



Extractive Industries  
Transparency Initiative

# REPORTING GUIDELINES

for companies buying  
oil, gas and minerals  
from governments





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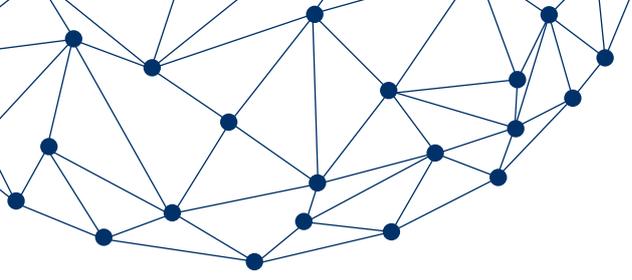
Extractive Industries  
Transparency Initiative

September 2020



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# Summary

These guidelines are for use by companies buying oil, gas and minerals from governments to inform their disclosures on payments to governments in their own company reports. They aim to ensure the consistent disclosure of payments to the state or state-owned enterprises (SOEs)<sup>1</sup> where oil, gas or minerals are being sold on behalf of the state, where EITI requirements are applicable and relevant, or where there is commitment to transparency in commodity sales.

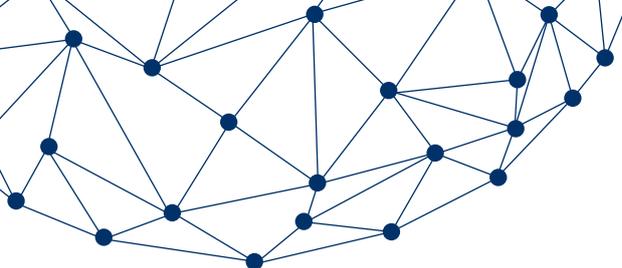
Due to their nature and economic significance, payments to states or SOEs for purchases of commodities are a matter of considerable public interest. The disclosure of these payments improves transparency and helps reduce the potential for corruption.

The EITI Standard is the global benchmark for transparency in oil, gas and mining, and has been used by governments to disclose payments for oil purchases totalling over USD 1 trillion in countries such as Albania, Cameroon, Chad, Colombia, Côte d'Ivoire, Nigeria, Ghana, Iraq, Indonesia, Mauritania, Mozambique and Republic of Congo.

These reporting guidelines have been developed by the EITI Working Group on Transparency in Commodity Trading, and informed by the discussions at the OECD Thematic Dialogue on Commodity Trading Transparency. Transparency in commodity trading has received increased attention in other international fora, including the OECD, IMF and major trading hubs such as Switzerland and the United Kingdom. As the approach to disclosures evolves, the guidelines may be revisited periodically to ensure that they reflect emerging best practices within the framework of the EITI Standard.

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<sup>1</sup> For the purpose of EITI implementation, a "state-owned enterprise (SOE) is a wholly or majority government-owned company that is engaged in extractives activities on behalf of the government." EITI Requirement 2.6.a.i.



# What is required by the EITI Standard

[Requirement 4.2](#) of the [2019 EITI Standard](#) aims to ensure transparency in how the state is selling oil, gas and minerals by requiring disclosures by SOEs and/ or other relevant government agencies concerning the sale of the state's share of production or other revenues collected in kind (4.2.a). Correspondingly, the Standard encourages companies buying oil, gas and/ or mineral resources from the state to disclose information regarding the volumes received from the state or SOE and payments made for the purchase of oil, gas and mineral resources (4.2.c).

## EITI Requirement 4.2 Sale of the state's share of production or other revenues collected in kind

a) Where the sale of the state's share of production of oil, gas and/ or mineral resources or other revenues collected in kind is material, the government, including state-owned enterprises, are required to disclose the volumes received and sold by the state (or third parties appointed by the state to sell on their behalf), the revenues received from the sale, and the revenues transferred to the state from the proceeds of oil, gas and minerals sold. Where applicable, this should include payments (in cash or in kind) related to swap agreements and resource-backed loans.

