

Scoping Study

Extractive Industries Transparency Initiative

Republic of Tajikistan

2013

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Acronyms/Abbreviations

CSO	Civil Society Organizations
DOG	Department of Geology
EITI	Extractive Industries Transparency Initiative
IA	Independent Administrator
MEWR	Ministry of Energy and Water Resources
MINT	Ministry of Industry and New Technologies
MOF	Ministry of Finance
MSG	Multi-Stakeholder Group
PSE	Private Sector Enterprise
RT	Republic of Tajikistan
TC	Tax Committee
TJS	Republic of Tajikistan Somoni (Currency)

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Executive Summary

The extractive sector is becoming increasingly important for Tajikistan's economy. This scoping study aims to provide Tajikistan's EITI multi-stakeholder group with a professional opinion regarding the extractive sectors and companies that should be included in its first EITI report. It covers the relevant extractive activities that took place in Tajikistan during the year 2013, which can be categorized as mining, oil and gas, and electricity production.

In order to identify Tajikistan's key payment streams, an extensive analysis of the country's extractive revenues is undertaken. In 2013, a total of 16 extractive companies – 13 in the mining sector, two in the field of oil and gas extraction, and one involved in electricity production – contributed to the government of Tajikistan's revenues. Their total payments amounted to 97,683,474 Tajikistani Somoni.

This scoping study recommends a threshold of 50,000 Tajikistani Somoni to establish the materiality of a company's total payments to the government. In other words, we recommend that the companies who paid more than TJS 50,000 to the government of Tajikistan in 2013 be required to disclose the totality of those payments as part of the 2013 EITI report. This specific threshold would result in a capture of almost 99.9 percent of all the government revenues for the year 2013. Nine companies had total payments above that threshold in 2013. They are listed in the table below.

	Company	Activity Sector
1	LLC Anzob	Mining
2	UE Geological Survey and Mapping Expedition	Mining
3	LLC Kulob Petroleum Ltd.	Oil and Gas
4	LLC Pakrut	Mining
5	LLC Sanggalt	Mining
6	LLC Sarvat	Mining
7	LLC Somon Oil	Oil and Gas
8	LLC Tajik-Chinese Mining Company	Mining
9	TBEA	Electricity

1. Introduction

EITI Requirement 1 States: The EITI requires effective multi-stakeholder oversight including a functioning multi-stakeholder group that involves the government, companies and the full, independent, active and effective participation of civil society.

After the Republic of Tajikistan (RT) joined the Extractive Industries Transparency Initiative (EITI) in 2012, a multi-stakeholder group (MSG) responsible for its implementation was created. It is the MSG that commissioned this scoping study and facilitated all the meetings and information gathering necessary for its successful completion. This section summarizes the objectives and scope of this document, as well as the limitations of the information it presents.

1.1 Background

Natural resources represent a relatively small share of the Republic of Tajikistan's total economic output. In 2012, natural resources rents, including oil, natural gas, coal, and minerals, contributed 1.8 percent of Tajikistan's GDP.¹ However, that sector is poised for a significant boost in importance. In 2013, natural resources as a share of Tajikistan's GDP grew by 43.6 percent.²

Tajikistan has significant hydrocarbon resources. Its soil holds over 113 million metric tons of oil and 863 billion cubic metres of gas.³ Additionally, it has abundant mineral resources, particularly gold, silver, coal, antimony, uranium, precious stones, and rare earth minerals. Mineral resources, particularly gold and silver, as well as hydrocarbon reserves, represent important future sources of foreign investment for Tajikistan.

The size of Tajikistan's gold reserves has been re-estimated upwards on a few occasions in the recent past. For example, in 2008, a company operating in the country estimated that its soil held 28.1 tons of gold, which was in line with the RT Department of Geology's (DOG) estimates. Subsequently, as an important gold seam was further explored, 117 additional tons of gold were discovered. Additionally, Tajikistan's mammoth silver field, Koni Mansur, holds some of the largest known silver deposits in

¹ <http://data.worldbank.org/indicator/NY.GDP.TOTL.RT.ZS>

² <http://eabr.org/e/about/edb-member/tajikistan/>

³ <http://minerals.usgs.gov/minerals/pubs/country/2011/myb3-2011-ti.pdf>

the world.⁴ When in operation, it holds the potential to be the world's largest operating silver mine.

