

Going beyond the bare minimum: Sustainability disclosures for oil, gas and mining companies in the Corporate Sustainability Reporting Directive

As the trilogue negotiations on the final text of the Corporate Sustainability Reporting Directive progress, the Publish What You Pay Coalition (PWYP) calls on the negotiators from the European Parliament and the Council to give due attention to the business risks and environmental and social impacts associated with oil, gas and mining companies.

THE CHALLENGE

The extractive industries – oil, gas and mining – drive global economic growth around the globe. But they are also associated with huge negative impacts including greenhouse gas emissions, land and water pollution, biodiversity loss, threats to human health and livelihoods, corruption, conflict and [human rights abuses](#). In many countries, extractive companies also play an important role in [propping up corrupt dictators and kleptocrats](#).

The current international situation in Ukraine reinforces the need for the European Union to speed up its [European Green Deal](#) ambitions to become climate neutral by 2050. Under the [REPowerEU plan](#), Europe has already outlined intentions to diversify gas supplies, speed up the roll-out of renewables and replace natural gas in heating and power generation. It is critical that the CSRD and accompanying EU sustainability standards provide decision-useful information that policy makers, investors and civil society can use to contribute to these goals. Project-level information—already required under chapter 10 of the Accounting Directive on Country by Country Reporting for extractive companies—is essential, as is access to the state-investor agreements in which extractive industry companies and producing countries set out the terms under which they work together.

PWYP believes that [important progress has been made in the reform process so far](#). In particular, the coalition welcomes the [European Parliament's position](#) that a specific reporting standard should be established for companies working in the extractive industries and other high risk sectors as a matter of priority. However, given the urgency of the challenges presented by oil, gas and mining, this should be seen as the bare minimum. The trilogues now offer the possibility to raise the ambition.

RECOMMENDATIONS FOR TRILOGUE NEGOTIATIONS

- 1. Uphold the European Parliament's position that specific reporting standards should be established for the extractive sector as a priority.** These standards should be consistent with existing EU legislation on extractive industry reporting on payments to governments in chapter 10 of the Accounting Directive.
- 2. Specify in the Directive that sustainability disclosure requirements for extractive industries must be extended to encompass essential project-level data and documents.** Extractive projects are both financial assets and sites where impacts are felt. European investors, citizens and policy makers need project-level data and associated project documents including contracts signed with producing countries, and social and environmental impact assessments to fully understand the nature of extractive industry investments including business risks, and environmental and social impacts.

[Publish What You Pay \(PWYP\)](#) is a worldwide movement of over 1000 members campaigning for open and accountable extractive industries and a people-centered transition to a low-carbon economy.

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