The published data must be disaggregated by individual buying company and to levels commensurate with the reporting of other payments and revenue streams ([EITI Requirement] 4.7). Multi-stakeholder groups, in consultation with buying companies, are expected to consider whether disclosures should be broken down by individual sale, type of product and prices.

The disclosures should include ownership of the product sold and the nature of the contract (e.g. spot or term).

...

c) Companies buying oil, gas and/ or mineral resources from the state, including state-owned enterprises (or third parties appointed by the state to sell on their behalf), are encouraged to disclose volumes received from the state or state-owned enterprise and payments made for the purchase of oil, gas and/ or mineral resources. This could include payments (in cash or in kind) related to swap agreements and resource-backed loans.

The published data could be disaggregated by individual seller, contract or sale.

The disclosures could for each sale include information on the nature of the contract (e.g. spot or term) and load port.

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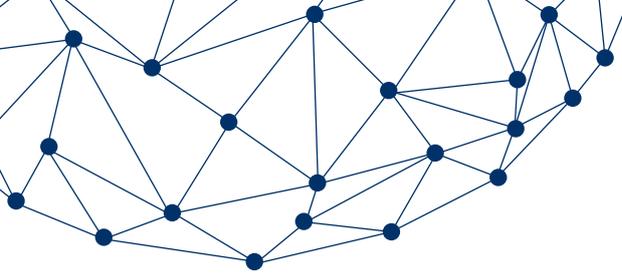
Source: EITI Standard 2019, pp. 23-24.



Company-level reporting supports transparency efforts by the state or SOE and complements information on receipts published at the country level. Reporting provides companies with the opportunity to contextualise and complement information being disclosed by state and SOE counterparts through the EITI. Disclosures on payments related to oil, gas and mineral purchases from governments also allow buying companies to demonstrate their financial contribution to the economies of the countries from which they purchase commodities, which often constitutes an important source of government revenue.

Improved transparency may also facilitate access to capital from financial institutions, notably in light of the growing importance within the investor's community of Environment, Social and Governance criteria, as well as the emergence of sustainability-linked financing schemes. Commodity trading companies such as Glencore, Gunvor and Trafigura are already disclosing their payments to states and SOEs for the purchase of crude oil and refined products and metals and minerals.

In implementing these guidelines, buying companies should consider the practical, commercial and legal aspects of disclosure as encouraged by the guidelines. These aspects may vary depending on company and context. Further, while these guidelines were prepared in the context of respect for and compliance with contracts and laws, the information in these guidelines does not, and is not intended to, constitute legal obligations for buying companies.



# Reporting guidelines for disclosing payments to government for purchases of oil, gas and minerals

These guidelines aim to ensure consistent disclosures of payments to the state or SOEs where oil, gas or minerals are being sold on behalf of the state and where EITI Requirement 4.2 is applicable and relevant, or where there is commitment to transparency in commodity sales.

## Guiding questions

The guidelines aim to identify:

1. Who is buying the product;
2. Who is selling the product;
3. What product is being purchased;
4. What does the buyer pay to the seller for the product.

Information responding to these guiding questions will complement data on commodity sales disclosed by states and SOEs. It will help stakeholders observe and understand the transactions involved, some of which could be prone to corruption and mismanagement. Any comparison of data disclosed by SOEs and buying companies would have to take into account the fact that there could be a number of reasons why figures may not exactly match.

## Steps to data publication

The guidelines outline a step by step approach to support buying companies in responding to these guiding questions and inform their voluntary corporate and sustainability reporting.





## Step 1: Mapping out scope of selling entities and transactions for the reporting period

In deciding the scope of disclosures, buying companies are encouraged to consider the following for **disclosures of payments to selling entities in EITI and non-EITI countries**:

### Commodities to be covered

It is recommended that disclosures cover:

- Purchases of oil, petroleum products, metals and minerals
  - Oil and petroleum products may be categorised as ‘oil’, ‘refined’ or ‘gas’
  - Metals and minerals may be classified by element (i.e. ‘copper’, ‘zinc’ etc.), and may be further classified by their state at point of purchase (i.e. ‘ore’, ‘concentrate’, ‘semi-refined’ and ‘refined’ form).

