tax (GRI Disclosure 207-3)	**Required:** a description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: • the approach to engagement with tax authorities • the approach to public policy advocacy on tax • the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders	No disclosure requirements regarding the approach to stakeholder engagement and management of stakeholder concerns related to tax	No disclosure requirements regarding the approach to stakeholder engagement and management of stakeholder concerns related to tax	*See below in relation to audit*
Country-by-country reporting (GRI Disclosure 207-4)	**Required:** identify all tax jurisdictions[25] where the entities included in the organisation's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes	**Required:** identify all jurisdictions where the company makes in-scope payments to governments *(see below)* (but not jurisdictions where non-producer company subsidiaries are resident)	**Required:** as for Canada/EU/UK *(column left)*	Each EITI report covers a single country (national jurisdiction) *(see below)*

21 According to PWYP Norway, three critical elements are still missing from Norway's legislation that would enable the law to work as intended and prevent companies from avoiding tax: disclosure of total costs; inclusion of the disclosed information in notes to the company's annual financial statement; reporting on payments made in all countries including by non-producer company subsidiaries in tax secrecy jurisdictions (i.e. with no country exemptions): https://www.publishwhatyoupay.no/en/publication/policy-briefing-only-three-critical-elements-are-missing-so-extended-country-country

22 The EITI has additional reporting requirements for implementing governments and Multi-Stakeholder Groups (MSGs), which are not covered in this briefing (apart from reporting required by state-owned enterprises/SOEs).

23 The GRI considers the term "organisation" to apply more widely than to companies only.

24 Under the UK's 2016 Finance Act (as amended), however, large businesses must publish a group tax strategy including "the approach of the group to risk management and governance arrangements in relation to UK taxation" and "the attitude of the group towards tax planning": http://www.legislation.gov.uk/ukpga/2016/24/schedule/19/part/2/data.pdf

25 Countries and other territories with autonomous taxing powers.

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	Required for each tax jurisdiction reported: • names of the resident entities • primary activities of the organisation • number of employees, and the basis of calculation of this number • revenues from third-party sales • revenues from intra-group transactions with other tax jurisdictions • profit/loss before tax • tangible assets other than cash and cash equivalents • corporate income tax paid on a cash basis • corporate income tax accrued on profit/loss • reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax	**Required**: • the name of the reporting company or group of companies • income, production or profits taxes paid for upstream extractive operations on a cash or in-kind basis to all government entities, including government-controlled undertakings such as state-owned enterprises (SOEs) • data disaggregation by country (national jurisdiction) **Also required** for EU/EEA/UK companies, and encouraged for Canadian companies: data disaggregation by recipient government entity[26] *See below for other payment types to be disclosed and for project-level disaggregation*	**Required:** as for Canada/EU/UK *(column left)*, plus, for each country and public authority reported, to be included in a separate note to the accounts: • names of the resident (company) entities • core business activities **Required:** to be included in a separate note to the accounts: • production per commodity (extractive industries only) • number of employees • cash investments (as defined in IFRS) • intercompany interest paid (working to remove from reporting – OECD only) • revenues • costs excluding depreciation • income before tax (working to remove from reporting – OECD only) • tax paid (working to change to tax liability beginning and end of year with cash tax accrued) *See below for other payment types to be disclosed and for project-level disaggregation*	**Required:** • the name of the reporting company or group of companies • all taxes paid for upstream extractive operations on a cash or in-kind basis to all government entities of the country, including to government-controlled undertakings such as SOEs • data disaggregation by payment type (revenue stream) **Also required:** data disaggregation by recipient government entity; specifically identify all direct and indirect tax payments to subnational government entities *See below for other payment types to be disclosed and for project-level disaggregation*

	Recommended additional information for each tax jurisdiction reported:
	• total employee remuneration
	• taxes withheld and paid on behalf of employees
	• taxes collected from customers on behalf of a tax authority
	• industry-related and other taxes or payments to governments
	• significant uncertain tax positions
	• balance of intra-company debt held by entities in the tax jurisdiction, and the basis of calculation of the interest rate paid on the debt
		Required:
		• disclosure of other payments (besides income, production or profits taxes as above) for upstream extractive operations on a cash or in-kind basis to all government entities, including government-controlled undertakings such as SOEs
		• data disaggregation by payment type (revenue stream):
		  • production entitlements
		  • royalties
		  • dividends paid to a government in lieu of production entitlements or royalties
		  • signature, discovery and production bonuses
		  • fees including licence fees, rental fees and entry fees, and other payments for licences and/or concessions
		  • payments for infrastructure improvements
		• data disaggregation by country (national jurisdiction)
		
