

## TL-EITI WORK PLAN 2022

### 1<sup>ST</sup> OBJECTIVE: To implement the recommendation from the last Validation and to prepare for the 2022 Validation in enhancing EITI principles in Timor-Leste

**Rationale:** Based on the 2016 Standard’s second Validation report on February 2018, the EITI Board agreed that Timor-Leste has satisfactorily implemented the requirements adopted by the country. The last published TL-EITI report (FY2018) captured the objectives of requirements from 2019 Standard. The new requirements implemented by MSWG, such as, Beneficial Ownership (2.5), disaggregation information by gender (6.3d), and environmental reporting (6.4) were disclosed in the 2018 TL-EITI report. The usual disclosure of disaggregated information by revenues and by project level (4.7), data quality and assurance (4.9) and social expenditures (6.1) were also reported. The Independent Administrator (IA) is expected to assist MSWG & the National Secretariat with the Validation (transparency template) issued based on new module.

| ACTIVITIES  | EXPECTED OUTCOME  | TIMEFRAME                    | ESTIMATED COST | SOURCE OF FUNDING | RESPONSIBLE PARTY             | COMMENT /STATUS    |
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| Discussion on the recommendation(s) from the Board on the last Validation in 2018 and from the IA on the last published TL-EITI Report.                     | To improve implementation of Validation recommendations & EITI Standard requirements. |                              | NA             | NA                | TL-EITI Secretariat and MSWG  | Virtual engagement |
| Workshop preparation for the upcoming Validation 1: MSG oversight & Outcome and impact questionnaire  | To improve implementation of Validation recommendations & EITI Standard requirements. | 1st quarter                  | NA             | NA                | TL-EITI Secretariat and MSWG. | Virtual engagement |
| Workshop preparation for the upcoming Validation 2: Transparency questionnaire  | To improve implementation of Validation recommendations & EITI Standard requirements. | 2nd Quarter 2022             | NA             | NA                | TL-EITI Secretariat and IA    | Virtual engagement |
| Preparation of necessary documentation/dossier to support the Validation i.e. Work plan 2022, EITI report, meeting minutes, progress report <i>(if any)</i> | To improve implementation of Validation recommendations & EITI Standard requirements. | 1 <sup>st</sup> quarter 2022 | NA             | NA                | TL-EITI Secretariat           | Virtual engagement |

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| 2019 Standard 1 <sup>st</sup> Validation | To improve implementation of Validation recommendations & EITI Standard requirements. | 1 July 2022 | NA | NA | TL-EITI Secretariat, MSWG, IA and International Secretariat | Virtual engagement |
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**2<sup>ND</sup> OBJECTIVE: To ensure the publication of EITI Report in timely manner and in accordance with EITI Standard 2019**

**Rationale:** Tender process for IA commenced in 2021, however, selection of the IA along with other MSG activities were interrupted in the first months by the intense natural disaster and the Covid19 pandemic situation in the country. Most of these activities were restricted to the Government States of Emergency throughout 2021. In November 2021, the same IA was re-hired to assist with the preparation of the referred reports and Validation of MSWG implementation of 2019 Standard.

Improvement of TL-EITI reports means considering the disclosure of contextual information of the extractive industry activities (e.g. oil and gas and mining) in the country, attempting to reduce discrepancies within reconciliation. Following the completion of the Beneficial Ownership (BO) feasibility study, the MSWG decided to include BO information within the reporting data templates for the reporting entities. Furthermore, MSWG acknowledged the recommendations from International Secretariat (IS) on mainstreaming/systematic disclosure approach through its feasibility report in 2017. However, the process is delayed due to the State of Emergency declared throughout 2021. We could experience further delays in 2022.

In 2021, the 2nd objective could not be entirely implemented by the MSWG members and TL-EITI Secretariat due to limited facilities as results from the natural catastrophe and Covid19 issue. Hence, MSWG decided to request for extensions of Validation and TL-EITI report publication. A state budget was approved for this year's expenditure and the funding allocation for TL-EITI could cover the preparation of FY2019 TL-EITI report. Also, this section still includes the Annual Progress Report and the review of impacts of EITI implementation for activities that were carried out between 2019 and 2020. With the flexibility on the deadline as per 2019 Standard, the document will be published prior to EITI Validation on 1 July.

