The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Gazprom Flops in Transparency Ranking

By Rachel Nielsen

July 09, 2012



The watchdog said the gas giant is not revealing sufficient information about internal anti-corruption controls. **Maxim Shemetov**

Gazprom fared poorly in a corporate anti-corruption report published Tuesday by global watchdog Transparency International, though it did tie for the top spot among companies with Russian operations.

The other lead company in that subcategory was Norwegian oil giant Statoil, which attained the highest overall score for transparency among the 105 multinational corporations evaluated.

Gazprom was the only Russian company in the report, for which Transparency International selected the 114 publicly traded companies with the largest market value in the 2010 version of the Forbes Global 2000 list.

Nine of them, including Russia's largest bank, Sberbank, and biggest oil company, Rosneft, were excluded from the report "because they operated almost exclusively in their domestic

markets," Transparency International said.

In the report, titled "Transparency in Corporate Reporting: Assessing the World's Largest Companies," Gazprom was ranked 98th overall, close to U.S. Internet company Google and Warren Buffett's Berkshire Hathaway.

To formulate the overall rankings, Transparency International assessed how much information companies publicly disclose in three areas: internal anti-corruption policies, financial results and donations in each country of operation, and corporate financial structures and holdings, a measure called "organizational transparency."

For that measure, Gazprom scored 83 percent, higher than the average score of 72 percent. A mark of 100 percent meant that a company had disclosed all of its "material" holdings, such as investments equaling more than a tenth of consolidated assets.

Slightly less than half the companies scored 100 percent. Transparency International called the requirements for this category "relatively easy to achieve."

In the other two categories, Gazprom flopped. It received a score of 0 percent both for publicizing its internal anti-corruption controls and for reporting country-by-country operations. Almost all the companies did poorly on country-by-country disclosure, however.

Responding to a request for comment for this article, Gazprom spokesman Denis Ignatyev said by e-mail, "We aren't going to comment on the report at all."

Transparency International's head office in Berlin said by e-mail that "companies should use these rankings as a wake-up call and the survey questions as a road map for improving their anti-corruption behavior."

In the subcategory for Russian operations reporting, Gazprom and Statoil got 50 percent. Britain's BP had 40 percent, India's Oil & Natural Gas Corporation got 30 percent, and Allianz, Nestle, Enel, Conoco and Arcelor each got 20 percent.

Transparency International conducted the research for the report between June and August 2011 and then solicited feedback from the companies on the initial data, it said.

According to the report, Gazprom didn't provide any feedback.

Original url:
https://www.themoscowtimes.com/2012/07/09/gazprom-flops-in-transparency-ranking-a16155