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San Donato M.se, 25th March 2020

Vanessa A. Countryman, Secretary
Securities and Exchange
Commission
100 F Street, NE
Washington, DC 20549

Prot. SOST/1/2020/P

Re: Comments on Proposed Rule "Disclosure of Payments by Resource Extraction Issuer", Release No. 34-87783; File No. S7-24-19

Eni considers transparency a corporate value and views its promotion as crucial for a more inclusive resource governance in communities' interest and benefit. In line with this commitment and our previous position submitted in 2016, Eni supports the definition of a "global, consistent standard on transparency for all companies" (Letter from Eni CEO Claudio Descalzi to the SEC, Comments on Proposed Rule, File number S7-25-15, 31th January 2016). The approach of the Section 1504 is indeed a significant part in the movement towards the development of transparency regulations in this field and in the promotion of multi-stakeholder initiatives such as EITI standard, whose implementation has contributed to an effective greater transparency at global level.

Our commitment to financial transparency is indeed confirmed by our active participation to the voluntary multi-stakeholder initiative of EITI since 2005 and by our support to its efforts in promoting open and accountable management of natural resources. Besides, Eni already complies with EU Directive 2013/34: it prepares and publishes a report on payments to governments for each financial year, reported at project level. In this regard, Eni supports the definition of "project level reporting" as embedded in the EU Directive 2013/34 and in line with EITI standard. Eni also draws up its Country-by-Country Report (CbC Report), as recommended in Action 13 of the project "Base Erosion and Profit Shifting" (OECD), and it is among the very few companies to voluntarily publish its CbC Report.

In light of these reasons, Eni expresses its favor for the re-introduction of a Rule implementing Section 1504 (Disclosure of Payments by Resource Extraction Issuers). While welcoming the rule, we are yet concerned about the changes introduced by Section 13(q) in respect to the 2016 Rule, which make the provision

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divergent from the EU Directive 2013/34. In particular, the broader definition of "Project": the new proposed rule revises the term "project" to require disclosure at the national and major subnational political jurisdiction, as opposed to the 2016 Rule, which defined the term "project" narrowly as activities governed by a single legal agreement that forms the basis of the payment obligation.

Eni is also in favor of the proposed provision that would allow resource extraction issuers subject to disclosure obligations in a foreign jurisdiction to submit the report prepared under those foreign requirements, in place of the report that would be required by the proposed rule. However, under this provision, the mechanism of alternative reporting would be allowed only after the Commission has stated that the foreign reporting regime satisfies the transparency objectives of the Section 13q. Therefore Eni encourages the Commission to determine that the EU Directive 2013/34 meets the transparency objectives of the section 13(q).

We believe that the enhancement of transparency over payments to Governments in the extractive sectors and the support to host countries' transparency over the revenues generated, are key actions to ensure the achievement of a more inclusive resource governance, also in line with the Agenda 2030 SDGs which we further committed to in our 2050 strategy recent presentation.

The risk that such a path may be jeopardized by the development of different disclosure obligations and asymmetric reporting requirements, should be a collective concern. Henceforth Eni supports the consolidation of global uniform reporting standards, which would allow levelling the field in the industry and the associated compliance costs.

Alberto Piatti

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