| ACTIVITIES | EXPECTED OUTCOME | TIMEFRAME | ESTIMATED COST | SOURCE OF FUNDING | RESPONSIBLE PARTY | COMMENT /STATUS |
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| Selection of new IA to reconcile the upcoming EITI report (Fiscal Year(s) 2019).   | To improve transparency in extractive industry (EI) governance and relevant EITI activities as well as producing comprehensive TL-EITI report suitable for public discussion. | November 2021                    | \$ 85,700.00 | Ministry of Petroleum & Minerals (MPM) | All constituents and TL-EITI Secretariat               | Completed |
| Contract Award to IA.  | To improve transparency in EI governance and relevant EITI activities as well as producing comprehensive TL-EITI report suitable public discussion.                           | W1 January 2022                  |              | MPM                                    | TL-EITI Secretariat                                    | Completed |
| Preparation of scoping analysis report and data reporting templates for 2019 TL-EITI Report. This includes approval of data templates, Scoping study and Inception Report by reporting entities and data collection          | To improve transparency in EI governance and relevant EITI activities as well as producing comprehensive TL- EITI report suitable for public discussion.                      | January to February 2022         |              | MPM                                    | IA, MSWG (reporting entities) and National Secretariat | Completed |
| Reconciliation Process for the 2019 TL-EITI Report. This includes reconciliation of the submitted data templates, consultation with reporting entities and draft report for MSWG reviews and comments and final publication. | To improve transparency in EI governance and relevant EITI activities as well as producing comprehensive TL-EITI report suitable for public discussion.                       | W1 February to end of March 2022 |              | MPM                                    | IA and MSWG (reporting entities)                       | Completed |
| Preparation of Data Summary in xls file of the published 2019 TL-EITI Report. MSG to review and approve.   | To improve transparency in EI governance and relevant EITI activities as well as producing comprehensive TL-EITI report suitable for public discussion.                       | March-June 2022                  |              |  | IA and Nat. Secretariat                                | Completed |

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| Preparation of scoping analysis report and data reporting templates for 2020 TL-EITI Report.   | To improve transparency in EI governance and relevant EITI activities as well as producing comprehensive TL- EITI report suitable for public discussion. | April – June 2022    |      | MPM  | IA and MSWG (reporting entities) and National Secretariat | 2020 TL-EITI Reporting deadline is December 2022   |
| Reconciliation Process for the 2019 TL-EITI Report. This includes reconciliation of the submitted data templates, consultation with reporting entities and draft report for MSWG reviews and comments and final publication.   | To improve transparency in EI governance and relevant EITI activities as well as producing comprehensive TL- EITI report suitable for public discussion. | July – November 2022 |      | MPM  | IA and MSWG (reporting entities) and National Secretariat | 2020 TL-EITI Reporting deadline is December 2022   |
| Develop consultancy/discussions on data disclosure incl. mainstreaming, energy transition & other EITI requirements that will be implemented in future. Document the progress and gaps of the discussion.  | To improve transparency in EI governance and relevant EITI activities as well as producing comprehensive EITI report suitable for public discussion      | Throughout 2022      |      | MPM  | IA, MSWG constituents and TL_EITI Secretariat             |  |
| Investigate and discuss the EITI requirements & information disclosures that will be validated this year incl. disclosure in EITI reports, public websites, outcome and impact analysis. If require, MSG could use the former Progress Report templates to analyze the outcome and impact study. | To report the implementation progress of WP and measure the outcome and impact on EITI implementation in the country.                                    | Feb-Apr 2022.        | N.A. | N.A. | All constituents, IA and TL_EITI Secretariat              | APR 2019-2021 and review impacts of EITI implementation. The validation templates disclose key links to information disclosure. Completed. |

**3<sup>RD</sup> OBJECTIVE: To encourage discussions on transparency in public expenditures, including investment decisions focus on economic diversification**

**Rationale:** Enabling communication tools to the communities for accessing information about public expenditures and extractive activities in transparent manner. Through EITI, we expect local community can use EITI data to emphasize public debate and create discussions on extractive industry governance and on government activities in accordance to the relevant Laws in Timor-Leste. This objective particularly emphasized CSO active participation in EITI,

thus sought the importance of CSO contribution on EITI report and public debate. Previous work plan emphasized public debate with a targeted audience e.g. academic institutions or government members, however it could not possible held due to the Emergency State on Covid19 situation which lead to some academic institutions postponed their activities at schools/universities. This objective as disclosed in previous Work Plan still foresees the need to sharing information with specific audiences who may benefit the use of EITI information. The implementation of the activities described in the table below also relies on the approved state budget.