Therefore, fostering transparency in Tajikistan's growing extractive sector is key for the country's future. Tapping into its natural resource wealth could provide a significant boost for Tajikistan's economy, particularly if it is done transparently. This was already clear in 2011, when president Emomalii Rahmon stated that joining the EITI represented a priority for his country. Tajikistan has been an EITI candidate country since 26 February 2013. This followed a presidential decree adopted on 31 August 2012. The publication of Tajikistan's first EITI report, covering the year 2013, is expected on 26 February 2015.⁵

1.2 Objectives

One of the main objectives of Tajikistan's MSG is the publication of the country's very first EITI report, which will reconcile payment streams to the government in the extractive sector and government revenues from these streams. That report will cover the fiscal year 2013. In order to be useful, EITI reports must be timely, comprehensive, reliable, and accessible to the population of the countries for which they are produced.

Determining the scope of EITI reports represents a crucial step to their publication. This is the purpose served by this scoping study. The aims of this document are threefold: First, it collates the necessary contextual information relating to Tajikistan's extractive sector, given its MSG's objectives and workplan, and the EITI's requirements. Second, it identifies the payments and revenues streams to be covered in the 2013 Report, as well as the companies, state-owned enterprises and government entities expected to disclose their payments as part of it. Finally, it reviews and summarizes the auditing practices and assurances to be provided by the designated reporting entities, as previously outlined in the EITI Standard.

This scoping study is drafted in accordance with the 2013 EITI Standard, which represents the authoritative guidance source for countries implementing the EITI. The new EITI Standard was formally launched at the EITI Global Conference, which took place on 23 and 24 May 2013 in Sydney, Australia. It is available in seven languages on the EITI website, and can be consulted for any clarifications on the terminology used as part of this scoping study.⁶

⁴ <http://minerals.usgs.gov/minerals/pubs/country/2012/myb3-2012-ti.pdf>

⁵ <https://eiti.org/tajikistan>

⁶ <https://eiti.org/document/standard>

1.3 Scope

The objective of this scoping study is to provide Tajikistan’s MSG with a professional opinion regarding the sectors that will be covered in its report covering the financial period of 1 January to 31 December 2013. This scoping study follows a visit to Tajikistan that took place from 4 to 11 August 2014. It covers the relevant extractive activities that took place in Tajikistan during the year 2013, which can be broadly categorized as mining, oil and gas, and electricity production.

1.4 Limitations

The information regarding government payments present in this study reflects the 2013 fiscal year only. It was made available to us by the Republic of Tajikistan Tax Committee (TC). In principle, the list of payments provided by the TC includes all the payments to the government for the year 2013. However, we were not able to independently verify the completeness of this list.

There are three main limitations to the information reflected in this scoping study. First, the level of aggregation of the measure titled “Other Mandatory Payments to the National Budget” makes the nature of those payments unclear. The variety of payments that could be present in this broad measure makes it difficult to identify the significance of certain key types of monetary transfers, such as signature bonuses and dividend payments. Second, the ownership structure of the companies operating in Tajikistan during the year 2013 was not disclosed as part of the documentation provided to us by the relevant government agencies. This makes it difficult to know, for example, the share of government ownership in these firms. Third, the licensing information contained in Appendix A is incomplete. The licensing information pertaining to hydrocarbons, which is under the purview of the Republic of Tajikistan Ministry of Energy and Water Resources (MEWR), had not been provided to us by the date of publication of this scoping study.

Due to the frequent delays associated with the disclosure of government data, we recommend that the MSG collect this information as soon as possible, as it should be included in the Republic of Tajikistan 2013 EITI Report.

2. Approach and Methodology

EITI Requirement 6 states: The EITI requires the production of comprehensive EITI Reports that include full government disclosure of extractive industry revenues, and disclosure of all material payments to government by oil, gas and mining companies.

This requirement serves as a guiding principle for this scoping study. This section summarizes the approach and methodology behind this study. It highlights the meetings that took place during the initial phase of the work, as well as the methodology adopted to determine the materiality thresholds recommended for the 2013 EITI Report

2.1 Approach

2.1.1 Opening Meeting

The meeting that launched the preparation of this scoping study took place on 4 August 2014 at the Republic of Tajikistan Ministry of Finance (MOF). The goals of that meeting were twofold. The first objective was to establish the timeline and strategy of the mission, in order to be able to collect all the necessary information in a constrained timeframe. The second objective was to discuss the immediate goals of the scoping study, and how they relate to the objectives regarding the publication of the 2013 EITI Report.

2.1.2 Subsequent Meetings

Following the first meeting with the MSG, which set the tone for the remainder of the mission, other interviews and meetings were held in Dushanbe with various government ministries and agencies. The list of government entities that were met over the course of the mission can be found in Figure 2.1. A sample of private sector enterprises (PSE) and civil society organizations (CSO) were also interviewed for this study. These organizations and their representatives wished to remain anonymous and are therefore excluded from said list.