		Also required for EU/EEA/UK companies, and encouraged for Canadian companies: data disaggregation by recipient government entity[27]
		
		See below for project-level disaggregation
			Required: as for Canada/EU/UK *(column left)* with minor variations
			
			See below for project-level disaggregation
				Required:
				• disclosure of other payments (besides all taxes as above) for upstream extractive operations on a cash or in-kind basis to all government entities of the country, including to government-controlled undertakings such as SOEs
				• data disaggregation by all material payment types (revenue streams), including but not limited to:
				  • production entitlements
				  • royalties
				  • dividends paid to a government in lieu of production entitlements or royalties
				  • signature, discovery and production bonuses
				  • fees including licence fees, rental fees and entry fees, and other considerations for licences and/or concessions
				  • any other significant payments and material benefit to government including social and environmental expenditures mandated by law or contract
				  • mandated social and environmental expenditures to third parties
				  • transactions related to infrastructure provision and barter arrangements (physical or non-physical)
				  • payments to governments and SOEs for transportation of oil, gas and minerals
				
				Also required: data disaggregation by recipient government entity; specifically identify all direct non-tax payments to subnational government entities
				
				See below for project-level disaggregation

26 https://www.pwyp.org/pwyp-news/uk-financial-regulator-oil-gas-mining-companies-government-entities-payments/; https://resourcegovernance.org/blog/uk-financial-regulator-confirms-extractive-companies-must-name-govts-they-pay
27 https://www.pwyp.org/pwyp-news/uk-financial-regulator-oil-gas-mining-companies-government-entities-payments/

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	No commodity payments disclosure requirements *(see EITI column, right)*	No commodity payments disclosure requirements *(see EITI column, right)*	No commodity payments disclosure requirements *(see EITI column, right)*	(Disclosure of payments related to commodity sales and related volumes is required for governments, including SOEs, at project level (sales contract); where applicable, this should include payments in cash or in kind related to swap agreements and resource-backed loans)[28] SOEs must report sales **Encouragement to buying companies:** • companies buying oil, gas and/or minerals from the state, including from SOEs or third parties appointed to sell on the state's behalf, are encouraged to disclose volumes received from the state or SOE and payments made for the purchase of oil, gas and/or minerals, including cash or in-kind payments related to swap agreements and resource- backed loans • disclosed data could be disaggregated by individual seller, contract or sale and for each sale could include information on the nature of the contract (e.g. spot or term) and load port **Further encouragements for SOEs:** • SOEs are encouraged to describe the process for selecting buying companies, technical and financial criteria used for selection, the list of selected buying companies, any material deviations from the legal and regulatory framework governing selection, and the related sales agreements
	No project-level reporting requirements	**Required,** where payments to governments are attributed to a specific project: • disclose the total amount per type of payment (revenue stream) made for each project and the total amount of payments for each project • "project" is defined as operational activities governed by a single contract, licence or other legal agreement • "multiple such agreements", provided they are "substantially interconnected",[29] may be reported as a single project • payments made at entity level such as corporate income taxes should be disclosed at entity level without artificially disaggregating them or allocating them to particular projects	**Required:** as for Canada/EU/UK *(column left)*	**Required:** • disaggregation of payments-to-governments data by each project (as well as by company, government entity and payment type/revenue stream as above) • "project" is defined as operational activities governed by a single contract, licence or other legal agreement • "multiple such agreements", provided they are "substantially interconnected",[30] may be reported as a single project • all instances (i.e. individual project agreements) must be identified and documented • payments made at entity level such as corporate income taxes should be disclosed at entity level without artificially disaggregating them or allocating them to particular projects **Encouragement:** companies are encouraged to disclose production and export volumes and values for each commodity per project
	No minimum threshold for individual payments or series of related payments	**Required:** disclosure of any single payment or series of related payments within a fiscal year of at least CAD $100,000, Euro €100,000 or GBP £86,000	**Required:** as for the EU, disclosure of any single payment or series of related payments within a fiscal year of at least Euro €100,000	Each implementing country's EITI Multi-Stakeholder Group (MSG) defines minimal materiality reporting thresholds for each revenue stream and company

28 "Commodity payments" refers to company payments to government for the purchase of oil, gas and/or minerals.
29 Canadian, EU and UK laws define "substantially interconnected" as "a set of operationally and geographically integrated contracts, licences, leases or concessions or related agreements with substantially similar terms that are signed with the government".
30 The EITI defines "substantially interconnected" identically to Canadian, EU and UK laws as "a set of operationally and geographically integrated contracts, licences, leases or concessions or related agreements with substantially similar terms that are signed with the government".