### Buying companies to be covered

It is recommended that disclosures cover:

- Purchases by the parent company and any wholly or majority owned subsidiary companies

### Selling entities and purchases to be covered

It is recommended that disclosures cover:

- Purchases of the state’s share of production and other in-kind revenues from EITI countries where the selling entity is a government agency or SOE<sup>2</sup> or a third party appointed to sell on their behalf (i.e. where EITI Requirement 4.2 is applicable)<sup>3</sup>.
- Purchases from SOEs in EITI and non-EITI countries where the state or SOE has explicitly or publicly stated its support for buyers disclosing information on their sales or has reflected this in its general terms and conditions for the sale of commodities or where disclosures of volumes and

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2 See footnote 2 (defining SOE according to EITI Requirement 2.6.a.i.).

3 The EITI Secretariat maintains a list of SOEs that are wholly or majority government-owned and engaged in extractive and extraction related activities, which indicates where EITI Requirement 4.2 is applicable. The list is available on demand (commodity-trading@eiti.org) and will be published on [eiti.org](http://eiti.org).

values of sales are already being made to the public with the cooperation of the seller.<sup>4</sup>

To ensure that the disclosures capture commodities extracted in the government or SOE home country (and not production by the SOE abroad which is outside the scope of Requirement 4.2), it is recommended that the disclosures only include purchases from the state/SOE when the load port is located in the government/SOE home country.

Purchases when the load port is located outside the government/SOE home country could also be included where it is possible to identify that the commodity sold by the government/SOE was extracted in the home country.

Where a SOE in a non-EITI country has not publicly stated their support for such disclosures or have not reflected this in their general terms and conditions for the sale of commodities, buying companies are encouraged to provide an aggregate volume and value amount across such SOEs. Such disclosures could be accompanied by a list of countries from which the company is purchasing oil, gas and minerals.

### **Reporting cycle and period to be covered**

- Disclosures should include a clear description of the time period they cover (i.e. calendar year), specifying whether this period differs from the company's financial year.
- Disclosures could be aligned with buying companies' annual reporting cycle. Twelve months might be an acceptable time-lag for short term contracts and spot cargoes from the date of title transfer. For active term contracts, longer time-lags could be necessary depending on the level of detail and disaggregation of disclosures (see Step 2).

### **Materiality**

- Buying companies should decide which purchases from states or SOEs should be considered material and should be covered by the disclosures. To enhance consistency among reporting buyers, it is recommended that all individual purchases of a commodity from the state or SOEs are considered material.

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4 The EITI Secretariat's list of SOEs shows where the Secretariat is aware of public support for or existing practice of disclosures of volumes and values of sales by SOEs. This list can serve as a reference for buying companies to inform the scope of their disclosures in accordance with these guidelines. There may be cases where SOEs are supportive of disclosures of their volumes and values of sales or where their general terms do not prohibit disclosures that the EITI Secretariat is not aware of.

For example, in the case of crude oil transactions, the average cargo size is around 900,000 barrels, (equivalent to USD 36 million at a price of USD 40 per barrel). Most sales of crude oil and oil products are therefore likely to be significant and of public interest, and should consequently be subject to reporting. If a buying company wishes to apply a materiality threshold to their disclosures for practical reasons, they could consider disclosing payments that exceed USD 100,000.

This threshold would be aligned with the EU Accounting and Transparency Directives and the Canadian Extractive Sector Transparency Measures Act for companies operating upstream.



### Step 2: Considering data set to be disclosed

The guidelines differentiate between “**core information**” and “**additional information**”. The former is intended as the basic information necessary to answer the four guiding questions, whereas additional information can help third parties to interpret the data and use it more effectively.

