

Timor-Leste EITI Multi Stakeholder Group

MINUTES

19 April 2013
09:10 – 11:033

Farol Office

Participant Members*

Carlos A. B. Florindo	Manager of ETADep, CSO Representative
Martinha da Silva	Director FHF, CSO Representative
João Demetrio Xavier	Petroleum Fund Operational, Petroleum Tax Division, MoF
Elda Guterres da Silva	National Coordinator TL-EITI (MPMR)
Filipe Nery Bernardo	Petroleum Fund Analyst- MoF
Angelina Branco	Eni Country Representatives

Alternatives, and Non-Voting

Trifonio Flor Sarmiento	Outreach Officer TL-EITI (MPRM)
Sonia Boavida	Assistant Officer for TL- EITI (MPMR)
Ana P. C de J. Araujo	Programme Officer TL-EITI (MPRM)
Agustina P. Gomes	Finance Officer TL-EITI (MPRM)
Honesia Araujo	Marketing and Revenue Management Officer (ANP)

Absent:

Remigio Viera Laka, Alternate	Director of FSG, CSO Rep
Fernando da Silva, Alternate	Chief Accountant –BCTL
Angelo Lay	Director of Commerce, ANP
Venancio Alves Maria	Executive Director, PF Department, (BCTL)
Jose Lobato	Country Manager ConocoPhillips Timor-Leste
John Prowse	Country Manager Timor-Leste Woodside Energy Ltd

Observers

Jose Amaral	Deputy NGO FONGTIL
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Chair by: Elda Guterres da Silva National Coordinator EITI

Agenda for Discussion:

- 1) Review the Meeting Minutes on 15 February 2013
- 2) MSG] Programme 2013 in line with the TL-EITI work Plan
- 3) Evaluation for Dissemination of the TL-EITI report in Aileu District
- 4) TL-EITI reconciliation for 2012
- 5) Other Business
 - Global Conference in Australia Sydney
 - São Tomé e Príncipe visits to Timor-Leste
 - Progress report activities for 2012
 - Letter from NGO FONGTIL related to the Mericio Juvinal resignation from MSG.

Introduction

Chair opened the meeting by welcomed the MSG members following the Easter break. The agenda was adopted by the MSG.

1) Review of the meeting Minutes on 15 February 2013.

The Minutes was approved with some minor revisions that should be reflected in the revised version.

2) Business arising from the minutes not otherwise included in the agenda

Chair informed that the dissemination of TL EITI report for 2010 & 2011 scheduled on 14 March 2013 in the District of Viqueque was postponed due to the delay in the state budget decision, thus the budget allocation to the Secretariat.

The new date was proposed to be either on 27 June or 25 July. On this matter, the MSG agreed to postpone the decision until next meeting.

In addition Eni Representative raised the question on the formality of MSG meeting that took place in January and February 2013, considering the fact that there are no Industry representative in the meeting.

Chair informed that there are several agenda items required immediate action from the MSG, such as decision on the dates for the dissemination of the TL EITI report 2010 & 2011. Although the meeting attendance did not meet the quorum, the Secretariat, in consideration of time, has circulated every meeting minutes to all members of MSG for their comments and inputs.

In this opportunity secretariat have also up date that individual meetings have been conducted with Eni and Woodside. Except for ConocoPhillips because of other commitments. The meeting was intended to discuss Industries position on the way forward after the finalization of 2011 EITI Report and to convince Industries to take part in the meeting as normally.

During the individual meetings, both Eni and Woodside stated their point of view of the approach taken to publish the 2011 EITI Reports and informed the EITI Secretariat that industry representatives will not take part in the dissemination process, as industry did not endorse the 2011 EITI Report. Industry representatives also informed the EITI Secretariat that it will be necessary to start a discussion on EITI Reporting template to allow for sufficient time for all parties to discuss the matter.

Chair informed that on issues such as engagement of Aggregating Body and discussion on TL EITI report for 2012 that require comprehensive discussion, the Secretariat would attempt to put it on hold until the quorum requirement fulfilled.

Further, Chair called for each pillars' representative commitment to attend the meeting.

3) MSG 2013 Programme in line with the TL-EITI Work Plan

Secretariat noted that some of the programmes in the TL-EITI work plan have yet conducted by MSG as following:

- 3.a review legal frame work to identify potential obstacle to the EITI implementation particularly in relations to the previously release 3rd and 4th Reports. In this case Timor-Leste needs to establish legal basis (Decree Law) as necessary in order to ensure that the EITI implementation in Timor-Leste is sustainable and all pillars to comply with, Which provides clear guidance on the disclosure of confidential and non-confidential information. Provided the fact that TL EITI transparency model alignment with political will towards "Beyond EITI" then MSG needs to review such Decree/Law content and scope of coverthat harmonise with" Beyond EITI".

Given the fact that previous government had been committed to implement EITI principle, it is important to create legislation that requires all pillars to comply with such requirement. Provided limited financial and resources CS have, therefore government to take the lead to draft such legal requirement, whereby MSG would participate in providing comments and suggestion during the drafting of the law.

With this opportunity, CS requested if possible Government Entity (MoF) asking one legal advisor in MoF to explain about the law process.

Action: Government Entity (MoF) will check out their legal advisor availability to explain the law process or MSG could engage with other legal consultant, in other hand MSG have yet discuss deeply to review legal frame work.