Figure 2.1: Meetings in Preparation of the Scoping Study

	Date	Government Entity
1	04-08-2014	Republic of Tajikistan Ministry of Finance
2	06-08-2014	Agency of Statistics under the President of the Republic of Tajikistan
3	06-08-2014	Republic of Tajikistan Ministry of Industry and New Technologies
4	06-08-2014	Department of Geology under the Republic of Tajikistan Government
5	07-08-2014	Investment Council under the President of the Republic of Tajikistan
6	07-08-2014	Republic of Tajikistan Tax Committee
7	08-08-2014	Republic of Tajikistan Ministry of Energy and Water Resources

Following the mission, the documentation required to complete this study was received from the various government entities met, through the MSG. Below is the list of government agencies that provided the necessary information, and the date on which it was received.

Figure 2.2: Documents Used for Drafting the Scoping Study

	Date Received	Government Entity
1	08-09-2014	Agency of Statistics under the President of the Republic of Tajikistan
2	21-09-2014	Republic of Tajikistan Ministry of Industry and New Technologies
3	22-10-2014	Department of Geology under the Republic of Tajikistan Government
4	13-10-2014	Republic of Tajikistan Tax Committee

2.2. Methodology

This scoping study employs a quantitative methodology. It comprises an analysis of macro-level datasets, which were provided by various ministries and agencies of the RT government. The methodology described in this section is carried out in Section 3 and Section 4.

2.2.1 Analysis of Revenue Streams

In order to identify the most relevant revenue streams in the RT extractive sector, an in-depth analysis of government revenues was undertaken. In doing so, the macro dataset provided by the TC was examined. We considered all the relevant payments for the year 2013 and divided them into three broad streams: mining, oil and gas, and electricity production. In 2013, the mining revenues of the RT government were paid by 13 companies, the oil and gas government revenues came from two companies, and a single electricity production company made payments to the government.

Additionally, the payments made to the government were broken down by relevant categories, namely by the tax or payment category to which they could be ascribed. This helped provide a clear picture of the channels through which payments to the RT government flow.

2.2.2 Establishment of Materiality

After having determined the respective sizes of the different revenue streams in the extractive sector, both by sector and by payment type, our focus shifted to determining materiality thresholds at the company level. In order to do so, the percentage of the total government revenue from each of the 16 extractive-sector companies that made payments to the RT government was determined. To identify the company-level materiality threshold for reporting, the government revenue information provided by the TC was reviewed.

Two approaches can be taken to determine the materiality thresholds of company-level payments to EITI member countries. First, an aggregate payment threshold can be determined, whereby all the companies whose total payments to the government lie above said threshold disclose their payments. For example, a threshold of 10,000 Tajikistani Somoni (TJS) could be set, and all the companies with total payments to the government exceeding that sum would be required to disclose as part of the EITI Report. Alternatively, disaggregate payment thresholds can be used. This employs the same strategy, but sets thresholds for different payment types. For example, any company

paying more than TJS 10,000 in corporate taxes, or TJS 5,000 in license fees, could be required to disclose the totality of its payments to the government as part of the EITI Report.

Due to the diverse nature of the payments made to the RT government in 2013, as well as the level of aggregation of some of these measures (see Figure 3.1), we recommend the adoption of an aggregate payment threshold and proceed accordingly.

2.2.3 Identification of Reporting Entities

After having established appropriate minimum thresholds of materiality, the individual payments of the extractive companies operating in Tajikistan in 2013 were measured. These were weighed against the established threshold, and whether or not they should be required to report their payments as part of the 2013 EITI Report was determined.

3. Defining Materiality

EITI Requirement 4 States: The EITI requires the production of comprehensive EITI Reports that include full government disclosure of extractive industry revenues, and disclosure of all material payments to government by oil, gas and mining companies.

This section addresses the establishment of materiality thresholds for company-level payments to the RT government. First, it disaggregates revenue streams by resource type and by payment category in order to give readers a clear idea of where the payments originate. Second, it breaks down payments at the company level, in order to determine the threshold above which companies should be required to disclose their payments to the RT government.

