

## **Timor-Leste EITI Multi Stakeholder Group**

### **MINUTES**

**15 December 2015**

**09:33 – 11:39**

**Farol Office**

#### **Participant Members\***

Elda Guterres da Silva	National Coordinator TL-EITI (MPMR)
Agostinho G. Ramos	MoF/ DNPMR
Nelson Miranda	Luta Hamutuk
Antonio C. Santos	Woodside Country Representative
Angelina Branco	Eni Country Representatives
Filipe Nery Bernardo	Petroleum Fund Analyst- MoF
Venancio A. Maria	BCTL
Dulce Natalia	ANP

#### **Alternatives, and Non-Voting**

Trifonio Flor Sarmento	Secretariat TL-EITI
Francisco Alegria	TIMOR GAP E.P
Tobias Ferreira	BCTL
Timoteo T. Pires	BCTL

#### **Absent:**

Jose Lobato	Country Manager ConocoPhillips Timor-Leste
David de Araujo	ConocoPhillips External Relations
Auxiliadora do Rosario Coelho	MPMR
Henrique Monteiro	TIMOR GAP E.P
Alzira Sequera F. Dos Reis	Director Executive Alola Foundation
Angelo Lay	Director of Commerce, ANP
Fernando Carvalho	Chief of Account BCTL
Sabino Fitun	Ba Los
Helio dias da Silva	Habera
Martina da silva	Director FHF
Sabino Gusmao Fitun	Director Ba Los
Aurelia M.S Rodrigues	Coordinator Advocacy Fundasaun Haburas

**Chair by:** Elda Guterres da Silva      National Coordinator TL-EITI (MPMR)

## **Introduction**

MSG welcomes new government entity member and alternates. From ANP Dulce Natalia successor for Angelo Lay and two alternate representing BCTL, Tobias Ferreira and Timoteo T. Pires.

### **The agenda to be discuss as following:**

#### **1. Review Meeting Minutes on 3 December 2015**

MSG has review and approved it, any comments are welcome particularly for those are not attending the meeting on 15 Dec 2015.

#### **2. Review draft TL-EITI 2013 report**

Industry inform MSWG members that the 2013 draft Report is under review in order to find ways to close out the gaps identified in pre-validation report. Industry will need more time to discuss such matter, as it will change the way data is presented in the report.. Industry noted that revenue stream have been disclose in detailed in ANP website. Thus, such detail disclosure of revenue stream will impact disclosure of data for production volume by commodity. Detail data in both revenue stream and production volume will raise issue on commercial sensitivity. This is particularly sensitive for Eni where it only produces from one field with one commodity.

Partly pilot validation assessment findings are referring to government entity and Industries. Industries express can only response and provide additional information to findings that relate to the industries.

Government entity: express disappointed with the delay to release the 2013 report therefore as MSG need to strive in order to finalize 2013 report by the end of December. Government entity express cause of delay is also due to industries give late feedback and approval. MSG meeting has taking place on 3 & 15 December 2015 but no action have been taking to finalize the 2013 report, in addition to that the draft 2013 report have yet circulate to MSG.

Government entity note will be risk for Timor-Leste complaint status if MSG does not make an effort to addresses those findings. Another option is to include explanation note within the report. Government entity encourages MSG to be proactive in order to finalize the 2013 report and findings.

MSG has discussed the findings from the pre-validation report. Detailed actions as follows:

<b>EITI Provision</b>	<b>Summary of main findings</b>	<b>Validator's recommendation on compliance with the EITI provisions</b>	<b>MSWG's actions</b>	<b>Comments</b>
Work plan (EITI Req. #1.4)	<p>Work plan lacks clear timeframes &amp; costings for its activities.</p> <p>Work plan not used as tool for managing implementation</p>	Provision unmet with meaningful progress	<p><b>Action:</b> Secretariat will circulate the progress of WP 2015 (implemented/not implemented, why) and costing to MSG by COB 15 Dec.</p> <p>MSG to review and provide feedback prior to 18 Dec.</p>	<p>MSG discussed that MSG needs to put more efforts in assisting the Secretariat in designing the WP with clear timeframes and costing.</p> <p>The WP should include regular discussion or on quarterly basis a review of the progress of implementation of the activities.</p> <p>MSWG to conduct revision of work plan to identify timeframe &amp; costing (by Jan 2016)</p>
License registers (EITI Req. #3.9)	Information about coordinates of the license area and date of application for the license is missing for the majority of the license holders	Provision unmet with meaningful progress	<p><b>Action:</b> Representative from ANP to check why is the information about coordinate of the license area and date of application is missing: 1. Check whether it is</p>	All information in ANP's Website (Lafaek database) under Exploration. We do not see the need to report in the EITI report. Sensible reporting is important and should fit for

			<p>not publish due to any legal constraint (eg in PSC) or due IT failure (broken links, etc)</p> <p>2. Inform back to MSG (via email) before 18 Dec or at the meeting scheduled on 18 Dec.</p>	purpose.
Production data (EITI Req.#3.5a)	<p>Production volumes are not disaggregated by commodity</p> <p>Production values by commodity are not included</p>	Provision unmet with meaningful progress	<p><b>Action:</b> Industry to continue to check with their respective HQ on whether to agree on providing a disaggregated production volumes and values as required by EITI rules.</p> <p>The Industry is encouraged to provide its feedback ASAP; therefore the 2013 report can be circulated to other members of MSG for approval soon.</p> <p>Secretariat to write to MS to include information on revenue streams published in ANP website in 2013 report.</p>	<p>It was discussed that as noted in the pre-validation report and even in workshop held in early 2015 that TL's EITI report 2012 did not meet the EITI requirement on production data.</p> <p>MSG noted the circumstances around why it didn't disaggregate the data due to commercial sensitivity and in the case of TL which have only 2 fields with very distinct products.</p> <p>The MSG noted that the ANP has published in its website information on revenue streams</p>

				<p>which is considered quite detail.</p> <p>The Industry (ENI) proposed that due to a need to publish the report 2013 before year end, and the circumstances around the commercial sensitivity on disaggregate production data, the MSG may consider to include in the 2013 report that for production data, the MSG will continue to publish as it is now in the 2013 report, noting in the MSG's Message that it will continue to work on a supplement report to be submitted after Dec. 2015 to ensure Timor – Leste's compliant with EITI Requirements.</p>
Export data (EITI Req.#3.5b)	<p>Export volumes are not disaggregated by commodity</p> <p>export volumes by commodity are not included</p>	Provision unmet with meaningful progress	Action: to be included in WP 2016.	<p>MSWG need to schedule time to discuss this point.</p> <p>No plans to amend the 2013 EITI Report to include this point</p>

	this point has not been discussed by MSWG			
Comprehensiveness (EITI Req.#4.1a, #4.2 a – b)	Disclosure of payments & revenues are comprehensive. However, the data is not disaggregated to the level required by EITI	Provision unmet with meaningful progress	Action: same as production data above.	Same as production data above.
Data quality (EITI Req.#5)	Gaps in the used of agreed procedure for EITI report  Concern on reporting template & cumbersome reporting procedure due to the need for CA.	Provision unmet with meaningful progress	Action: to be included in WP 2016.  Secretariat to inform MS to include in the 2013 report that MSG will discuss this in the future EITI report.	It discussed the circumstances around why the Confidential Agreement was raised.  The MSG consider to involve Independent Administrator in the process of designing the Reporting Template, agreed on procedures on how the information/data will be presented in the future EITI report, as an alternative way to remove CA.  Appointment of IA should be done as early as possible. To be included in WP 2016.

### **3. Exception Letter**

Exception letter submit to the EITI International Secretariat and EITI board will not be necessary if MSG strive to resolve all those findings, industries noted it is too late to submit the exception letter (1.5 requirements). Industry express its reason for refusal to support the letter distributed by secretariat via email because the letter aims to request for exemption from validation process and there is nothing in EITI Requirements that allow for such exemption.