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Timing of report	**Required:** disclosure for the time period covered by the most recent audited consolidated financial statements or financial information filed on public record, or, if this information is not available, then information for the immediately preceding time period **Also required**: the report must include a statement of the time period covered by the information provided	**Required:** timing of disclosure is specified by the law of each jurisdiction, e.g.: • Canada: no later than 150 days after the end of the company's fiscal year • EU/EEA and UK publicly listed companies: within 6 months after the end of the fiscal year • UK incorporated companies: within 11 months of the end of the fiscal year **Also required:** the report must include a statement of the time period covered by the information provided	**Required:** timing of disclosure is as for EU member states for reporting of taxes etc. paid Reporting of contextual information (as above: production, number of employees, investments, revenues, costs and additional tax numbers) is required at the same time as the annual accounts (financial statements) **Also required:** the report must include a statement of the time period covered by the information provided	**Required by the EITI Standard:** published data within 24 months of the end of the country's fiscal year Each implementing country's MSG sets timing of disclosure using the government's fiscal year **Also required:** the report must include a statement of the time period covered by the information provided
Audit/ reconciliation	**Required**: where the data reported does not reconcile with the audited consolidated financial statements, or the financial information filed on public record, the organisation shall provide an explanation for this difference	**Required in Canada:** attestation by a director or officer of the reporting entity or through independent audit No EU/EEA or UK audit or reconciliation requirement; "members of the responsible bodies" of each reporting company (UK: the company's directors) are responsible for delivering a report that complies with the law; penalties exist for non-compliance, e.g. in the UK a system of "criminal enforcement"[31]	No separate audit/ reconciliation requirement because the contextual information (as above: production, number of employees, investments, revenues, costs and additional tax numbers) is intended to be included as a note to the annual accounts (audited financial statements)	**Expectation** that disclosures are subject to credible, independent audit applying international auditing standards Unless all material companies publish audited financial statements alongside all EITI- required data, additional assurances and reconciliation are **required** by an Independent Administrator, using international auditing standards, and must be perceived by the country's MSG as credible, trustworthy and technically competent
Reporting format	No specific disclosure format requirements	**Required:** • Canada: machine-readable XLS or PDF format • UK: open and machine-readable XML format; UK publicly listed companies are also required to provide a "human-readable" HTML or PDF version EU Directives: no specific disclosure format requirements[32] [33]	As in the EU Directives, no specific disclosure format requirements, but the contextual information (as above) is intended to be in a standardised note to the annual accounts (financial statements)	**Required:** the MSG must make the data available in an open data format online, at minimum in CSV or Excel format Regular reporting of the same information can be directly sourced (systematically disclosed/mainstreamed), although for financial information this must be approved by the international EITI Board
Examples of extractive companies publishing extended country-by-country tax-related information[34]	BHP Billiton,[35] ENI[36], Royal Dutch Shell[37]	Not applicable	ConocoPhillipsNorge,[38] Equinor (formerly Statoil),[39] NorskHydro[40]	Not applicable

31 UK Government, Explanatory Memorandum to the Reports on Payments to Governments Regulations 2014, http://www.legislation.gov.uk/uksi/2014/3209/memorandum/contents para 4.4."

32 In 2019 EU/UK civil society and industry called on the EU Commission to require publication of extractive companies' payments to governments reports "in an open, human-readable and machine-readable format on an EU-wide online repository, maintained by the European Commission and freely accessible to the public": see joint letter responding to the currently (early 2020) unconcluded Commission public consultation on and evaluation of extractive industry disclosure obligations legislation as part of the EU "fitness check on public corporate reporting": https://www.pwyp.org/wp-content/uploads/2015/03/Joint-civil-society-and-extractive-companies-letter_Commissioner-Dombrov..._.pdf; https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-744988_en

33 EU law holds each member state responsible for determining the format of disclosure. PWYP has not been able to analyse each national law to determine whether there are formatting obligations beyond the UK.