| ACTIVITIES   | EXPECTED OUTCOME   | TIMEFRAME | ESTIMATED COST | SOURCE OF FUNDING | RESPONSIBLE PARTY                               | COMMENT/ STATUS  |
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| Dissemination information of the published 2019 TL-EITI Report, specifically to a relevant audience (e.g. academics, public sector). It is encouraging discussion with individuals or organizations with relevant knowledge on transparency and extractive industry, | Increased public awareness on EI and EITI data. Improve capacity of stakeholders and TL-EITI Secretariat staffs with public engagements. | Jul – Nov | \$ 35,504.00   | MPM               | MSWG, TL_EITI Secretariat and relevant entities | Did not possible realize in 2021 around academic institutions as the academic activities were closed due to Govt Emergency State . |
| Encouraging active participation of CSO members within EITI report, such as CSO analysis on their public engagement/discussions on extractive industry, PF, etc. towards development and relating information that capture EITI objectives-                          | Increased public awareness on EI and EITI issues for transparency purpose  | Jul –Nov  |                | MPM               | MSWG, TL_EITI Secretariat and relevant entities |  |
| Maintained release information about transparency and EI such as: talk shows, media release, exposition tools (brochures, posters etc.) when possible.   | Increased public awareness on EI and EITI issues for transparency purpose  | Jul-Nov   | \$ 10,000.00   | MPM               | MSWG, TL_EITI Secretariat                       |  |

**4<sup>TH</sup> OBJECTIVE: To encourage discussions on legal framework and maintain contract transparency within extractive industries and other revenues generate in Timor-Leste**

**Rationale:** MSWG acknowledge the importance of strengthening the EITI implementation within the country’s legal framework. The ongoing debate on maritime boundary and the nation’s extractive sector, changes within the relevant extractive laws and policies and legal reforms, updates on Mining Code Law and new PSCs have been monitored by the MSWG. MSWG also acknowledge the inclusion of contract transparency requirement that must be adhered in 2021. MSWG awares that some activities from this objective were not fully implemented in previous year and would attempt to discuss implementation of contract transparency in 2022.

| ACTIVITIES  | EXPECTED OUTCOME  | TIMEFRAME        | ESTIMATED COST | SOURCE OF FUNDING | RESPONSIBLE PARTY                             | COMMENT/ STATUS |
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| Organize as reference information of the laws relevant to the country’s extractive industry (i.e. Mining Law, PSC, licenses) for the upcoming Validation. | To ensure that the Govt. system encompasses EI and EITI for transparency purpose. Promote reforms through institutionalization of policies and relevant laws. | March – May 2022 |                | MPM               | MSWG, TL_EITI Secretariat                     |                 |
| Organize discussions on mining disclosure on EITI publications pursuant to the recently published Mining Code   | To ensure that the Govt. system encompasses EI and EITI for transparency purpose. And increase participation from CSO.  | March – May 2022 |                | MPM               | IA, MSWG constituents and TL_EITI Secretariat |                 |

**5<sup>TH</sup> OBJECTIVE: To enhance EITI institutional development include capacity building for MSWG and National Secretariat members**

**Rationale::** This objective is to continually emphasize capacity building programs in order to enable stakeholders’ fully participation within EITI, particularly for CSO constituents and TL-National Secretariat Staffs. With the high demands concerning requirements from 2019 EITI Standard, it is required stakeholders are fully trained and prepared to implement the established requirements and and enable to create advocacies. At the moment the National Secretariat is led by an Acting Coordinator whom also in charge as Technical Specialist for TL-EITI.

| ACTIVITIES | EXPECTED OUTCOME | TIMEFRAME | ESTIMATED COST | SOURCE OF FUNDING | RESPONSIBLE PARTY | COMMENT/ STATUS |
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| Sharing knowledge between stakeholders on EITI Standard, TL-EITI Reports and extractive industry (EI) governance and legislation.  | Improving capacity of stakeholders and TL-EITI Secretariat staff members. Increased public engagement on EI and EITI data.                    | Throughout 2022 | \$ 50,000.00        | MPM | All constituents, TL-EITI Secretariat & IA | Further plan will be discussed with the IA                      |
| Sharing knowledge with other implementing countries, includes participation in EITI regional conferences, workshops and other international events , virtually or physically attended. | Improving capacity of National Secretariat staff members and the MSWG and strengthening the institutional development of EITI in the country. | Throughout 2022 |                     | MPM | TL-EITI Secretariat and all constituents   | The international events would be scheduled by EITI Int'l.      |
| Strengthening capacity of National Secretariat ( <i>if required</i> ).   | Improving capacity of National Secretariat staffs and strengthen the institutional development of EITI in the country.                        | Throughout 2022 | \$ 49,398.00        | MPM | TL-EITI Secretariat and MPM                | Encouragement on the recruitment of National Coordinator for TL |
| <b>Grand Total Allocated on 2022</b>   |   |                 | <b>\$230,602.00</b> |     |  |   |