





Explore

Take action

Donate

## Oxfam applauds payment transparency from Statoil

March 19, 2015 | By Oxfam

### Share this story:



Tweet Like +1

### Oil company's disclosures undermine arguments against transparency

Oxfam applauded international oil company Statoil today for disclosing its payments to governments in every country where it operates. The company's transparency validates a global standard that is now law in Norway, the United Kingdom and the European Union, and paves the way for the US to finally finish similar regulations.

Statoil is the world's 11<sup>th</sup> largest oil and gas company, and its disclosures included payments at the project level – required under Dodd-Frank Section 1504, which Oxfam America is calling on the US Securities and Exchange Commission to finish. The American Petroleum Institute (API) has argued against this type of disclosure. Statoil's actions today and voluntary disclosures by other companies in the recent past, including Tullow Oil PLC, justify this standard of reporting.

“Oxfam applauds Statoil for its leadership on transparency and for showing that good corporate behavior can be done at little cost and doesn't lead to competitive harm,” said Ian Gary, senior policy manager for extractive industries at Oxfam America. “Statoil's disclosures will help improve relations with communities and investors, as well as empower government and citizen watchdogs in the more than 30 countries where it operates. Ultimately, these disclosures can ensure that the natural resources Statoil develops are more likely to benefit the countries where

it operates.”

API, which sued the Securities and Exchange Commission in 2013 to overturn Dodd-Frank Section 1504, has claimed that disclosing payment information at the project-level, with no exemptions, would be too difficult. Some members of the oil industry have also claimed that Angola would prohibit such disclosures, saying that exemptions for such countries should be provided – an argument transparency supporters have said would create a “tyrant’s veto.” Angola’s standard oil contracts allow for disclosure to regulators, and Statoil’s disclosure of payments for projects in Angola, further weaken the argument.

Oxfam America sued the Securities and Exchange Commission in September over its undue delay in finishing Section 1504 rules. Congress gave the SEC 270 days after passing Dodd-Frank to finish the rules, but as of today, it has been more than 1,700 days since Dodd-Frank was passed. Since mid-2013, the SEC has not moved on rewriting the final rule. It has told the public that it may not even begin a rewrite of the rule until October 2015. Oxfam is seeking a court order or court sanctioned agreement with the SEC to finish a new rulemaking process this year.

“Billions of dollars in payments are being made every year, with no way for citizens to track what their government receives or how that money is spent,” said Gary. “From Angola to Sierra Leone, from Indonesia, to Zimbabwe, Statoil’s disclosure will be vital to hold governments accountable for how they spend money from oil, gas, and minerals.”

Statoil has been a leader in transparency, publicly disclosing payments in every country of operation since 2007, including countries like Angola where API has claimed disclosure is prohibited by law. In contrast to some claims made by API and other companies, Statoil has maintained that such reporting is not an impediment for doing business, but in fact it has been a competitive advantage.

“Statoil has shed a light on its payments, demonstrating to the industry and the SEC that transparency makes business sense,” said Gary. “Now is the time to finish the US rules to align with the clear standard being set, providing regulatory certainty and ending the secrecy that fuels corruption. The SEC can issue these rules knowing that API’s false arguments have been disproven and a global transparency standard has emerged.”

/ENDS

*Oxfam America is a global organization working to right the wrongs of poverty, hunger, and injustice. We save lives, develop long-term solutions to poverty, and campaign for social change. As one of 17 members of the international Oxfam confederation, we work with people in more than 90 countries to create lasting solutions. To join our efforts or learn more, go to [www.oxfamamerica.org](http://www.oxfamamerica.org)*

## Notes to editors:

- Statoil’s disclosures are available here: [www.statoil.com/annualreport2014](http://www.statoil.com/annualreport2014) and [www.statoil.com/downloads](http://www.statoil.com/downloads)
- In line with the EU Directives and UK Regulations, Statoil discloses production entitlements for all joint venture projects, even when made via the operator and not by Statoil or its subsidiary directly, recognizing that these payments can be the most significant payments to governments and are not always transparent to civil society (page 5 of Statoil report).
- Statoil also reports as a single project those projects based on “substantially interconnected” agreements where these agreements have substantially similar terms and are geographically and operational interconnected (page 6). This also accords with the Directives and Regulations and with a legal opinion obtained by civil society.
- More information about Statoil’s support for disclosure are available in Publish What You Pay’s submission to the SEC: <http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resourceextractionissuers-62.pdf>
- Oxfam America is a member of [Publish What You Pay](#), a global civil society coalition that helps citizens of resource-rich developing countries hold their governments accountable for the management of revenues from the oil, gas and mining industries.
- More information about Oxfam America’s lawsuit against the SEC is available here: <http://www.oxfamamerica.org/press/oxfam-america-sues-sec-over-delay-on-oil-gas-and-mining-transparency-rules/>
- For information on how organizations are already using similar information in Angola, Sierra Leone, Indonesia, and Zimbabwe, visit:
  - <http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resourceextractionissuers-60.pdf> (Angola)
  - <http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resource-extraction-issuers.shtml> (Indonesia)
  - <http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resourceextractionissuers-61.pdf> (Sierra Leone)
  - <http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resourceextractionissuers-60.pdf> (Zimbabwe)

## Posted in

[Natural resources and rights](#)

## Share this story:

 Tweet

0

 Like

0

 +1

0

[◀ Back to home](#)

[◀ Up one level](#)

[Press room](#)

[Press releases](#)

[News clips](#)

[Spokespeople](#)

**Donate now**

\$35

\$100

\$500

\$ **Other**

**Donate**

Make sure your gift to Oxfam America goes directly to where it's most needed, without delay, with a secure online donation.

(Looking to make a monthly donation, fundraise for Oxfam, or give some other way? **Visit our donate page.**)



[About Us](#)

[Stories](#)

[Press](#)

[Careers](#)

[Contact Us](#)

[Policy & Practice](#)

[Oxfam Unwrapped](#)

© 2016 Oxfam America Inc. All rights reserved.

Oxfam America is a global organization working to right the wrongs of poverty, hunger, and injustice. As one of 18 members of the international Oxfam confederation, we work with people in more than 90 countries to create lasting solutions.

Oxfam America is a 501(c)(3) organization. Gifts are tax deductible to the full extent allowable under the law.

[Privacy & Legal](#)

