

# Expectations for EITI supporting companies

All EITI supporting companies are expected to:

- Publicly declare support for the EITI Principles and, by promoting transparency throughout the extractive industries, help public debate and provide opportunities for sustainable development.
- As a guiding principle, supporting companies are expected to publicly disclose taxes and payments. Where companies choose not to, they should state why.
- Ensure comprehensive disclosure of taxes and payments made to all EITI implementing countries.
- In accordance with EITI beneficial ownership requirements, publicly disclose beneficial owners and take steps to identify the beneficial owners of direct business partners, including Joint Ventures and contractors. Listed companies will do what is required by applicable regulations and listing requirements.
- Engage in rigorous procurement processes, including due diligence in respect to partners and vendors.
- Support the operationalisation of countries' decisions to disclose future licenses and contracts entered into that govern the exploration and exploitation of oil, gas and minerals in accordance with the recommendations in the EITI Standard. Companies recognise that achievement of greater transparency must be set in the context of respect for contracts and laws in accordance with the EITI Principles.
- Companies, working together with governments, to deliver natural resources in a manner that benefits societies and communities.
- Ensure that company processes are appropriate to deliver the data required for high standards of accountability.

## Background

*There has been a longstanding debate about potential requirements for EITI supporting companies. When the EITI was created in the early 2000s, the campaign led by Publish What You Pay (PWYP) was mainly aimed to establish reporting requirements for companies.*

*With the adoption of the EITI's Articles of Association and implementing rules, the EITI Board decided that all companies would be required to comply with the EITI reporting requirements in the countries where they had operations, and in accordance with the decisions of the implementing country multi-stakeholder groups (MSGs). This would apply to all companies operating in the country. In addition, the category of "EITI Supporting Company" was created. It was anticipated that a Supporting Company would publicly declare support for the EITI and help promote the EITI Standard internationally and in countries of operation. No additional reporting or disclosure of payments would be required for becoming an EITI Supporting Company. Supporting companies were initially asked to publish an annual supporting company form which was reviewed during Validation, but not taken into account in the assessment. This form was abolished with the 2011 EITI Rules.*

*At the 2013 EITI Global Conference in Sydney, civil society representatives challenged the EITI to reconsider requirements for supporting companies. This sparked new debates within the EITI Board, however the proposals for supporting company requirements were rejected before the 2016 EITI Global Conference in Lima on the grounds that such requirements would be difficult to enforce and monitor. Rather, it was agreed that EITI supporting companies would pay a mandatory financial contribution to the EITI International Management. Previously, such contributions had been voluntary.*

*In 2017, the Governance and Oversight Committee decided again to look at the requirements for all the constituencies of the EITI Association, in particular supporting companies and supporting countries. The revised expectations for companies supporting the EITI were agreed by the EITI Board in June 2018.*

*The company expectations are now part of Part 1, Section 7 of the EITI Standard.*