

What can citizens do with open revenue data on extractives?

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Workshop on monitoring good deals

Natural Resource Charter Conference

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What can citizens do with open revenue data on extractives?

Compare extractive payments to government budget aggregates



Follow the change in extractive revenues over time



Compare different information sources on extractive payments



Compare government revenues from extractives with their total value



Monitor if resource contracts are being adhered/enforced



Evaluate if the country is getting a good deal



MINISTRY OF FINANCE AND ECONOMIC PLANNING
(GHANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE-GHEITI)



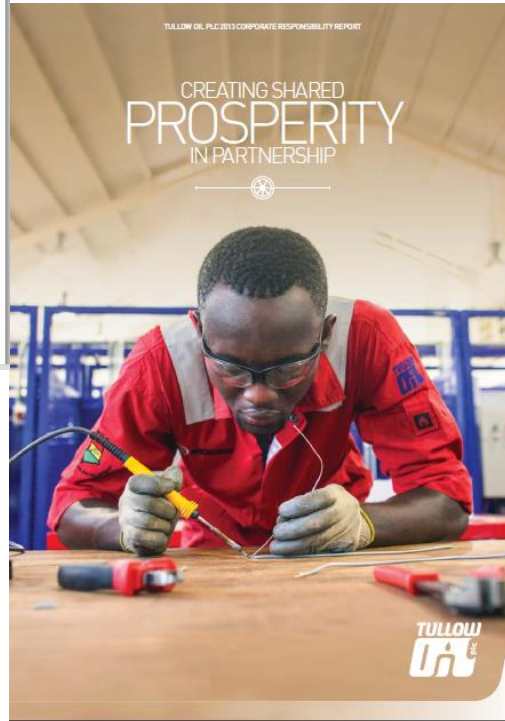
FINAL REPORT

ON THE

AGGREGATION/RECONCILIATION OF MINING SECTOR PAYMENTS AND RECEIPTS: 2010-2011

(FEBRUARY, 2013)

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RioTinto

Taxes paid in 2013

A report on the economic contribution made by Rio Tinto to public finances



Ghana EITI

Period Covered	Publication Date	Sectors Covered	Government Revenues (US\$ millions)	Company Payments (US\$ millions)	Number of Companies Reporting	Reconciler
2004	September 2007	Mining	27 020 000.00	24 010 000.00	8	Boas & Associates
2005	March 2008	Mining	44 654 642.00	44 137 186.00	8	Boas & Associates
2006	August 2010	Mining	66 770 000.00	66 220 000.00	11	Boas & Associates
2007	August 2010	Mining	65 820 000.00	68 780 000.00	11	Boas & Associates
2008	August 2010	Mining	89 900 000.00	89 560 000.00	11	Boas & Associates
2009	August 2011	Mining	83 130 000.00	83 130 000.00	10	Boas & Associates
2010	February 2013	Mining, Oil, Gas	212 466 509.00	192 644 934.00	17	Boas & Associates
2011	February 2013	Mining, Oil, Gas	942 698 792.00	897 710 652.00	17	Boas & Associates

Rio Tinto

Country and level of government (US\$ millions)	Corporate income tax	Government royalties	Employer payroll taxes	Other taxes and payments	Total tax payments borne	Employee payroll taxes
Chile National	370	–	–	10	380	26
Chile Total	370	–	–	10	380	26
Mongolia National	–	4	–	175	179	–
Ulaanbataar City	–	–	20	1	21	15
Khanbogd Sum	–	–	–	20	20	–
Umnugobi Aimag	–	–	–	–	–	7
Mongolia Total	–	4	20	196	220	22
USA Federal	91	–	28	–	119	102
Utah Government	(1)	16	–	27	42	13
Salt Lake County (UT)	–	–	–	39	39	–
California Government	6	–	–	1	7	5
Kern County (CA)	–	–	–	7	7	–
Marquette County (MI)	–	–	–	2	2	–
Arizona Government	–	–	–	1	1	–
Colorado Government	(2)	–	–	–	(2)	1
Other US government	1	1	–	–	2	1
USA Total	95	17	28	77	217	122