The **level of granularity of the data** to be provided is closely linked to the timeliness of the disclosures. Ensuring that the data is as timely and disaggregated as possible can be desirable for effective analysis and use, for instance by providing information by sale/cargo, as well as data that is only a few months old. Some of the data to be disclosed, however, may be considered commercially sensitive, in particular if combined with detailed pricing information.

Recognising that detailed information will be more useful for citizens in resource-rich countries, as well as for other stakeholders, buying companies implementing these guidelines are encouraged to disclose information disaggregated by individual seller, contract and sale as indicated by EITI Requirement 4.2.c. Buying companies, however, may consider a phased approach to disclosing such information – from aggregated to more granular. As with all EITI reporting, disclosures should appropriately respect and comply with relevant contracts and laws.

The reporting templates in Annex 1 provide three models with varying levels of disaggregation that companies may wish to use for their disclosures:

- i. Disclosures of volumes and values both aggregated by individual seller;
- ii. Disclosures of volumes disaggregated by sale/cargo and values aggregated by individual seller; and

- iii. Disclosures of volumes and values both disaggregated by sale/cargo.

The guidelines consider 12 months to be a generally **acceptable time-lag** for disclosures of volumes purchased and amounts paid under short term contracts and spot sales from the date of title transfer. This reflects the need to preserve the usefulness and policy relevance of the reported data as well as address practical, commercial and legal aspects of disclosure. These aspects, however, may differ by specific context. For longer-term contracts, buying companies could consider other time-lags between the date of title transfer and the disclosures or more aggregate disclosures, to avoid antitrust risks and the possibility of other companies inferring current or future pricing or volume information.

The guidelines are based on disclosures of the sale of crude oil and oil products by a national oil company to a commodity trader. They seek also to be applicable to solid minerals and natural gas sales, recognising that most companies to date have covered crude oil sales. The guidance will align with the London's Metal Exchange's red flag assessment, which refers to the EITI disclosure requirements.<sup>5</sup>

### **Contextual information about the buying company**

To provide users with context about the buying company and its trading activities, buying companies are encouraged to:

- Consider providing information on the corporate group if the buying company is part of a group of companies. Such information could include how the corporate group is structured and the number of subsidiaries engaged in trading activities.
- Consider providing information about the use of corporate vehicles, if any, including joint ventures, and of intermediaries.
- Consider providing information on whether the buying company acts as an intermediary marketing agent appointed by a state or SOE.

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<sup>5</sup> The LME Red Flag Assessment Template, Reporting form template for LME-listed brands is accessible at [lme.com/-/media/Files/About/Responsibility/Responsible-Sourcing/Appendix-D-Proposed-LME-Red-Flag-Assessment-Template.pdf?la=en-GB](https://lme.com/-/media/Files/About/Responsibility/Responsible-Sourcing/Appendix-D-Proposed-LME-Red-Flag-Assessment-Template.pdf?la=en-GB)

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### Data on payments to states or SOEs

Below is a table listing the data to be considered to disclose related to purchases of the state's share of production and other in-kind revenues.

Data sets	Description
<b>Guiding question 1: Who is selling the product?</b>	
<b>Core information</b>	
<b>Name of country of seller of the state share of production</b>	Identify the country selling the product.
<b>Name of counterparty SOEs seller of the state share of production</b>	Identify the "first trade seller", i.e. the name of the government agency, SOE or SOE subsidiary selling the product or of a third party appointed by the state to sell on its behalf.
<b>Load port, terminal or depot</b>	Identify the point of sale and establish the location where the necessary paperwork checks have occurred. Some sales may occur from a terminal located outside of the territory of the selling country.  Provide the name and country of load port, terminal or depot - mainly relevant if disclosure by sale/cargo.
<b>Additional information for efficient data interpretation and effective data use</b>	
<b>Counterparty state owned percentage</b>	If available, identify the share (percentage) of state participation / ownership of the counterparty.
<b>Type of state-owned oil</b>	Where buying companies has information available on the type of state-ownership of the oil being sold (e.g. production from SOEs owned domestic fields, equity production, profit oil from Production Sharing Agreements, service contract production or 'in-kind' payments of taxes and royalties obligations), consider providing the type of state-owned oil that is being purchased on an aggregate or by cargo basis.
<b>Guiding question 2: Who is buying the product</b>	
<b>Core information</b>	
<b>Buying entity</b>	Provide the full name and country of registration of the buying company.
<b>Additional information for efficient data interpretation and effective data use</b>	
<b>Beneficial ownership</b>	Consider providing the name and additional information of the beneficial owner(s) of the buying entity. See EITI Standard Requirement 2.5 for additional guidance on definitions and disclosures of beneficial ownership.

