

## EITI Conference on Beneficial Ownership Transparency

### Opening Up Ownership: Africa

Dakar, Senegal, 31 October – 2 November 2018

It has been estimated that developing countries lose USD 1 trillion each year as a result of corrupt or illegal deals, many of which involve anonymous companies. In 2013, the Africa Progress Panel suggested that the Democratic Republic of the Congo (DRC) in the period 2010-2012 lost at least USD 1.36 billion from five mining deals hidden behind a structure of complex and secret company ownership. In April 2016, the Panama Papers scandal broke, with 11.5 million leaked documents, implicating high-level individuals with links to the extractive sector. The challenge since these scandals have come out has been one of turning outrage into change. The Panama Papers point the finger at the use of anonymous shell companies to hide or launder money and conceal potential conflicts of interest. For citizens of resource-rich countries, the risk of losing out on extractive revenues is particularly acute.

African EITI implementing countries have led the way in tackling hidden ownership. Through their membership of the EITI, 24 African countries have committed to disclose the natural owners of all companies operating in their oil, gas and mining industries. By 2020, companies that apply for, or hold a participating interest in an exploration or production oil, gas or mining license or contract in an EITI country must report the name, nationality, and country of residence of the beneficial owner, as well as identifying any politically-exposed persons. This means that countries that produce oil, gas and minerals will know who the owners of the companies that develop their natural resources are, regardless of how many layers there are between these companies and their ultimate beneficial owners.

The EITI International Secretariat, in partnership with the Government of Senegal and partners, is holding an international Beneficial Ownership Conference in Dakar on 31 October – 2 November 2018. The objective of the Conference is to bring together government representatives working on beneficial ownership reform to showcase best practices from the African region so far, discuss challenges, provide peer learning and exchange of experiences. Partners will contribute from organisations such as the African Development Bank, African Legal Support Facility, African Tax Administration Forum, Government of Denmark, Global Forum on Transparency and Exchange of Information for Tax Purposes, Intergovernmental Action Group Against Money Laundering in West Africa (GIABA), Natural Resource Governance Institute, OpenOwnership and the World Bank.

Day 1 – Wednesday 31 October: Conference opening	
11:00-14:00	Arrival and registration
14:00-14:30	Keynote address by <i>HE Macky Sall, President of the Republic of Senegal</i>
14:30-16:00	<p><b>Opening Plenary: Opening up ownership in oil, gas and minerals</b></p> <p>Knowing who owns the companies that operate in the oil, gas and mining sectors is key to strengthening natural resource governance. It has also proven to be important to improve the investment climate and promote responsible business conduct. Through the EITI and other global and regional efforts to tackle the challenges posed by hidden ownership, African countries are taking the lead on improving beneficial ownership transparency in extractives. The opening plenary will demonstrate the commitment by African governments towards ownership disclosure.</p> <p>Moderated by: <i>Fredrik Reinfeldt, EITI Chair</i></p>

16:00-17:30	<p><b>Panel discussion: Mobilising resources with ownership data</b> How can ownership transparency be key to prevent tax evasion, mitigate illicit financial flows and raise revenues from extractives? Transparency leaders who are driving extractive sector reforms to improve availability of ownership information will share their experiences, progress and challenges.</p> <p>Facilitated by: <i>HE Professor Ismaïla Fall, Minister of Justice, Senegal</i></p>
18:00-21:00	<b>Reception hosted by the Government of Senegal</b>

## Day 2 – Thursday 1 November: Technical sessions

09:00-10:30	<p><b><u>What are the emerging practices of beneficial ownership transparency in EITI countries?</u></b></p> <p><b>Who are beneficial owners, and how should they be disclosed?</b> Introduction on key issues related to beneficial ownership transparency such as who are beneficial owners (definitions and materiality thresholds), approaches to data collection, data verification and sanctions for non-disclosure, and public access.</p> <p><b>Emerging practices of beneficial ownership transparency in EITI countries</b> Examples of country progress on implementing beneficial ownership roadmaps by 2020 and different approaches to ownership disclosure:</p> <ul style="list-style-type: none"> <li>- Ensuring transparent licence awards by knowing who the applicants/bidders are</li> <li>- Knowing who owns companies the companies operating in extractives and beyond</li> <li>- How EITI countries have disclosed ownership information so far</li> </ul> <p><b>What is the role for the EITI in supporting the government’s ownership agenda?</b> How to use the EITI process to mobilise support for beneficial ownership transparency and pilot disclosures</p> <p><b>Discussion and Q&amp;A</b></p>
10:30-11:00	<i>Coffee break</i>
11:00-17:00	<p><u>Parallel workshops on topics including:</u></p> <ul style="list-style-type: none"> <li>- <b>Improving revenue mobilisation with ownership data:</b> How publicly accessible information can help improve tax collection and preventing illicit financial flows by knowing where the flows go.</li> <li>- <b>Reducing risks in extractives licensing:</b> Ensuring reputable investors and mitigating conflict of interest in the allocation of oil, gas and mining rights.</li> <li>- <b>Legal approaches to ownership transparency:</b> How to establish a legal framework for beneficial ownership disclosure in oil, gas and minerals.</li> <li>- <b>Making the ownership register public:</b> Where to start to when creating an ownership register and making it public.</li> <li>- <b>Getting accurate ownership data:</b> How to verify beneficial ownership information.</li> <li>- <b>Identifying Politically Exposed Persons and potential conflict of interest:</b> How to define PEPs and link ownership to asset disclosures.</li> </ul>
<p><i>Lunch</i> 12:30-13:30</p>	

## Day 3 – Friday 2 November: Technical sessions and closing

09:00-10:30	<p><u>Parallel workshops on topics including:</u></p> <ul style="list-style-type: none"> <li>- <b>Improving beneficial ownership disclosures with EITI:</b> Through piloting of beneficial ownership reporting through the EITI process, many African EITI member countries have begun collecting and disclosing beneficial ownership data. What have been the disclosed so far, and what are the opportunities for using EITI to improve beneficial ownership disclosures?</li> <li>- <b>Analysing ownership information:</b> Practical examples and tools for using beneficial ownership data.</li> </ul>
11:00-12:30	<p><b>Closing plenary – road to 2020</b> How can government representatives and non-governmental actors work together to make beneficial ownership transparency in extractives a reality? Discussion on next steps by the 24 African EITI countries and how the EITI can support meeting the 2020 target for beneficial ownership disclosure.</p>
13:00	<b>End of Conference</b>