- 3.e Outreach/ Information
MSG has putting a lot of effort to disseminate information to the public either through workshop, training, brochure, film showing, TL-EITI website

is under development by secretariat excepted Radio and TV talk show. It seem that those dissemination in also not enough therefore secretariat propose to MSG to carry out Radio and Television talk show once in six months or a year, which is consider as part of the main sources for other sub-district or villages to access to information.

Secretariat informs that separate meeting was held with the Radio and Television public Institution to find out the applicable cost for both broadcasts as following:

Program Production

No	Institution	Time for Broadcast	Price
1	Radio	1 Minute	US\$ 5.00
2	Television	1 Minutes	US\$ 20.00

Direct Transmit (Broadcast)

No	Institution	Time for Broadcast	Price
1	Television		
	Private	1 Hour	US\$ 2000.00
	Government Institution	1 Hour	US\$ 1000.00

For television talk show, Secretariat is planning to involve the beneficiary or community leader. In addition, secretariat informs that such as questioner prepare either by MSG or establishing together by involving Radio and Television public Institution?

Action: secretariat will prepare draft schedule for radio and television talk include break down of budget.

- 4.e Publication and Dissemination,
MSG have published TL-EITI reports then conduct dissemination of the 1st 2nd 3rd and 4th reports in Regional levels, however MSG and Secretariat noted such as evaluation and monitoring are necessary in the future. Only to measure the level of understanding for the participants whether they understand well or not the EITI implementation process and the content of the reports.

As comment by Industry (Eni) release of 3rd and 4th reports is subject to objection by all industries which seem not consistent with the TL-EITI

Reporting Guidelines recently update in December 2011, industries keep defending the applicable templates report 2009. In this situation Industry (Eni) propose for opening discussion as following:

- 1) Gov entity and CS could base their argument on the reporting format utilized in 2010 and 2011 EITI Reports
- 2) Industry could base its argument on the template agreed and utilized in the 2009 EITI Report

MSG could use these reports as reference to compare and for discussion point, this opening discussion only to ensure that all pillars are content with the upcoming templates report for 2012.

MSG Suggestion: in order to ensure that Timor-Leste meet a deadline, Secretariat should set up schedule, which are priority programs, need to be done in a month's or quarterly and if possible only focus for one or two at time because, MSG are not fulltime and each pillars have variety of activities.

Action: Secretariat will set up draft schedule of the priority programs for MSG to discuss and circulate to the MSG.

3) Evaluation of dissemination of the report in Aileu Districts

Secretariat updated that over seventy (70) participants from the District of Aileu, Manufahi and Ainaro. The workshop was held in Aileu on 9 April 2013. Participants from District of Suai could not participate due to official visit by H.E. Kay Rala Xanana Gusmao, Prime-Minister of Timor-Leste. The Secretariat is planning to re-invite participants from Suai to take part in the upcoming dissemination in Liquica scheduled on 09 May 2013.

Speakers on this workshop including representative from Directorate of Budget, Ministry of Finance and the MSG (represented by Secretariat and CSO).

It was noted that the participants were having difficulties in understanding some of the technical terms (in English) and suggest that an explanation should be included to facilitate the discussion. It also noted that participants were more interested in the issue how the oil money can benefit them (thorough budget allocation to their districts and its execution).

CS commented that the dissemination at regional level is not useful because they fear that some of the participants might not share the information to the community who live in rural area.

Industry commented that they decided not involve in the dissemination of the reports because those reports is not consistent with 2009 reporting templates.

4) Engage Aggregating Body 2012

MSG agreed to reopen the discussion on the reporting template. Due to time, MSG would need to agree on the deadline on when the new template should be finalized or in the case of reaching a deadlock,

MSG have decide to discuss the reporting templates by using the reporting template 2009 and the 2010 & 2011 reports as reference without Aggregate Body involvement. However, MSG is aware of the deadline and the urgency to decide on the selection of the AB or decision to continue with the existing AB. In addition MSG need to decide on which template must be used for 2012 reporting.

It was agreed that both issues will be further discussed in the next meeting.

5) Other Business

- **Global Conference in Australia Sydney**

The Industry informed Eni will represent the Industry in the EITI Global Conference in Sydney, Australia.

Chair updated the preparation of the Timor-Leste delegation to attend the conference and requested those who has not register to register before 15 May 2013.

- **São Tomé e Príncipe visits to Timor-Leste**

Chair informed that a team from São Tomé e Príncipe will visit Timor-Leste in July 2013 (tentative), with objective to conduct a comparative study about EITI implementation and management of natural resources. The team will be located in the ANP Office and the Secretariat.

Secretariat will update the MSG as soon as it has more information on the team and agenda.

- **Progress Report activities for 2012**

This draft progress report is under development and will present to MSG in short period for comment and revision accordingly.

- **letter from NGO FONGTIL (resignation Mericio Juvinal Director of Luta Hamutuk).**

Chair informed that the Secretariat received letter from NGO FONGTIL dated 18 April regarding Mr. Mericio Juvinal resignation from MSG dated on 09 April 2013. FONGTIL has nominated Mr. Jose Marcal, Deputy of FONGTIL as temporary replacement for Mr. Mericio until further notice.