<b>Guiding question 3: What product is being purchased</b>	
<b>Core information</b>	
<b>Product type</b>	<p>If crude oil / petroleum products / gas, state “crude”, “refined”, “natural gas”.</p> <p>If metal / mineral, state whether “ore”, “concentrate”, “refined” or semi-refined”.</p>
<b>Volumes purchased</b>	<p>Total volume purchased by the buying entity (disaggregated by individual seller, contract or sale).</p> <p>To avoid volumetric inconsistencies: for crude oil and petroleum products, use thousand barrels (BBLs) or thousand metric tonnes (MT); for natural gas use million British Thermal Units (MMBTU); for metals and minerals use metric tons, kilos or ounces.</p>
<b>Additional information for efficient data interpretation and effective data use</b>	
<b>Grade and quality of product</b>	Grade / name of upstream source for crude oil – mainly relevant if disclosure by sale/cargo, breakdown of grade could be included for more aggregate disclosures.
<b>Date of sale</b>	Bill of Lading date – mainly relevant if disclosure by sale/ cargo.
<b>Guiding question 4: What does the buyer pay to the seller for the product</b>	
<b>Core information</b>	
<b>Amounts paid</b>	Provide figure in USD, disaggregated by individual seller, contract or sale/cargo.
<b>Additional information for efficient data interpretation and effective data use</b>	
<b>Type of contract</b>	Information about the contract (i.e. spot or term).
<b>Incoterms</b>	Specific Incoterms governing the trade <sup>6</sup> – mainly relevant if disclosure by sale/cargo.
<b>Fees, charges and credits</b>	<p>Fees, charges and credits may include marketing fees, pricing option fees, pipeline fees (if not included in sale price), late delivery penalties and any other fees or credits.</p> <p>Fees, charges and credits should be excluded if they are unlikely to fluctuate from one year to another (i.e., would be considered “current” elements of pricing), to avoid antitrust risks.</p>

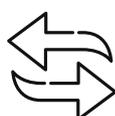
6 Details on standardised trade terms published by International Chamber of Commerce (ICC) at [iccwbo.org/resources-for-business/incoterms-rules/incoterms-rules-2010](http://iccwbo.org/resources-for-business/incoterms-rules/incoterms-rules-2010)

## What information is published by selling states and SOEs?

Pertinent information regarding the interaction of commodity traders with selling countries should be provided by the host governments or their SOEs, complementing disclosures by buyers. This includes disclosures on the process for selecting buyers and the management of revenues received by the state or SOE from buying companies in accordance with the EITI Standard (Requirement 2.6, 4.2 and 4.5). It also covers the process and timeline for transferring the sales proceeds to the state treasury and the financial relationship between the state and the SOE. The latter would determine, among other things, which portion of the sales proceeds can be retained by the SOE and for what purposes.

## Special cases

Beside the standard sale and purchase transactions described above, the Guidelines also address special cases deserving particular attention which are included in the 2019 EITI Standard and covered by Guidance note 26 on reporting on oil sales, namely swap sales, pre-payment deals and oil backed loans.<sup>7</sup> It is recognised that it may take time for good practice to emerge. Buying companies are encouraged to include information about these special cases together with the rest and cover the same time reporting period.



