

Timor-Leste EITI Multi Stakeholder Group

MINUTES

01 October 2014

09:30 – 10:49

Farol Office

Participant Members*

Elda Guterres da Silva	National Coordinator TL-EITI (MPMR)
Agostinho G. Ramos	MoF/ DNPMR
Nelson Miranda	Luta Hamutuk
Angelo Lay	Director of Commerce, ANP
Filipe Nery Bernardo	Petroleum Fund Analyst- MoF
Angelina Branco	Eni Country Representatives
Antonio C. Santos	Woodside Country Representative

Alternatives, and Non-Voting

Francisco Alegria	Timor Gap E.P
Auxiliadora do Rosario Coelho	MPRM
Rita Freitas	MS
Hedi Zaghouani	MS
Radhouane Bouzaiane	MS
David de Araujo	ConocoPhillips External Relations

Absent:

Jose Lobato	Country Manager ConocoPhillips Timor-Leste
Tobias Ferreira	BCTL
Oscar S. Faria	ANP
Jose Amaral	Deputy of FONGTIL
Luis Martins	Timor Gap E.P
Martinha da Silva	Director FHF, CSO Representative
Jacinta P. Bernardo	Timor Gap E.P
Carlos A. B. Florindo	Manager of ETADEP, CSO Representative
Alzira Sequera F. Dos Reis	Director Executive Alola Fondation
Ana Paula Sequera	Director Executive Forum Tau Matan
Aurelia M.S Rodrigues	Coordinator Advocacy Fundasaun Haburas

Chair by: Elda Guterres da Silva National Coordinator TL-EITI

MSG meeting with Moore Stephens (MS)

First of all MS thank for MSG for trust and reappointed MS to carry out the reconcile process for TL-report 2012-2013, hopefully we can provide the report on time, the main discussion point was the report presentation. How are we going to present information in TL-EITI report according to the EITI standard?

MS informed MSG that they have been collecting data/information for the last two weeks and looking forward to receive the rest of information from company and government agency. MS is trying to understand the scope that MSG decided within Scope of Work and reporting templates that have present to MS.

On the other hand EITI new standard required compiling contextual information and general over view of extractive sector in the country, all countries are now dealing with it. For some countries this is something new sometimes difficult to collect this information.

MS stated that they have limited of time (two months) to produce the report, MS hope to complete the report by late November or early December. The draft report will be provided to MSG for review and discussion. . The aim is to produce final report by the end of December, if all reporting entity provides all information on time. So far MS have received information from government agency, still finalizing the issues with company in regard to confidentiality agreement. (please noted no extension for Timor-Leste if not produce report by 31 December 2014).

MS also noted that they have more companies listed by ANP, PTD and BCTL (in term of tax payment) in comparison to last year. .

MS noted that they are not allowed to correct or amend these reporting templates that have approved by MSG. However MS expressed their opinion that they don't see the template as a template which would collect detail information or data. So, it will be difficult for MS to reconcile.

Industries expressed that MSG appointed IA (MS) to reconcile and produce the report. In situation where MS believe that these reporting templates is difficult to be utilized then it should be MS's responsibility to find alternative solutions. MS needs to keep in mind that any changes to the template needs to be approved by MSG and industry will need to present it to HQ for approval.

Industries express produce report to be publishing should the same as reporting templates agreed by MSG, but during the process of collecting data if MS need more additional information to be able to reconcile all reporting entity happy to provide it, but those data information should stay with MS and not allowed to disclose in the reporting templates.

MS express that may be we have misunderstanding, MS have explain as following:

The reporting templates and EITI report is similar the reporting templates is the tools/documents that will provide information in order work on and to prepare MS report, the reporting templates that MSG present to MS in not reporting templates tables only.

In all other countries reporting templates prepare by Independent Administrator (IA), because it is IA documents and tools to works with, in case of Timor-Leste MSG have decided to prepare reporting templates due to the confidentiality issues however MS informed using these reporting templates to do reconciliation will difficult to reconcile because MS only received general information.

MS informed that for security reason MS have set up email address for TL-EITI under MS server, all communication with reconciler should done directly through this email address tleiti@moorestephens.com In order to protect financial information.

So far MS never get instruction to what need to include in the report and what is need to be limited, aggregate or disaggregate, MSG other countries trust the reconciler to produce their report however should accordance to the EITI standard.

we follow MSG instructions however if MSG decided to restrict some of information MS role is to add comments, recommendation and finding in end of the report, In addition to the reporting templates there is also reporting templates to be publishing in spread sheet containing some details table?

Industries informed that Template A-G these are report templates MSG want to see in the upcoming report, certain table will insert statement or explanation why this table is in this format (confidentiality information). In addition to that Industry comment that Any recommendation, comment, find MS would like to put in the report is fine as long as present to MSG, we will sit as MSG to see what we willing to leave there what we willing to work on together.

MS need clarification exp for template A

	Company	Adjustment	Government
Company Name	First Tranche Petroleum/Royalty+ Profit Oil/Gas	First Tranche Petroleum/Royalty + Profit Oil/Gas	First Tranche Petroleum/Royalty + Profit Oil/Gas

If we put adjustment, then adjustment for whom

Usually MS did as following:

N°	Description of Payment	Initial Figures			Adjustments			Final amounts		
		Company	Government	Difference	Company	Government	Difference	Company	Government	Difference

Which More comprehensive and be able to adjust from both side Government and Companies

Industries questions if this part of preliminary analyses from MS, In producing draft preliminary analyses report MSG would like review it, to address the points identified for MSG to consider and the reason for proposed changes, then MSG will discuss and review.

As respond, MS will present the inception report to MSG by this week within details of comments, MS express that MSG have done something different in comparison to common practice in EITI, MSG should doing scope study coming up with scope report which include as following:

1. Listed of companies that will report

2. The government agency involved
3. Revenue stream to be reconcile
4. Activities to be consider (oil gas or mining)

According to the EITI standard MSG does not required to provide the reporting templates only IA, however in order to going more quickly MS will add four things mention above, presentation of the report and reporting templates as agreed by MSG, MS will try to adapt and follow the template as much as possible

On the other hand MS will start to dispatch the reporting template to reporting entities as per previous year and MS can starting to reconciliation according to reporting template in the means time can be discuss the presentation of the report.

It was accepted by MSG

MS informed that in order to go forward they think the inception report and reconciliation report go simultaneously, MS does not have issues in inception report the main issues is the presentation of the report. MS will produce the draft inception report and draft report then send to MSG.

MS question as following:

1. which part of content or table are not acceptable by MSG in the previously report
2. How about Confidential agreement (industries)

Response as following:

1. MSG express that most of it fine accept annex 3 due to certain table without through MSG discussion and approval.
2. A. ConocoPhillips still in the process once finalize by their cooperate legal will send it
B. Woodside will be tomorrow
C. Timor Gap (Francisco) will inform to the President

Last of all MS would like to know if reporting entity not happy with some part of the report that prepare by MS please let MS know and how the reporting entity would like to be presented either in table or writing not only say we are not happy with report, should provide constructive comments.

End