

Good morning everyone. I am delighted and pleased to be with all of you today. I'm Marie Gay Alessandra V. Ordenes, Asia Director and Anti-corruption lead from the EITI Secretariat in Oslo. I have been working with T. Leste EITI for 8 years, and it continues to be a privilege for me to witness your EITI implementation over the years.

The EITI or Extractive Industries Transparency Initiative is the global standard for open and accountable management of oil, gas and mineral resources. Currently implemented by 56 countries, it is led by a national multi-stakeholder group with the objective of working together to disclose extractives data, stimulate public debate, and inform policies in the mining, oil and gas sector. T. Leste has been a valued member of the EITI since 2008, and among the pioneers of EITI implementation in Asia.

On this occasion, I congratulate the multi-stakeholder group of EITI T. Leste for publishing its 14th EITI Report. I also want to recognise the hard work of T.Leste EITI national secretariat in ensuring the publication of the report and in gathering us today for its launch. The consistency and zeal with which the government, companies and civil society have kept their commitment to maintain transparency in the extractive sector for the past 14 years is highly commendable. I first encountered T. Leste EITI stakeholders in 2015, when, as then national coordinator of EITI in the Philippines, we invited some officials from your country to share best practices with us. T. Leste EITI has always been well regarded for its efforts to safeguard transparency and accountability in the management of its petroleum sector. For a country that is highly dependent on revenues from the sector, it is encouraging to see that this level of transparency still continues 16 years after T. Leste started implementing EITI. Indeed, in the recent Validation conducted by the EITI Board to assess T.Leste's progress in implementing the EITI Standard, T. Leste fully met eight transparency requirements including exploration data, legal framework, state participation, SOE transactions, production data, export data, comprehensiveness, level of disaggregation, data timeliness, and distribution of revenues.

We are delighted to see that the 14th EITI Report continues to reflect a concerted effort to provide a detailed overview of Timor-Leste's extractive sector. Furthermore, the inclusion of 16 subcontractors in the report expands its coverage, representing a significant step towards transparency by accounting for 99% of total revenue generated within the sector.

Let me highlight some key features of the 14th EITI Report that we think deserve recognition. The 2021 EITI Report, as in previous reports, take a step further in including information that are important to stakeholders, going beyond what is required by the EITI Standard. In line with the EITI's encouragement that EITI reports should meet national objectives, not just EITI requirements, we think it is noteworthy that your report includes information on revenues from subcontractors, data on local content (TL continues to be among the few EITI countries disclosing this information), and some information regarding your emerging mining sector. The report also provides good contextual information about the active PSCs in the country, including production levels, the legal framework governing these PSCs, and details regarding state participation. There is also detailed information on the sector's contribution to the economy, including gender disaggregated data, not only from contractors but also from subcontractors. Remarkably, there is comprehensive disclosure of payments, with all

28 extractive companies in scope submitting data. And as always, the report explains the status of the Petroleum Fund with analysis of its performance in the period under review. According to the report, the Petroleum Fund remains pivotal in financing the state budget, with petroleum revenues contributing around USD 720 million in 2021 and an investment return of USD 1,144 million. These financial contributions underscore the critical role of oil and gas revenue in sustaining government operations and funding essential development initiatives. The transparency of this fund is vital to T. Leste's commitment to an accountable extractive sector, where we hope EITI could continue to strengthen its role.

We also welcome the report's honest assessment of some areas for improvement including recommendations to address confidential information in contracts and beneficial ownership. Interestingly, the highlights the urgent necessity to improve the existing framework to establish a register for legal or beneficial ownership information. We echo the report's recommendation to strengthen beneficial ownership reporting for extractive companies in T. Leste and stand ready to provide support to advance this work.

In addition, we encourage T. Leste EITI to continue its progress in mainstreaming extractives data. Back in 2018, we assessed your system's readiness to transition to systematic disclosure of data to enable the MSG to focus more on data analysis and rely on existing systems for data disclosure. We understand however that this is a work in progress, and there is still appetite to continue with conventional forms of EITI reporting. Nonetheless we continue to encourage the multi-stakeholder group to facilitate data analysis for policy reforms to ensure greater alignment between your EITI implementation and your national priorities. As your EITI report notes, establishing a centralized EITI database will facilitate data sharing, enhance coordination among stakeholders, and improve transparency and accountability in the extractive sector.

Your 14th EITI Report is a testament to the citizens of T. Leste's enduring commitment to transparency and accountability. The EITI Secretariat and EITI Board hope to continue working with you as you continue to shine a light on your extractive sector.

Thank you and congratulations again on the publication of your 14th EITI Report.