### Swap sales

Swap deals, in particular in the form of “crude-for-petroleum products”, are rather common, for instance to avoid domestic fuel shortages. In essence, through physically settled swap deals states and SOEs use natural resources, rather than money, to pay for products they need.

Deals can be complex, as swap deals usually combine a sale and a purchase in one transaction while bringing together various parties (e.g. selling SOE or government, crude oil buyer, petroleum product seller and petroleum product distributors in country). Beside crude-oil-for-refined-product exchange agreements, swap deals may for instance take the form of offshore processing agreements. Under this type of deal, the contract holder—either a refiner or trading company—is supposed to lift a certain amount of crude, refine it abroad, and deliver the resulting products back to the state or SOE. So far only one company included swap sales as separate item in its voluntary disclosures, providing aggregate information of swaps of crude oil and of the corresponding delivery of refined products.<sup>8</sup>

7 The third special case covered by Guidance note 26, i.e. “NOC sales to other domestic SOEs or domestic state-owned trading or downstream divisions”, is not relevant in case of disclosures by buying companies.

8 In its 2018 report Trafigura refers to swap arrangements as “A value for value arrangement where the operators deliver corresponding net product value, i.e. inclusive of demurrage cost, to the net value derived from the crude oil loaded, i.e. exclusive of associated costs – demurrage. Any imbalance between crude oil exported and refined products imported is addressed on a rolling basis over the duration of the SWAP agreement.”

The table below provides guidance on the specifications to be included for swap sales. This will enable companies to disclose this alongside details on more conventional sales. It may also be worth considering preparing a separate table if needed. The guidance seeks to ensure that the disclosures identify the partner to the swap deal, the products swapped, and their respective volume and value.

<b>Guiding question 5: What does the buyer pay to the seller for the product</b>	
<b>Core information</b>	
<b>Volumes purchased</b>	In cases of swap agreements, specify that the product was “swapped”.
<b>Amounts paid</b>	In cases of swap agreements, specify that the amount is the equivalent of the value of product delivered by the buying company.  Additional notes on the disclosures could include further specification on how and when the product has been valued.
<b>Additional information for efficient data interpretation and effective data use</b>	
<b>Type of contract</b>	In cases of swap agreements, specify that the agreement is a swap contract and its type (i.e. crude-oil-for-refined-product exchange agreement, offshore processing agreements, etc).



### **Pre-payment deals and resource backed loans**

Buying companies may conclude an agreement with a state or SOEs to provide short-term advances on future deliveries, or make medium to long-term loans repayable with future deliveries of product.

For governments this is a potentially useful way to manage their treasuries or to finance development projects. These financing options should consider the potential risks. Some of these arrangements have been scrutinised by civil society organisations and international organisations and fora such as the IMF and the G20, because they can further contribute to an already high level of indebtedness of some resource-rich countries, be expensive, lack transparency and be potentially vulnerable to corruption.<sup>9</sup>

<sup>9</sup> See for instance, IMF Country Report No. 19/153, June 2019, Republic of South Sudan, 2019 Article IV Consultation, para. 15, stating “[t]he mission therefore recommends a complete stop of contracting oil-backed loans, advances and prepayments. Government oil should be sold at spot market prices and gross proceeds should be transferred directly to the BSS oil account. This simplification will help enhance transparency, reduce costs, and ensure that oil revenues will be fully available for financing budgetary spending.” <https://www.imf.org/en/Publications/CR/Issues/2019/06/04/South-Sudan-2019-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-46965>

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### Guiding question 6: What pre-payment deal/resource backed loan agreement exists between the seller and buyer? (Agreements in place at time of disclosure)

