

USEITI Implementation Subcommittee
Wednesday, May 4, 2016
11:00am – 12:00pm
Meeting Summary

Meeting Agenda

11:00 Welcome and Introductions
11:05 IA/Online Advisory Workgroup Updates
11:15 Discussion on Mainstreaming and Beneficial Ownership
11:45 Update on Peer-to-Peer Efforts
11:55 Walk-ons/Next Steps
12:00 End

General Updates

The webinar was a success, and approximately 67 people attended either in person or online. There was some confusion with the online meeting number that had to get worked out. The webinar will be posted to the MSG website. After that we can use Twitter and Facebook to let people know it has been posted. It worked out really well that the GSA 18F group was able to attend the webinar and speak about usability and user centric design, and there were some attendees who volunteered to help test usability.

IA Update

Emails went out to all of the companies who were asked to report on Friday April 29th to open the period for reporting. A formal request was also sent to government to report. The IA will periodically send out an updated tracker of who is willing or not willing to participate in reconciliation.

The IA recently met with both OSM and The National Mining Association to get feedback on the AML Fees visualization. The overall response was overwhelmingly positive. The Montana visualization will go to the State & Tribal Subcommittee on Thursday for final approval. The Budget and Audit visualization will be shared with Judy and 18F on Friday for review for feasibility.

Montana, Wyoming, Alaska, Blackfeet, and Osage are the 5 states and Tribes that may be opting in for the 2015 Report.

The IA received very few comments on the outline for the Online Report and Executive Summary. The outline must be approved by the MSG at the June MSG meeting so that the IA has time to build out the content for the Online Report and 18F has time to build out the Data Portal.

Discussion on Beneficial Ownership and Mainstreaming

The International Secretariat wants us to be mindful that we get the beneficial ownership roadmap in by January 2017. The goal is to know who owns or controls a company. The beneficial owner can't be a proxy or a nominee (only applies to private companies). We are hoping to have guidance on that by this week. They also talked about the procedure for obtaining the Board's approval once we submit the beneficial ownership roadmap. This is a board review and decision. They also wanted to provide us a little more information on what has occurred internationally if they were able to call in. They did also talk about publicly listed companies on stock exchanges and that we should highlight that information and be able to link to that as well. We wanted to ask them on the call today, are we able to consider the submitted roadmap as a living document as we approach the 2020 deadline? Sam made it clear that the roadmap process doesn't need a comprehensive dissertation, but rather where is the US today, what are proposed changes, and what roadblocks do we have? Once the updated guidance is available we will get that out to everyone.

The Report and Reconciliation Workgroup is working on developing a list or metrics around how many companies beneficial ownership applies to, what it would take to get the information in a database, and the legal barriers. The Workgroup is looking at those companies that are included in the USEITI Report which means all payor companies to DOI and the IRS. At a quick glance we are thinking it's about 1/3 of companies but we will have a more definitive answer soon.

Mainstreaming eliminates the reconciliation exercise. In the US we need to highlight the audit and assurance processes that we have in place when thinking about mainstreaming. Our UDR is being held up as an example of how a country can do mainstreaming. There is white paper that the Report and Reconciliation Workgroup is working on as well. A comment was made that we have made progress on the DOI data, but that we still have a high hurdle to climb because for mainstreaming all information needs to be reported by government and companies including tax data released. In the response to the comment it was noted that under 4.9c of the Requirement you can request mainstreaming without being fully compliant.

Update on Industry's Peer-to-Peer Effort

There was no update on peer-to-peer efforts. There is a list of company contacts for companies in scope, and the question was asked if that list accounts for tax POCs because if not, maybe the Industry sector can help trouble shoot that. The IA is the keeper of the company contacts spreadsheet and they did reach out for tax POCs. Some companies indicated there was a separate tax POC and others indicated the revenues contacts would be the same for taxes. Deloitte will clarify that in their POCs spreadsheet.

Walk-ons/Next Steps

Next Subcommittee Meeting – TBD

HIVE Session – May 13, 2016

Next MSG Meeting – June 27-28, 2016

List of Attendees:

Aaron Padilla, API
Andrew Varnum, Deloitte
Chris Mentasti, DOI
Claire Ware, Eastern Shoshone & Northern Arapaho Tribes
Curtis Carlson, Treasury
Emily Hague, API
Greg Gould, DOI
Jennifer Goldblatt, DOI
Jerold Gidner, DOI
John Cassidy, Deloitte
John Harrington, Exxon Mobil
Judith Wilson, DOI
Kent Schultz, Deloitte
Kim Oliver, DOI
Laura Sauter, DOI
Mike Matthews, State of Wyoming
Pat Field, CBI
Paul Mussenden, DOI
Phil Denning, Shell
Robert Kronebusch, DOI
Sarah Platts, Deloitte