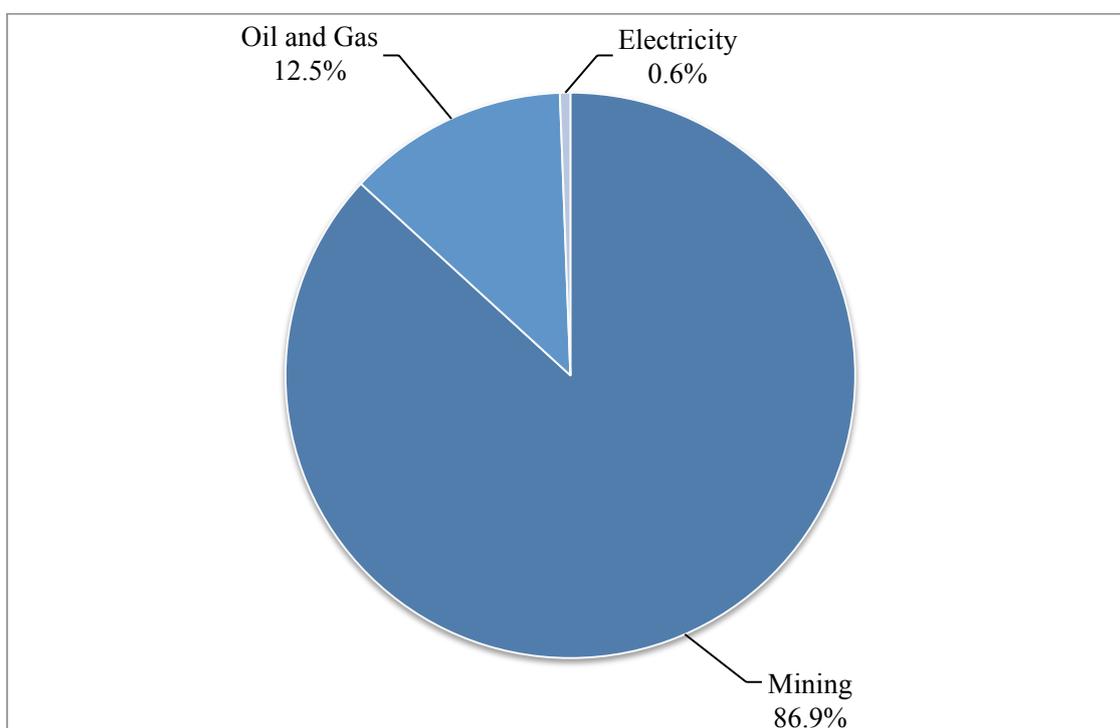
3.1 Analysis of Revenue Streams

3.1.1 Payment Streams by Extractive Sector

In order to achieve a clear understanding of the extractive activities that generated revenue streams for the RT government in 2013, we divide the payments by natural resource type. These streams are divided broadly as mining, oil and gas, and electricity production. These three streams include the payments pertaining to the exploration activities relating to these sectors.

Figure 3.1: Total Payments by Resource Type (TJS) (2013)

Payment Category	Operating Companies (out of 16)	Collected Total (TJS)
Mining	13	84,838,398
Oil and Gas	2	12,272,879
Electricity Production	1	572,197
Total	16	97,683,474

Figure 3.2: Total Payments by Resource Type (%) (2013)

We recommend that each of these revenue streams be included in the 2013 Report for two reasons. First, while the mining sector was clearly the largest source of government revenues for the year 2013, the other two sectors represent important future sources of income for the RT government. The country’s oil and gas reserves suggest that hydrocarbons will represent a key source of government revenue in Tajikistan for the foreseeable future. Electricity production is also likely to become a significant revenue source for the RT government, as it aims to generate important quantities of hydropower through the Vakhsh Cascade. Second, the small number of companies comprised in each stream should make their inclusion to the report relatively simple.

3.1.2 Payment Streams by Revenue Category

In order to achieve a clear understanding of the different revenues received by the RT government in 2013, we divided the payments by category.⁷ These categories are derived from the ones used by the RT Tax Committee, which is why the measure “Other Payments to the National Budget” is aggregated.

⁷ Four payment categories were merged as part of “Other Taxes”, namely “Streamlined Tax, “Tax on Company Car”, “Tax on Immovable Property/Land”, and “Other Payments to the Local Budget”. Each represented less than 0.3 percent of the total payments received by the RT government.

Figure 3.3: Aggregate Payments by Category (TJS) (2013)

Payment Category	Number of Companies (out of 16)	Collected Total (TJS)
Tax on Using Natural Resources	9	31,732,540
Profits Tax	6	19,619,952
Social Tax	16	19,192,988
Income Tax	16	7,876,923
Other Payments to the National Budget	5	6,787,324
Tax on Using Roads	8	6,433,744
Value Added Tax	4	5,516,156
Other Taxes	11	523,847
Total	16	97,683,474