34 Companies in Organisation for Economic Co-operation and Development (OECD) countries now disclose extended tax-related information to home governments, but not publicly: http://www.oecd.org/tax/beps/country-by-country-reporting-handbook-on-effective-tax-risk-assessment.pdf

35 https://www.bhp.com/-/media/documents/investors/annual-reports/2019/bhpeconomiccontributionreport2019.pdf?la=en

36 https://www.eni.com/docs/en_IT/enicom/publications-archive/publications/reports/reports-2018/Country-by-Country-2018-eng.pdf

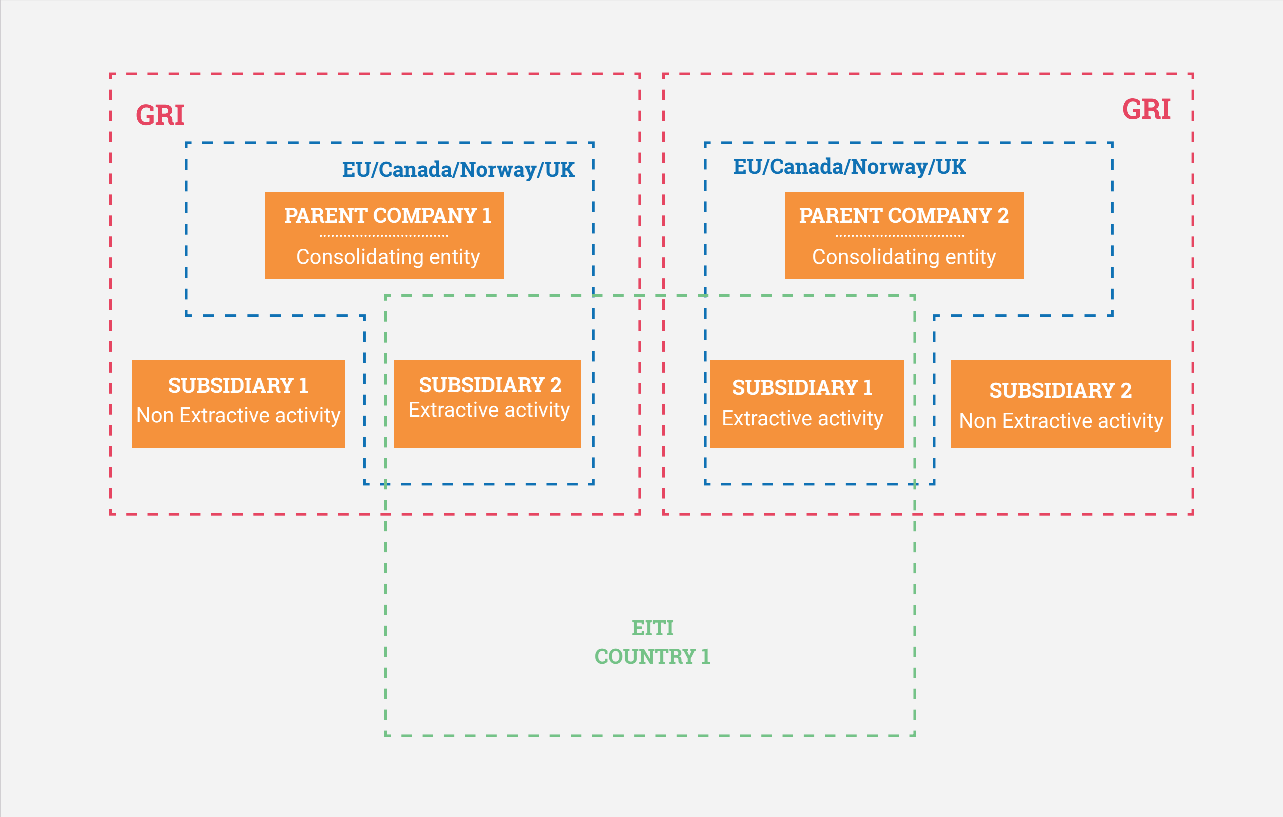
37 https://reports.shell.com/tax-contribution-report/2018/servicepages/downloads/files/shell_tax_contribution_report_2018.pdf

38 http://static.conocophillips.com/files/resources/land-for-land-rapport-2017-eng.pdf