#### Core information

<b>Name and role of the counterparty / borrowing entity (e.g. state, SOE, etc.)</b>	Identify state/SOE counterparties. If more than one, specify all parties involved including intermediaries and third-party agents.
<b>Date of the agreement and restructurings</b>	Date that the original contract was signed and information on any subsequent restructurings.
<b>Entity to which the amounts were paid under the agreement reported</b>	Identify the state/SOE entity that is the recipient of the payment.
<b>Amount lent to counterparty and date of disbursement</b>	Provide figures in currency provided, USD equivalent at time of transfer and dates of disbursement.
<b>Interest rate and repayment terms</b>	<p>Include interest rate, repayment schedule and duration of the loan.</p> <p>Detail on specific interest rate and repayment schedule may be considered commercially sensitive depending on the context. In these circumstances, interest rate could be disclosed as falling within one of a number of specified ranges.<sup>10</sup> If there is no fixed interest rate attached to the loan, specify no interest rate.</p>

### Guiding question 7: What transactions related to the agreement have taken place during the reporting year? (Periodic update by buying company)

#### Core information

<b>Amounts paid by buyer on an annual basis (if funding continues)</b>	Provide figure in USD, or currency provided and USD equivalent at time of transfer.
<b>Total volumes of products delivered by seller over the reporting year</b>	<p>Total volume delivered.</p> <p>To avoid volumetric inconsistencies: for crude oil and petroleum products, use thousand barrels (BBLs) or thousand metric tonnes (MT); for natural gas use million British Thermal Units (MMBTU); for metals and minerals use tons, kilos, ounces.</p>
<b>Total value of products delivered by seller over the reporting year</b>	Provide figure in USD, or currency provided and USD equivalent at time of transfer.

#### Additional information for efficient data interpretation and effective data use

<sup>10</sup> For example, the Institute of International Finance is developing further guidance on recommended disclosures of interest rates as part of their Voluntary Principles For Debt Transparency.

<b>Amounts outstanding</b>	Provide figure in USD of amount left to be received under the agreement until expiration, or relevant currency provided and USD equivalent. Consider providing the date as of which the outstanding amount was reported.
<b>Any changes to the repayment plan</b>	Additional details could include changes to interest rate.

By disclosing that their purchases are part of such financing arrangements, buying companies have the opportunity to contextualize the structure and terms of the underlying loans. This will complement information host governments are expected to supply EITI on resource-backed borrowing. Buying companies should consult with host governments on aspects of the arrangements that may need to be kept confidential. The guidelines differentiate between new agreements and periodical updates of existing ones.



### Step 3: Data assurances

An explanation of the procedures and underlying data assurances for the disclosed information can help users understand the basis for the information.

Buying companies can add to their disclosures a disclaimer stating that the information provided reflects the content of the agreements with the selling entities and the content of the bill of lading.<sup>11</sup> The disclosures could also include a reference to the EITI Standard (Requirement 4.2 c) and to the voluntary nature of the disclosures.

Buying companies are encouraged to:

- Include a disclaimer related to the types of data assurances that underlie the data, to help users understand the basis for the information.



### Step 4: Communicating disclosures to selling entities

Communicating with the selling entity – whether in an EITI or in a non-EITI country - ahead of publishing data, sharing the text of the disclosure and asking for feedback is recommended for several reasons. By doing so, the buyer informs the business partner about the disclosure of potentially sensitive data,

<sup>11</sup> The EITI International Secretariat is available to assist buying companies in preparing their disclosures to ensure consistency with the guidelines.

often protected under non-disclosure clauses in sale-purchase agreements and may help clarifying and possibly avoiding violations of confidentiality clauses in the contracts. Further, sharing the disclosure with the selling entity may also help identifying and rectifying possible inaccuracies.<sup>12</sup>

Buying companies are encouraged to:

- Refer to the EITI's list of SOEs which shows where EITI Requirement 4.2 is applicable, where the state or SOE have explicitly or publicly stated their support for buyers disclosing information on the selling entity's sales, have reflected this in their general terms and conditions for the sale of commodities, or where disclosures of volumes and values of sales are already being made in cooperation with the seller.<sup>13</sup> Consider whether the selling entities have general terms and conditions allowing for the disclosures recommended by these guidelines.<sup>14</sup>
- Share the planned disclosures ahead of publication with selling entities, clarifying that the responsibility for assuring the quality of the data lies with the entity publishing the data.
- Allow selling entities the opportunity to respond and clarify if needed on a no objection basis.
- Consider formulating a disclosure policy to clearly communicate expectations around disclosures to clients and partners up front.