Tullow data

European transparency directive disclosure¹

Licence / Corporate level	Production entitlements bbl (000s)	Production entitlements USD (000s)	Income taxes USD (000s)	Royalties (cash only) USD (000s)	Dividends USD (000s)	Bonus payments USD (000s)	Licence fees USD (000s)	Infrastructure improvement payments USD (000s)
M'Boundi	294	-	-	-	-	-	-	-
Total Congo	294	-	-	-	-	-	-	-
CI-26 Espoir	282	11,379	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	367
Total Côte d'Ivoire	282	11,379	-	-	-	-	-	367
Ceiba	202	-	-	-	-	-	-	-
Okume Complex	508	-	-	-	-	-	-	-
Corporate	-	-	139,039	-	-	-	-	-
Total Equatorial Guinea	710	-	139,039	-	-	-	-	-
Echira	-	-	-	2,153	-	-	-	-
Etame	152	-	-	-	-	-	-	-
Limande	-	-	-	8,960	-	-	-	-
Niungo	-	-	-	5,967	-	-	-	-
Tchatamba	533	-	-	12,618	-	-	-	-
Turnix	-	-	-	1,366	-	-	-	-
Corporate - Tullow Oil Gabon SA	-	-	62,050	-	-	-	-	-
Oba	-	-	-	2,406	-	-	-	-
Obangue	21	-	-	-	-	-	-	-
Onal	314	-	-	5,446	-	-	-	-
Tsiengui	76	-	-	-	-	-	-	-
Corporate - Tulipe Oil SA	-	-	8,994	-	-	-	-	-
Total Gabon	1,096	-	71,044	38,916	-	-	-	-
Jubilee	812	-	-	-	-	-	-	-
Company level	-	-	106,909	-	-	-	-	-
Total Ghana	812	-	106,909	-	-	-	-	-

Voluntary disclosure

	VAT USD (000s)	Withholding tax USD (000s)	PAYE & national insurance USD (000s)	Carried interests USD (000s)	Customs duties USD (000s)	Training allowances USD (000s)	TOTAL USD (000s)	TOTAL bbl (000s)
-	-	-	-	-	-	-	-	294
-	-	-	-	-	-	-	-	294
-	-	-	-	-	-	-	11,379	282
-	-	105	2,408	-	-	-	2,880	-
-	-	105	2,408	-	-	-	14,259	282
-	-	-	-	-	-	-	-	202
-	-	-	-	-	-	-	-	508
-	-	-	-	-	-	-	139,039	-
-	-	-	-	-	-	-	139,039	710
-	-	-	-	-	-	-	2,153	-
-	-	-	-	-	-	-	-	152
-	-	-	-	-	-	-	8,960	-
-	-	-	-	-	-	-	5,967	-
-	-	-	-	-	-	-	12,618	533
-	-	-	-	-	-	-	1,366	-
(144)	703	831	-	-	50	-	63,553	-
-	-	-	-	-	-	-	2,406	-
-	-	-	-	-	-	-	-	21
-	-	-	-	-	-	-	5,446	314
-	-	-	-	-	-	-	-	76
(5)	4	17	-	-	-	-	9,010	-
(149)	707	848	-	-	50	-	111,479	1,096
-	-	-	-	-	-	-	5,268	812
2,326	61,017	14,734	18,572	4,688	250	-	209,248	-
2,326	61,017	14,734	18,572	4,688	250	-	214,516	812
-	-	8	-	-	-	-	8	-
-	-	8	-	-	-	-	8	-

Calculations

Production just started. Most of the payment is one-off upfront payment.

Estimate based on spot reference price. In practice mostly sold in long-term contracts.

Data source	Year	Country	Project	Sector	Government revenue, m\$	Production value (estimate), m\$	Government revenue/value (illustrative only)
Rio Tinto	2013	Namibia	Rössing mine	Uranium	12	176	7%
Rio Tinto	2013	Mongolia	Oyu Tolgoi	Copper, gold, silver	220	61	362%
Rio Tinto	2013	Chile	Escondida	Copper, gold, silver	380	6,727	6%
Tullow	2013	Ghana	Jubilee	Oil	300	1,245	24%
Tullow	2013	Equatorial Guinea	Multiple field	Oil	214	311	69%
Tullow	2013	Gabon	Ceiba, Okume Complex	Oil	227	494	46%
EITI	2009	Ghana	National	Mining	83	1,290	6%
EITI	2010	Ghana	National	Mining, oil, gas	212	1,763	12%
EITI	2011	Ghana	National	Mining, oil, gas	943	6,099	15%

Estimate based on reference price, but excludes shipping cost, marketing cost, quality adjustments for each commodity.