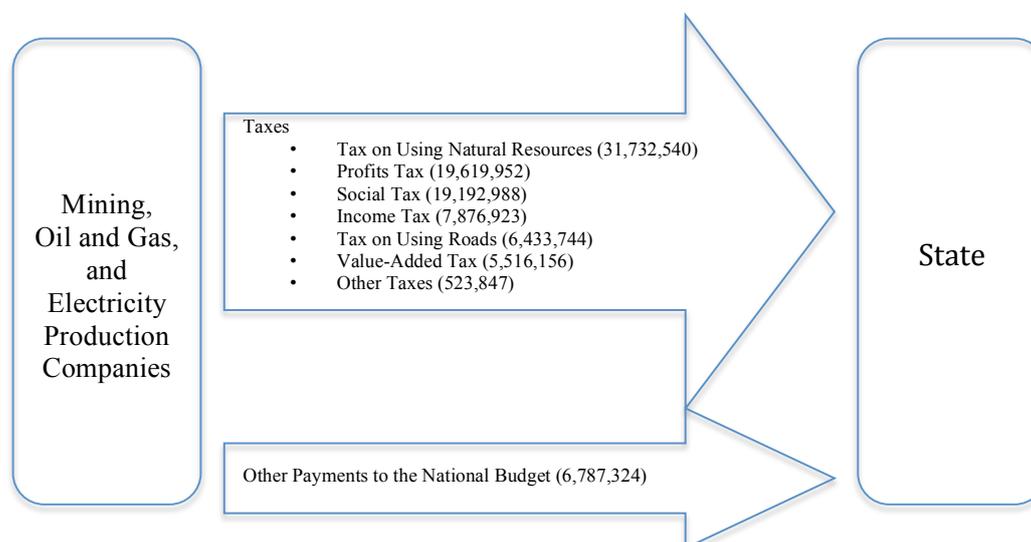
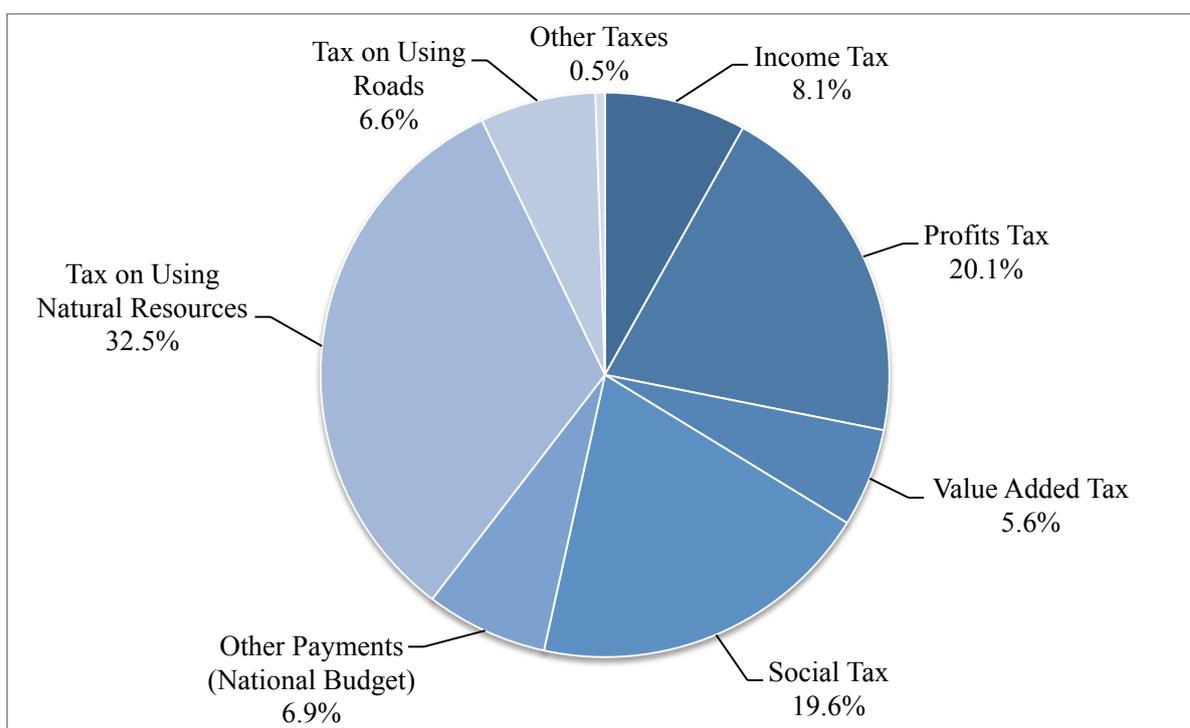
Figure 3.4: Aggregate Payments by Category (TJS) (2013)

Figure 3.5: Aggregate Payments by Category (%) (2013)

3.2 Materiality Definition

In accordance with EITI requirement 4.1.a: “Payments and revenues are considered material if their omission or misstatement could significantly affect the comprehensiveness of the EITI Report.” Simply put, payments are material if they are determined to be a significant part of the total payments to the RT government.

