SUPPLEMENTARY INFORMATION

1. **Can I ask questions or seek clarification during the consultation?**

Yes. We will consider issues throughout the period of the consultation – there is no need to wait until the end. Where possible, we will publish responses or details of the matters under consideration.

This document will be updated to reflect the questions that industry, civil society and others raise for example at update events or by email to the consultation mailbox as appropriate.

2. **Do I have to use the consultation response form?**

No. The form is there to assist you in making your response and to encourage responses on each of the points.

You are welcome to submit your response in a letter or document if you prefer. If you use the form to provide your response, you may also supplement this with a letter or other information if you wish.

3. **Is the text of the draft regulations fixed?**

No. We are consulting on the text of the regulations. The draft regulations will be revised, as appropriate, following the consultation period.

4. **How closely will the final regulations reflect the definition of ‘undertaking’ in the Directive?**

The definition in the UK regulations should cover all the aspects of mining or quarrying undertaking covered by the directive. Questions about the definitions have identified that the draft regulations will have to be amended post consultation so that there is closer alignment with the Directive on this point. The definition should probably say something more along the lines of:

> “mining or quarrying undertaking” means an undertaking which performs any activity involving the exploration, prospection, discovery, development, and extraction of minerals, oil, natural gas deposits or other materials, within the activities listed in Table 2 in the Schedule to these Regulations
5. **There is a suggestion that a subsidiary undertaking extractive activity may not have to prepare a report. Is that right?**

We have seen comments on the draft regulations that identify an unintended consequence and are grateful to Herbert Smith, and others, for drawing this issue to our attention.

The directive requires a parent company to prepare a report if any of its subsidiaries are within scope (by mining or quarrying for example). We will consider how to amend the current draft regulation 7(2), so that all relevant undertakings within a group would be within scope regardless of location.

6. **The USA has delayed introducing reporting rules, following a court case. Will this make a difference to the UK?**

The case in the USA does not have any legal effect on the European Directive. There is no question about the European Union’s authority to set its own requirements in this area. The UK must implement within the transposition deadlines.

7. **Why does the consultation document note responses are required in six weeks, but then states the closing date is 16th May 2014, which is actually seven weeks?**

We have taken into account the Easter break from the 18th to 21 April, and have allowed a few more days to ensure that respondents have six full weeks to reply to the consultation.

8. **What is the Government going to do with this information?**

The objective of putting this information in the public domain is to allow citizens and civil society organisations to hold governments to account for the use that is made of income derived from the exploitation of a country’s natural resources. The Government’s role is to ensure that companies comply with the requirement to prepare and publish reports and that this is placed in the public domain.