Lower revenue as still in cost recovery phase

Different fields with each varying costs and risk profiles

Some more mature fields but also some new drillings undertaken

Different commodities yield different rents

There is no meaningful interpretation of this column without additional contextual information

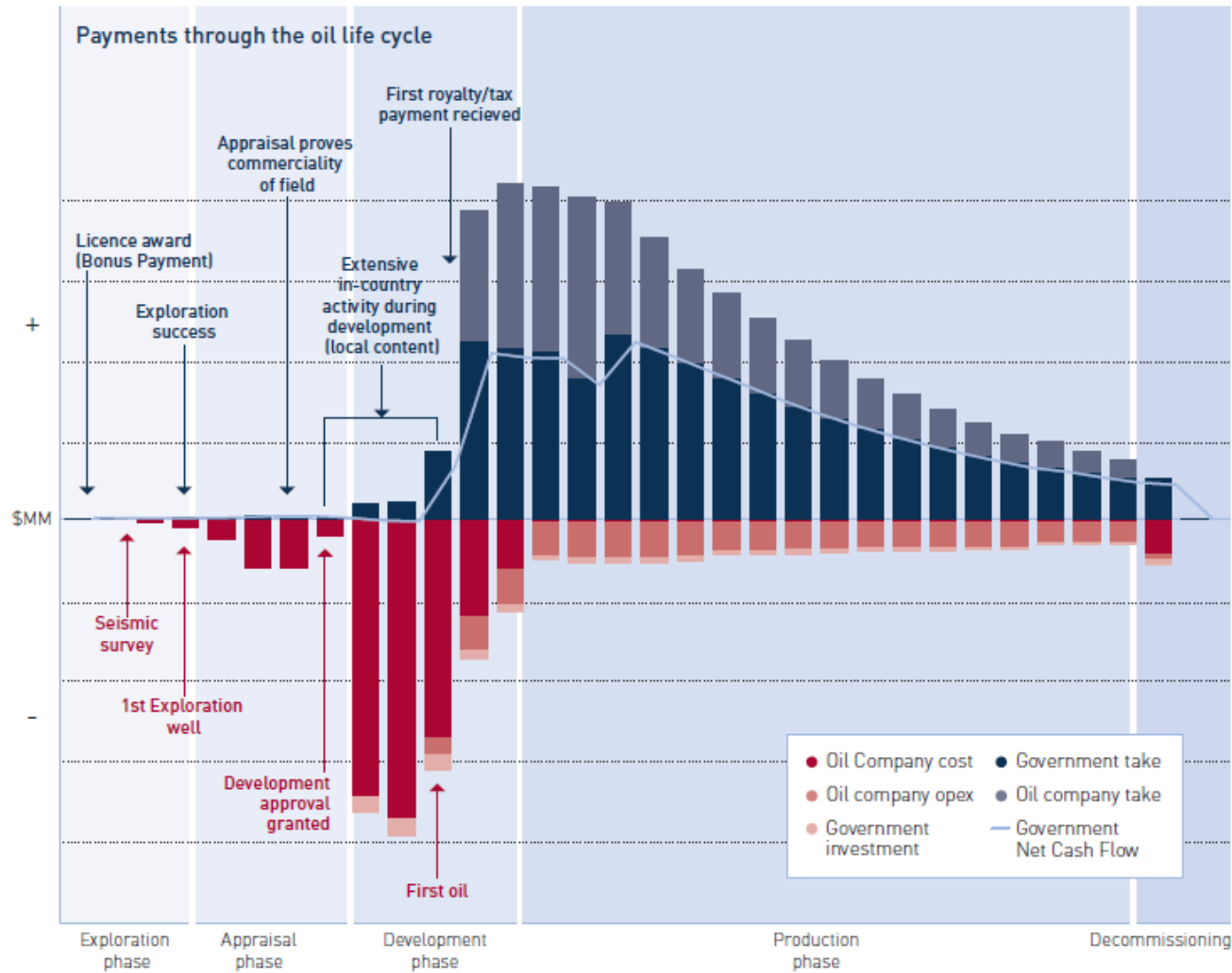
Interpreting the results

Government revenue as a % of estimated commodity value ranges between 6% - 362%.

- Reference price does not equal sales price
- Different costs of extraction
- Different geological & political risks to investors
- Different maturity of extraction projects
- Aggregating across multiple commodity and project hides heterogeneity.

Hence this value does not reflect government performance at taxing resources.

Oil life cycle and government cash flow



Source: Tullow, CR report

Question for discussion

What other metrics can we build with the data we have?

What additional data do we need to build more useful metrics?

Are there benchmarks that can be useful in helping to contextualize government revenue numbers?

Is it feasible to model project economics with open data?

Thanks