3.3 Materiality Thresholds

Due to the diverse nature of the payments made to the RT government in 2013, as well as the level of aggregation of some of these measures, we recommend a total payments threshold to determine materiality. The specific threshold we suggest as part of this study is TJS 50,000. This signifies that all the companies that made payments exceeding TJS 50,000 to the RT government in 2013 should be required to disclose the totality of their payments as part of the 2013 Republic of Tajikistan EITI Report. Figure 3.6 highlights the capture of payments that this approach would achieve.

Figure 3.6: Aggregate Payments by Company (TJS) (2013)

Threshold	Number of Companies	Relative Revenue	Relative Weight (%)	Cumulative Weight (%)
Amount > 5 Million	4	94,162,262	96.39	96.39
500 Thousand – 5 Million	4	3,312,587	3.39	99.78
50 Thousand – 500 Thousand	1	102,577	0.11	99.89
Amount < 50 Thousand	7	106,048	0.11	100.00
Total	16	97,683,474	100.00	

4. Results and Analysis of the Scoping Study

EITI Requirement 3 States: In order for EITI Reports to be comprehensible and useful to the public, they must be accompanied by publicly available contextual information about the extractive industries.

This section explains the findings presented in Section 3 and clarifies their implications for the publication of the Republic of Tajikistan 2013 EITI Report.

4.1 Payment Sources to be Reported

Upon looking at Figure 3.1, one can see clearly that the overwhelming majority of payments to the RT government come from a relatively small share of its companies. In 2013, four companies provided over 96 percent of government revenues from natural resources. It is not uncommon to see a small number of companies occupy an important part of the extractive sector in a country. However, the extent to which that is the case in Tajikistan reflects the fact that its extractive sector is still developing, and not yet very diversified.

Based on the TJS 50,000 materiality threshold we recommend, the payments of nine companies should be present in the RT's 2013 Final EITI Report. The disclosure of these payments would result in a capture of almost 99.9 percent of total government revenues from extractive resources. The remaining 0.1 percent was paid by 7 companies. As their financial contributions are below the suggested materiality threshold, these companies should not be required to disclose their payments as part of the 2013 Report.

Below is the list of the companies that we recommend should be required to disclose their payments as part of the Republic of Tajikistan 2013 EITI Report. These companies are classified in alphabetical order. Appendix A can be consulted for more detailed information regarding these companies and their licences. Additional information regarding other companies with total payments below the TJS 50,000 materiality threshold can be found in Appendix B.

Figure 4.1: Companies to Report for the 2013 Report (TJS)^{8,9}

	Company	Activity Sector	Total Payments
1	LLC Anzob	Mining	16,640,270
2	UE Geological Survey and Mapping Expedition	Mining	705,180
3	LLC Kulob Petroleum Ltd.	Oil and Gas	11,598,649
4	LLC Pakrut	Mining	9,130,885
5	LLC Sanggalt	Mining	1,360,980
6	LLC Sarvat	Mining	102,577
7	LLC Somon Oil	Oil and Gas	674,230
8	LLC Tajik-Chinese Mining Company	Mining	56,792,458
9	TBEA	Electricity	572,197
	Total		97,577,426

⁸ These figures were taken directly from the data provided by the Republic of Tajikistan Tax Committee. The names of some of the companies were translated, where necessary.

⁹ For a complete list of the companies that made payments to the RT government in 2013, including those below the materiality threshold, consult Appendix B

5. Auditing Practices and Insurances

EITI Requirement 5 states: The EITI seeks to build on existing audit and assurance systems in government and industry and to promote adherence to international practice and standards. The multi-stakeholder group is required to appoint an Independent Administrator to reconcile the data submitted by companies and government entities.

Following this scoping study, we recommend that the companies listed in Figure 4.1 disclose the payments they made to the RT government as part of the 2013 EITI Report. The reconciliation of these payments with government revenues should be undertaken by an independent administrator (IA) employing international professional auditing standards. The MSG will endorse the appointment of the independent administrator, which should ensure his or her degree of professionalism and expertise.

The MSG, in consultation with the IA, should review the audit and assurance procedures of the companies and government entities participating in the EITI reporting process. Additionally, we recommend that the MSG, in collaboration with the IA, also examine the relevant laws and regulations of Tajikistan's extractive sector in order to determine whether they are in line with international standards.

Finally, based on EITI Requirement 5, we recommend three courses of action in order to ensure the accuracy of the data provided by the government and companies. First, a senior company or government official from each reporting entity should be asked to legally attest that the information reported is complete and accurate. Second, a confirmation letter should be required from the companies' external auditors, confirming that the information submitted is both comprehensive and consistent with their audited financial statements. Finally, where necessary and feasible, government reporting entities should be required to obtain a certification of the accuracy of their disclosures from an external auditor or an equivalent entity. These steps would ensure, to the greatest possible extent, the accuracy and exhaustiveness of the information provided for the preparation of the Republic of Tajikistan 2013 EITI Report.

