

## Timor-Leste EITI Multi Stakeholder Group

### MINUTES

22 May 2015  
09:00 – 11:35

### Farol Office

#### Participant Members\*

Elda Guterres da Silva	National Coordinator TL-EITI (MPMR)
Angelina Branco	Eni Country Representatives
Agostinho G. Ramos	MoF/ DNPMPR
Jose Lobato	Country Manager ConocoPhillips Timor-Leste
Alzira Sequera F. Dos Reis	Chief Executive Officer Alola Foundation

#### Alternatives, and Non-Voting

Oscar S. Faria	Senior Officer – Finance & Fiscal Assurance
Francisco Alegria	Timor Gap E.P
Trifonio Flor Sarmento	Secretariat TL-EITI
Martina da silva	Director FHF
Timotio Gomes Pires	BCTL
Hamud Djafar Alkatiri	ANP
Helio dias da Silva	CSO

#### Absent:

Auxiliadora do Rosario Coelho	MPRM
Nelson Miranda	Luta Hamutuk
Antonio C. Santos	Woodside Country Representative
Filipe Nery Bernardo	Petroleum Fund Analyst- MoF
Fernando Carvalho	Chief Account BCTL
Angelo Lay	Director of Commerce, ANP
David de Araujo	ConocoPhillips External Relations
Tobias Ferreira	BCTL
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**

Chair welcome new member and alternate for a quick introduction, details are as following:

1. Henrique Monteiro successor for Jacinta Bernando as member representing TIMOR GAP
2. Hamud Djafar Alkatiri as alternate representing ANP
3. Helio dias da Silva as alternate representing CSO

Meeting Agenda – Chair proposed two agendas for today’s meeting;

1. Review minutes dated 10 April 2015
2. Update progress review of draft 2013 EITI Report;

Agenda was adopted with no additional agenda to be added;

### **1. Review meeting minutes on 10 April 2015**

MSG approved the meeting minutes.

### **2. update TL-EITI report 2013 by Hedi**

Chair informed MSG members that MS is invited to attend today’s meeting however due to other important tasks, MS is unable to attend this meeting.

With regards to today’s meeting, the Secretariat has sent an email out to each reporting entity few weeks ago, requesting their availability to meet with MS in order to clarify and resolve any outstanding issue in respect to the 2012 and 2013 EITI Reconciliation report. Only ANP and Secretariat have confirmed and met with MS on the 13 May 2015. .

From Industries, only Eni has provided their comments of the 2013 EITI report on 2 April feedback from MS has not been received.

Industries have requested further amendment on the draft report, details as following:

- 1.2 Objective of assignment (2 paragraphs)
- 2.2 production data is not correct (Eni Informed ANP to use section table 7.5.2 instead of 7.2  
Production decrease propose to delete
- 5.5 inclusion Explanation (term of additional tax not according with tax law definition
- 8.1.2 Should state neutral languages
- 8.1.4 It seem too much blame industries propose to re word

Lastly, there is a need to explain what attempt has MS tried to reach reporting entities that have not submitted their reporting templates

Outcome of meeting between MS with Secretariat TL-EITI has resulted with proposed changes to the 2012 EITI Report as following:

1. The publication date of the report is not correct (MS put the date that base on Independent Administrator signature in the report).
2. (Page 12 and 28) revenues stream and description by BCTL is not consistent.
3. (Page 37) 9 of the 20 companies actually submitted a template is not correct supposed to be 17 out of 20.

In addition, meeting between MS with ANP, the outcome as followings:

1. Beneficial ownership for ConocoPhillips listed in Australia SEC is incorrect and it has been considered to exclude it.
2. Local content (total number of employment) was excluded from the 2012 reconciliation report due to some consideration emerged among the reporting entities.
3. The Production volumes and the value of production by commodity should also require to be reported in detail in line with the EITI standard

MS admitted that the said issues had obstructed them to rapidly finalize the report. MS also confirmed that in order to provide the EITI reconciliation report according to EITI standards, MS also needs to consider the Confidentiality Agreement.

Industries (ConocoPhillips) expressed that it might take several months to submit their approval for 2012 report due to MS did not exclude beneficial ownership information which is incorrect. ConocoPhillips expected to receive revised version of 2012 EITI Report from MS as agreed with TL EITI Secretariat

The plan to review and amend 2012 EITI Report after publication, have created confusion within MSG members. As understood by industries (Eni) that as agreed in previous meeting which also attended by members from International EITI Secretariat, that TL EITI should submit the supplement report due to the fact that the published report has been amended by MS without prior approval from Industries. The inconsistency was mainly related to the contextual information.

Prior to publishing the 2012 EITI Report, MSG and EITI international Secretariat fully aware that the Secretariat had limited time and the 2012 report has to be released sooner, therefore MSG did not need to revise the original report but they can submit a supplement report. It was also noted by International EITI Secretariat that an amendment of original report after submission to EITI Board is not the correct process. So, it was proposed to create a supplement report. Industries noted that Government entity (ANP) agreed to be responsible for drafting the supplement report, however if the MSG agreed to amend the report then MSG don't need to submit the supplement report only send the final amendment 2012 report to the secretariat international and EITI board consideration.

According to industry (ConocoPhillips) there is an ongoing process where, MS has revised some part that has been the concerns of industries, which industry think is sufficient now. If the process is replaced by having a supplement report, it is COP view that it will contain some new information, then it will be complicated, as the supplement report will certainly need to be presented to HQ for further review, discussion and approval.

At the launching of 2012 Report Industry (ConocoPhillips) understood that the report was launched with limited copies and there will be a revision process prior to releasing to the public. It seems that MSG misunderstood whether the 2012 report will include the supplement report or MSG to provide further amendment to the original report, MSG proposed secretariat TL-EITI to communicate with the secretariat International to find out whether it is necessary to submit a supplement report or if possible to amend the final version of the 2012 EITI Report.

ANP proposed that if the amended report is considered or having a supplemental report, such document shall be circulated to MSG for their inputs and comments, and is further attached to the 2012 report.

Industry (Eni) proposed that MSG meeting today should state that an amendment to MSG's decision noted in the meeting minutes on 30 January 2015. Any amendment to the minutes would require the EITI International Secretariat and board to consider it.

Industries (ConocoPhillips) expressed their concerns over the EITI 2012 report given the fact that the report prepared by MS was not based on the MSG agreed reporting template, we understood that MS tried to follow the EITI Standard but every changes for the reporting template should bring back to MSG for discussion and approval. At that time MSG has limited time to submit report to the board therefore industries agreed to go ahead, it has taken longer time than expected due to the fact that MS disregarded the reporting template being agreed by MSG.

CSO: MS should responsible for this report therefore any issues that have not being resolved MS should explain and present to MSG prior.

In order to clarify all outstanding issues MSG propose to secretariat to invite the MS once again to attend the next MSG meeting.

### **3. Review work plan**

MSG proposes accommodate all comments provide by Government entity (ANP) and Industries (Eni) then resend to MSG for review.

### **4. Next Meeting**

The next meeting is schedule on 29 may 2015 at 9:00 AM, in the TL-EITI Secretariat Office Farol.