

Timor-Leste EITI Multi Stakeholder Group

MEETING MINUTES

22 February 2017

Farol Office

Participant Members

Agostinho G. Ramos	MoF/ DNPMPR
Angelina Branco	Eni Country Representatives
Filipe Nery Bernardo	Petroleum Fund Analyst- MoF
Antonio dos Santos	Woodside Country Representative
Sabino Gusmao Fitun	Director Ba Los

Alternatives, and Non-Voting

Francisco Alegria	TIMOR GAP E.P
Hamud Alkatiri	ANPM
Dulce Natalia	ANPM

TL-EITI Secretariat:

Elda Guterres da Silva	National Coordinator
Trifonio Flor Sarmiento	Outreach Officer
Octavio Jordão de Araújo	Adviser
Abelina Emilia do Rosario	IT Officer

Absent:

Helio Dias da Silva	Haberan
Jose Lobato	Country Manager ConocoPhillips Timor-Leste
Angelo Lay	ANPM
David de Araujo	ConocoPhillips External Relations
Henrique Monteiro	TIMOR GAP E.P
Fernando Carvalho	Chief of Account BCTL
Timoteo T. Pires	BCTL
Nelson Miranda	Luta Hamutuk
Tobias Ferreira	BCTL

Meeting opened at 9.51 AM.

1. Apologies

Apology received from Mr. Angelo Lay who cannot attend the meeting. Mr Lay assigned Ms. Dulce Natalia and Mr. Hamud Alkatiri as alternates.

Apology received from Mr. Luis Martins who cannot attend the meeting. Mr Martins assigned Mr. Francisco Alegria as alternate.

2. Approval of the agenda

The MSG agreed to the agenda of the meeting.

3. Approval of the minutes of the meeting on 14/10/16, 1/12/16, 20/01/17 & 7/02/17

Minutes of the meetings were discussed and approved.

4. Business arising from the minutes not otherwise included in the agenda

The MSG discussed issues as identified in Annex 1. Action progress and status of the issue(s) are as outlined in the Annex 1 of the minutes.

5. Discussion of Minutes Structure and Selection of Chairperson for MSG Meetings

The current structures of the MSG meeting minutes prepared by the Secretariat were sometimes confusing and therefore require amendments. New meeting minutes templates should include discussion per agenda succinctly. Also, attending the request from Civil Society Organizations (CSO) for the Secretariat to allow each MSG entity to chair the meetings rotationally (*ref: Minutes 20/01/17*), the Secretariat seek clarification from the MSG based on the ToR pg 2. " *The Chairperson and Working Group shall be supported by a Secretariat, we propose to revisit and revise if MSG agree to commence introducing rotational chairing the meeting*".

The TL-EITI Secretariat noted and agreed to re-design the minutes and begin to apply on this minute. The MSG also has clarified that the statement above signifies that every MSG meeting can be chaired by any entity within MSG. The selected chairperson shall be supported by Secretariat and being informed in advance to other MSG prior to the meeting.

6. Discussion of Export Amount Disclosure

Based on Timor-Leste PSC regimes, the export amount shall be disclosed as lifting amount since that oil & gas exportation yet to perform in Timor. The amount produced and the amount lifted should not show too much of a difference. The MSG suggested if the amount to display on the next report is the lifting amount instead.

7. Discussion of 2015 National Account Report

In attempt to strengthen the scoping studies by the IA (*ref: Minutes 7/02/17*), -an updated Timor-Leste National Account Report must include. The latest version of this report (2015 Timor-Leste National Account Report) will be released shortly on the MoF and Directorate General of Statistics (DGE) website.

8. Discussion of Beneficiary Ownership Roadmap

The Beneficiary Ownership Roadmap revised by Government entities (ANPM) has been circulated to all MSG. All MSG approved the roadmap and to submit to the EITI International Secretariat.

9. Discussion of Review and approval of the corrective actions

Timor-Leste will need to respond corrective actions on requirements (1.2, 1.3, 1.4, 4.7, 4.9, 6.1 and 7.4). Each MSG so far has provided comments on the validation recommendation.

The comments will be sent to the EITI International Secretariat to obtain clarification and from the Secretariat will share to MSG.