6. Barriers to Disclosure and Recommendations

EITI Requirement 7 States: EITI Reports lead to the fulfillment of the EITI Principles by contributing to wider public debate. It is also vital that lessons learnt during implementation are acted upon, that discrepancies identified in EITI Reports are explained and, if necessary, addressed, and that EITI implementation is on a stable, sustainable footing.

There are a number of issues to be addressed with regards to the RT government's disclosure of information regarding its extractive sector. This section addresses the ones most pertinent to the publication of the 2013 EITI Report.

6.1 Geological Deposits

Information regarding the very size of natural resource deposits in Tajikistan is a challenge to obtain. For example, the RT's geological, gravimetric, cartographic, hydrographic, and hydro meteorological data, as well as their characteristics, are classified as a state secret under Article 5 of the government's Law on State Secrets.¹⁰ Exploration companies must undergo a complex and time-consuming process in order to obtain information regarding reserves from the DOG.

6.2 Disclosure of Licensing Information

Obtaining data regarding the license registries in the Tajikistan also represents a challenging endeavour. The RT's licensing information is maintained by three separate entities. These represent the official channels through which one can obtain information. The Department of Geology under the RT government is responsible for the information relating to exploration licenses; the RT's Ministry of Energy and Water Resources for hydrocarbon licences; and the RT's Ministry of Industry and New Technologies (MINT) for solid and common minerals licenses. Obtaining lists of license-holders necessitates face-to-face meetings with all three entities, in addition to a letter from a relevant ministry. This highlights the difficulties associated with obtaining such information.

¹⁰ http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2014/07/15/000442464_20140715114228/Rendered/PDF/892290BRI00Box0730ADD0VCOKNOW0NOTES.pdf

6.3 Fiscal Regime

An additional potential barrier to adequate disclosure in the case of Tajikistan arises due to the lack of clarity in its fiscal regime. The current taxation code does not provide clear guidelines on royalties and includes a number of tax mechanisms that make it challenging for companies to calculate an effective tax rate. There are multiple taxing instruments that can be applied for companies, and the tax structure for an individual firm is decided on a case-by-case basis.

Another issue regarding the taxation mechanism in Tajikistan, which was raised by a number of companies during interviews for the preparation of this study, is that taxes are often levied in advance for the subsequent fiscal period. This can lead to cash flow problems for firms, and makes government accounting processes inconsistent.

A final potential issue is that, as pointed out by private sector informants, companies are generally required to pay subscription bonuses to the government long before production actually starts. Requiring up-front bonuses can drive investors to other destinations. It can also lead to discrepancies in government reporting, if these bonuses are not accounted consistently.

6.4 Recommendations

Much remains to be done in order to make Tajikistan's extractive sector more streamlined and transparent. Joining the EITI represented a milestone for the latter. One key step to ameliorate the situation would be to increase the public availability of information regarding its extractive sector, both in terms of natural resources reserves and in terms of licensing information. Additionally, the government should streamline its taxation process in order to make it more consistent for different companies. This would make the accounting of government revenues much easier, as an effective tax rate could be determined. It would also boost transparency, as the level of taxation of extractive companies would become public knowledge.

Appendix A – Licensing Information

1. Mineral Licences¹¹

No	Company Name	Tax Information Number	Type of Permitted Activity	Permit Serial Number	Validity Period of Permit
1	CJSC “Hasani S”	020012115	Oil and gas extraction	0000133	2.12.2007. to 2.12.2021.
2	LLC “Shuhrat Ltd”	210003961	Salt extraction	0000134	2.02.2007. to 2.02.2017.
3	OJSC “Takobski GOP”	150000227	Tungsten mining	0000152	30.06.2007. to 30.06.2022.
4	Gold prospectors team “Odina”	230001294	Grain gold extraction	0000154	2007 to 2019
5	LLC “Tajik Marble”	020006180	Limestone mining	000153	2007 to 2017
6	LLC “Ghajur”	400003493	Limestone mining	0000155	31.08.2007. to 31.08.2017.

7	LLC “Shohon”	570008153	Oil extraction	0000156	2007 to 2022
8	LLC “Tajik-Chinese mining company”		Extraction of lead and zinc ore Extraction of polymetallic ore	0000160 0000159	07.09.2006. to 07.09.2021. 07.09.2006. to 07.09.2021.
9	LLC “Amon”		Oil extraction	0000157	11.04.2008. to 11.04.2013.
10	SUE “Toshkutan coal mine”		Coal mining	0000831	18.04.2008. to 18.04.2015.
11	OJSC “Takob mining processing plant (MPP)”		Extraction of zinc–fluorite ore Extraction of zinc–fluorite Ore	0000832 0000833	01.04.2008. to 01.04.2014. 01.04.2008. to 01.04.2014.
12	Company limited by shares (CLS) “Kulob Petroleum Limited”		Extraction of gas Extraction of oil Extraction of oil Extraction of oil and gas	0000839 0000838 0000837 0000840	13.06.2008. to 13.06.2033. 13.06.2008. to 13.06.2033. 13.06.2008. to 13.06.2033. 13.06.2008. to 13.06.2033.

