

Transparency of payments to governments

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The Code of Obligations requires companies active in the extraction of minerals, oil, natural gas or primary forest timber that are subject to an ordinary audit to publish an annual report on the payments of 100,000 francs or more per financial year that they make to state bodies.¹ The obligations were introduced in the context of the international initiatives for transparency in the extractive industries, such as the Extractive Industries Transparency Initiative, and correspond to the rules of the European Union.

The obligations apply to the extraction business of the vertically integrated groups, such as Glencore's mining operations. They do not, at present, apply to the trading of commodities as such. The Federal Council has the power to extend them to trading companies in the context of an internationally coordinated approach. Whether the payments of traders to state-owned companies for the purchase of commodities should be disclosed has been debated for many years.² The traders of Zug are therefore subject to the transparency obligations only insofar as they are engaged in extraction.

1 Notes

1. Source as cited in the printed edition. ↩

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2. Public Eye, press release "Rohstofftransparenz: Nationalrat zündet Lichtlein an", 19 December 2019, publiceye.ch: Parliament adopted a delegation norm allowing the Federal Council to extend the transparency rules to commodity trading in the context of an internationally coordinated approach, so that the roughly 500 Swiss trading firms are not immediately required to disclose their payments to governments of producing countries; Public Eye called for immediate disclosure. Art. 964i OR (commodity trading) in the context of Arts. 964d ff. OR on transparency in raw materials companies: [eskript Lehrstuhl Handschin, unibas.ch](https://www.eskript.ch). ↩

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