10. Discussion of EY Scoping Studies Draft Report & Total Production Data draft template

The scoping draft report was prepared for MSG discussion. Each MSG decided to review it after meeting and will provide their feedback by Friday 24 Feb. The Secretariat has highlighted the specific items on the report needed for each entity to review. Generally, there are three main issues that MSG needs to consider:

- i. Materiality Threshold: the MSG yet to decide on the setting of threshold for reconciliation in order to significantly capture the operators and their subcontracts to be covered on the next EITI Reports. There are 76 companies on the list based on 0% threshold. The proposed threshold is 0.05% of all of revenue streams. The Government and Industry agreed with this proposal. The CSO will provide their opinion in the next meeting.
- ii. Artisanal and Small Scale Mining (ASM): the state of the mining sector revenue in TL remains immaterial; therefore the IA has proposed three options of ASM Reporting (*Ref: Minutes 7/02/17*). ANPM representatives will approach the Mining Directorate to discuss on these options.
- iii. Data quality and assurance: discussion made on the data verification by auditors and/or by financial departments of the companies.

The Total Production Data (TPD) template has been circulated to the relevant entities for review. The TPD template by commodity was discussed by MSG previously. MSG decided to keep with the template format. Each entity received different formats of reporting template and later to discuss with the IA. Once the reporting template is approved, the IA will then prepare the final draft of the reporting template to be included in the reports.

11. Discussion of Other Business

Extension of the publication of TL-EITI Reports 2014 and 2015: The International Secretariat EITI requires justification from TL-EITI for not able to submit the Reports for the fiscal years of 2014 and 2015, based on the last validation from EITI International. The reasons for the delays include the nature of TL-EITI which is regulated by the Ministry of Petroleum and Mineral Resources (MPRM) and where all the procurement process for EITI activities was organized by MPRM. The delay in the public system would affect the selection processes of the Independent Administrator (IA) who assist the reporting process. An official letter of clarification will be prepared by the TL-EITI Secretariat and will deliver to the Chairman of the EITI International Board.

Capacity Building Training for CSO: Understanding the passive involvement of CSO in TL-EITI implementation, it was decided that the MSG as part of its Work plan for 2017 will assist in capacity building program for the members of CSO.

12. Schedule next meeting

The MSG agreed to hold the next meeting on Week 1 of March 2017 at the Secretariat TL-EITI in Farol, Dili. The Secretariat will confirm the exact date and time upon the arrival of the IA.

The Chair declared the meeting closed at 11:45am.

Minutes approved and signed by:

(Name)

(Signature)

1.

Filipe Nery Bernardo

Filipe

2.

Henio Dias Da S.

Henio

3.

ANGELINA B. BRANCO

Angelina

4.

Artemi Saiz

Artemi

5.

Dulce Natalia

Dulce Natalia

6.

Annex I – Action List from previous meeting

No	Issues	Action needed	Responsible Entity	Progress Status
1	Materiality threshold 0.05%	<ul style="list-style-type: none"> Decision to agree on this by the MSG as a whole. Mr Sabino Fitun will need to discuss with his colleagues before decide. Deadline established: Friday 24/02/16. 	CSO	
2	EY Reporting Templates	<ul style="list-style-type: none"> Each entity to review individual templates sent by the IA. 	All MSG	
3	Scoping Study/ing Report ¹	<ul style="list-style-type: none"> Each MSG to review and amend the draft for discussion report proposed by the IA. Deadline: 24/02/16 	All MSG	
4	Corrective Actions	<ul style="list-style-type: none"> Comments have provided by the Industries and Government Entities, it shall be ready to send for EITI International Secretariat review Comments can be made by other entities, separately 	All MSG	
5	Beneficiary Ownership (BO)	<ul style="list-style-type: none"> A BO roadmap has prepared and revised by the Government (ANPM + TL Secretariat) for MSG approval MSG has agreed with its content 	All MSG	Approved
6	Letter Request for Extension	<ul style="list-style-type: none"> EITI International Secretariat requests TL-EITI to explain the reasons for the delays in publishing 2014 & 2015 Reports, hence, a draft letter to be signed by Minister is prepared and to deliver to Chairman EITI Board ASAP 	Secretariat	
7	Capacity Building Program	<ul style="list-style-type: none"> To review the Annual Work Plan to schedule capacity building activities for CSOs To prepare budgetary plan for this activity 	Secretariat	