



PROSPECTORS &
DEVELOPERS
ASSOCIATION
OF CANADA



NOTE

RE: Extension of the Extractive Resource Revenue Transparency Working Group Memorandum of Understanding

DATE: May 15th, 2013

In June, 2012 the Mining Association of Canada, the Prospectors & Developers Association of Canada, Publish What You Pay Canada, and the Revenue Watch Institute signed a Memorandum of Understanding (MOU) establishing the Extractive Resource Revenue Transparency Working Group, with the goal of working collaboratively towards greater transparency in the extractive industry. The Working Group was officially launched in September 2012, and since that time has been drafting a framework for the mandatory disclosure of payments to governments by Canadian extractive companies operating in Canada and abroad.

Through a number of public and private consultations held over the last nine months with industry, civil society, government and other stakeholders, the Working Group has put in place recommendations on the key elements of a draft framework, including on a suggested venue for its implementation, the types of payments to be reported, a threshold for payment reporting, a definition of "project" for the purpose of reporting project-level payments, and other guidance. The Working Group will publish a final draft framework for consultation, aiming for its release by June 15, 2013, and make recommendations on its implementation.

This initiative from the Working Group has been well-received and strongly supported by the Canadian mining industry, 24 Canadian institutional investors and a broad coalition of civil society groups. The Government of Canada has also expressed a high level of interest in the Working Group's progress. In light of the Working Group's success in fostering cross-sector collaboration and generating public interest on the critical issue of revenue transparency, the Working Group members have agreed to extend the MOU's term, to expire on November 30, 2013. This extension will facilitate continued cooperation on the final approval of the draft framework and formalize a joint commitment to help ensure its implementation, alongside of relevant stakeholders at the federal and provincial level.

The content of the original MOU will remain unchanged, with the exception that the members of the Working Group agree to extend its term to expire November 30, 2013.



PROSPECTORS &
DEVELOPERS
ASSOCIATION
OF CANADA



Pierre Gratton
President and CEO
Mining Association of Canada

Ross Gallinger
Executive Director
Prospectors and Developers Association of Canada

Kady Seguin
Interim Director
Publish What You Pay Canada

Daniel Kaufmann
President
Revenue Watch Institute