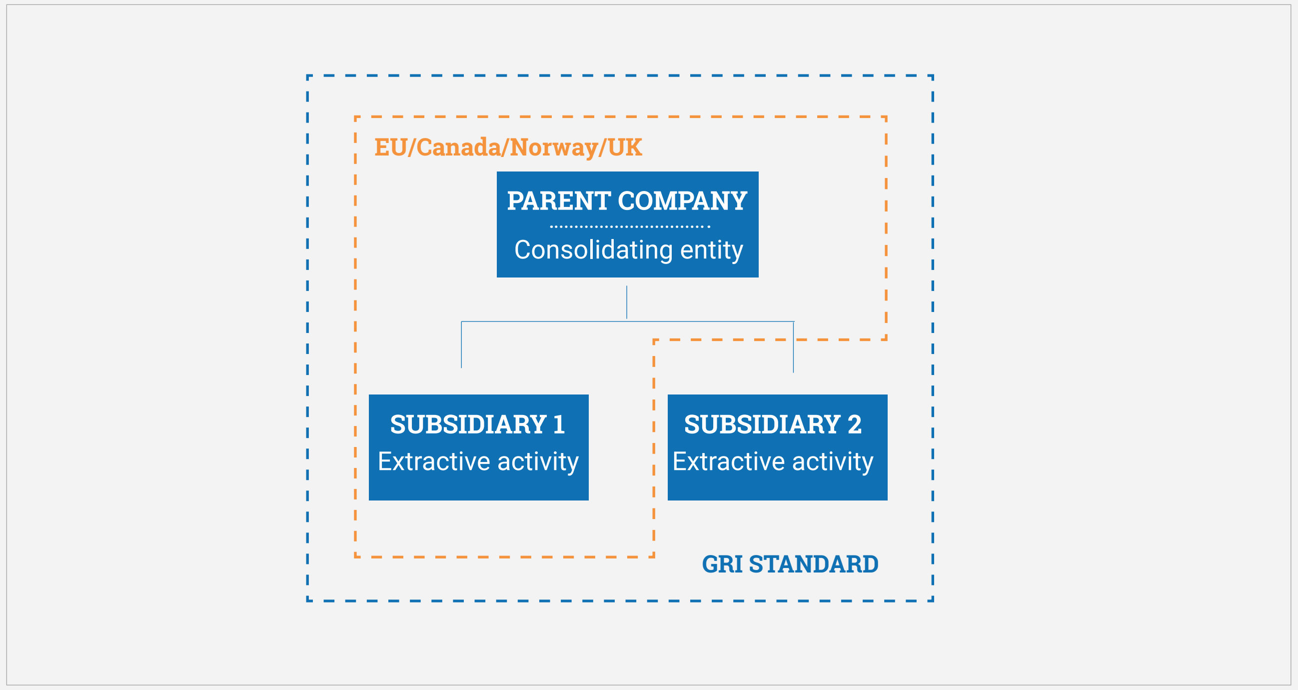
39 https://www.equinor.com/content/dam/statoil/documents/sustainability-reports/Transparency/equinor-payments-to-governments-2018.xlsx

40 https://www.hydro.com/Document/Index?name=2018%20Country%20by%20country%20report_final.pdf&id=8678