### Step 5: Presenting and publishing the data

Buying companies are encouraged to disclose information in accordance with these guidelines on a regular basis, building on their existing reporting systems. This means disclosing information on payments for purchases of oil, gas and minerals through company reporting, either as part of financial reports, annual reports, integrated reports or responsibility reports at a group or subsidiary level. Some companies also produce “payments to government reports”.

Companies with upstream activities engaging in trading may include their payments to governments for the purchase of oil, gas and/or mineral resources in their mandatory reports

12 The EITI International Secretariat has a model letter for buying companies to selling entities available on request.

13 The list is available on demand (commodity-trading@eiti.org) and will be published on [eiti.org](http://eiti.org).

14 The EITI is supporting SOEs in reviewing their General Terms and Conditions and provides guidance on model disclosure provisions.

of payments for upstream operations required under national legislation (for instance implementing the EU Accounting Directive, 2013).

Country EITI reporting can provide additional context, further granularity (e.g. data by sale/cargo in consultation with buying companies if this detail is not disclosed by buying companies) collate the sources where systematic disclosures can be found, and address any gaps and concerns about data quality.

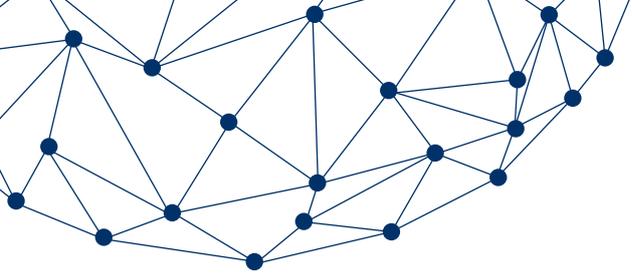
With regard to the format of the disclosures, the template in Annex 1 may be used as a guide. As specified under Requirement 7.2 “Data accessibility and open data”, information should be published under an open license, and users be made aware that information can be reused without prior consent and ideally be made accessible in CSV or Excel format. Likewise, data disclosed by buying companies should ideally be made available in an open data format to improve its accessibility. This would be in line with the EITI data policy, which aims at making information readily available and to encourage stakeholders to make effective use of it.<sup>15</sup>

Buying companies are encouraged to:

- Consider disclosing the information in an open data format (CSV or Excel) to facilitate use and analysis of data.

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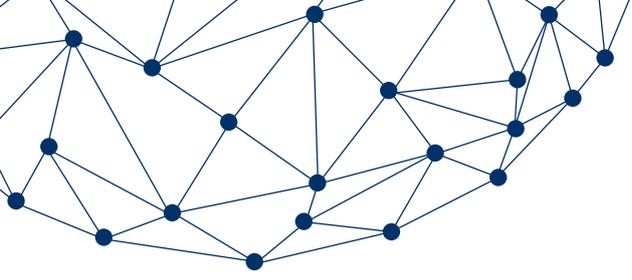
<sup>15</sup> [eiti.org/document/eiti-open-data-policy](https://eiti.org/document/eiti-open-data-policy)



## Further resources

- Annex 1: Reporting templates for buying companies: [eiti.org/document/reporting-guidelines-for-companies-buying-oil-gas-minerals-from-governments](https://eiti.org/document/reporting-guidelines-for-companies-buying-oil-gas-minerals-from-governments)
- EITI webpage on commodity trading: [eiti.org/commodity-trading](https://eiti.org/commodity-trading)
- EITI Guidance Note 26 on reporting on first trades in oil: [eiti.org/GN26](https://eiti.org/GN26)





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