REPORTING SCOPE GRI VS EU, CANADA, NORWAY, UK AND EITI



Reporting scope



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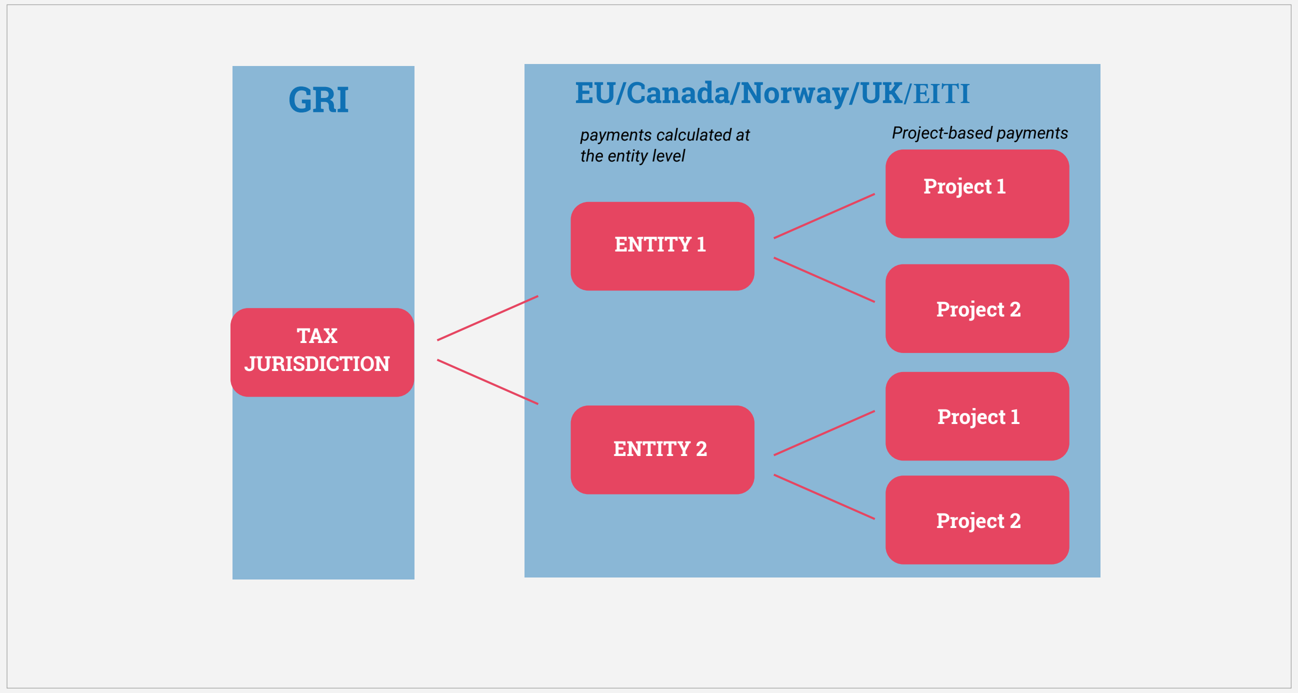
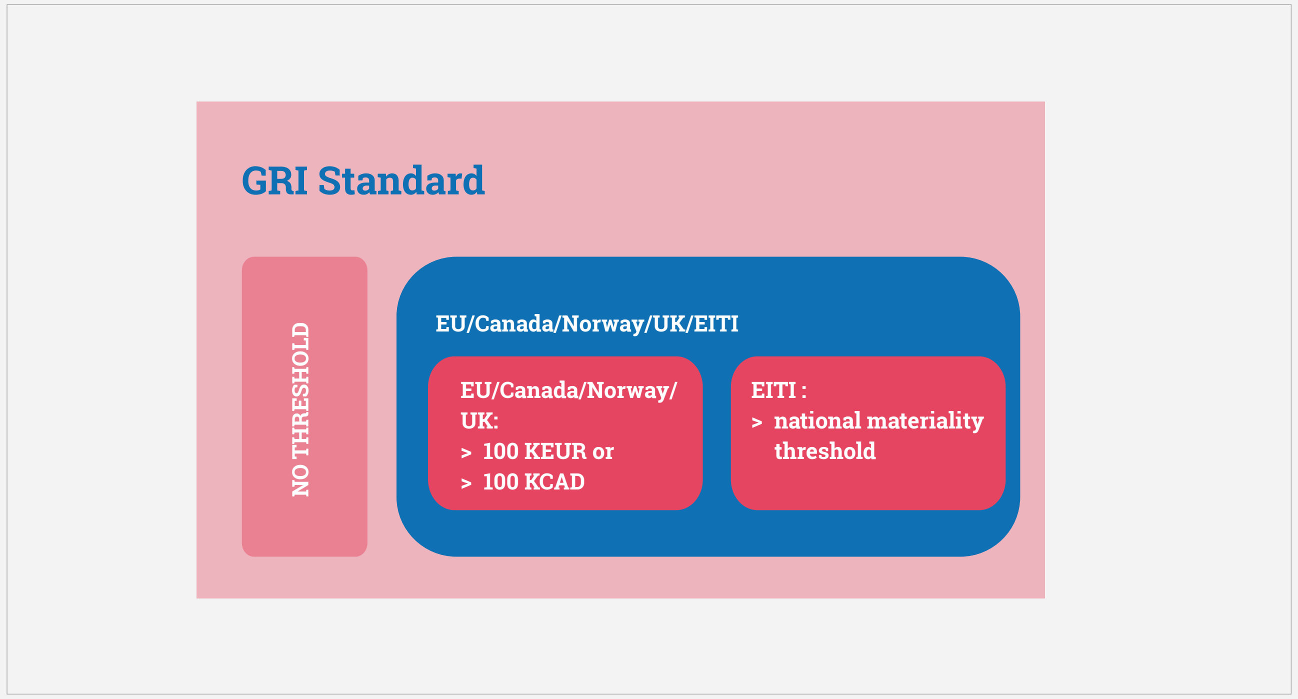


Reporting disaggregation levels



Minimum size of payments (or series of related payments) to be reported

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