13	LLC “Ghuzn village coal mine”	Coal mining	0000841	02.07.2008. to 02.07.2016.
14	LLC “Kavsar and K”	Limestone mining	0000842	02.07.2008. to 02.07.2018.
15	LCC “Kitaka” subsidiary in Tajikistan	Coal mining	0000844	18.07.2008. to 18.07.2009.
16	Subsidiary enterprise (SU) “Naftugazistehsoli Janubi”, SUE Naftugaz”	Oil and gas extraction	0000843	29.07.2008. to 29.07.2017.
17	CJSC “Tillogul”	Decorative marble mining	0000846	07.02.2008. to 07.02.2013.
18	LLC “Zarafshon”	Gold mining	0000847	13.08.2008. to 13.08.2014.
		Gold mining	0000848	13.08.2008. to 13.08.14.
		Gold mining	0000849	13.08.2008. to 13.08.2017.
		Gold mining	0000850	13.08.2008. to 13.08.2017.

19	OJSC mining processing plant “Adasmon”	Mining and processing of lead and silver	0001185	15.11.2008. to 24.11.2010.
		Mining and processing of lead and silver	0001186	15.11.2008. to 24.11.2010.
20	LLC “Sayod trading company”	Coal mining	0001183	15.11.2008. to 15.11.2016.
21	LLE “Dushanbe”	Table salt production	00001184	21.01.2009. to 15.07.2019.
22	LLC “Rukhshona”	Mining of gypsum stone	0001192	02.02.2009. to 02.02.2019.
23	LLE “Der & K”	Extraction of manganese ore	0001191	02.02.2009. to 02.02.2014.
24	Special (Kazanian) state enterprise “Tajik Gold”	Gold dust mining	0001189	20.04.2009. to 23.03.2014.
		Gold dust mining	0001190	20.04.2009. to 23.03.2014.
25	CJSC Isfara town	Limestone mining	0001193	02.04.2009. to 02.04.2019.
26	LLC “39 Parallel”	Quartz mining	0001194	28.05.2009. to 28.05.2019.
27	LCC “Kitaka” subsidiary	Coal mining	0001981	28.07.2009. to 28.07.2010.

28	LCC “Aprelevka”	Gold and silver mining	0001983	20.08.2009. to 20.08.2014.
29	LLC “Zarafshon phosphate”	Phosphate ore production	0001982	02.07.2009. to 02.07.2016.
30	LLC “Ganj”	Processing of generated rock of a small and light fraction containing gold	0001198	29.10.2009. to 29.10.2014.
31	Stone prospecting and processing private enterpriser “Anori Darvoz”	Coil extraction Opicalcite extraction	0001196 0001196	28.07.2009. to 28.07.2014. 28.07.2009. to 28.07.2014.
32	OJSC “Somonros”	Quartz extraction	0001986	31.08.2009. to 31.08.2009.
33	“Vrotek investment” company Ltd	Stannum ore extraction	0001985	09.04.2009. to 09.04.2021.
34	LLC “TA Development Group”	Extraction of lead and zinc	0001987	01.10.2009. to 01.10.2016.
35	LLC “Naziri”	Gold dust mining	0001199	02.12.2009. to 02.12.2024.
36	LLC “Khayomi Nur”	Limestone mining	0001989	2009 to 29.04.2019.

37	LLC “DION ANGISHT”	Coal mining	0001210	30.03.2010. to 30.03.2020.
38	LLC “JOBIRI SOBIR”	Marble mining	0001990	27.02.2010. to 27.02.2017.
39	Private enterprise “Nazar Ailoq”	Coal mining	0001200	28.04.2010. to 28.04.2015.
40	LLC “Abdulaziz”	Gold dust mining	0001202	30.03.2010. to 30.03.2020.
41	LLC “VTI Pomir”	Coal mining	0001201	22.04.2010. to 22.04.2015.
42	PE SUE “Fon Yaghnob mine”	Coal mining	0001208	05.07.2010. to 05.07.2015.
43	OJSC “Angisht”	Coal mining	0001209	01.07.2010. to 01.07.2015.
44	LLC “Vurumun”	Coal mining	0001206	14.09.2010. to 14.09.2018.
45	LLC “Sanghali”	Coal mining	0001207	12.09.2010. to 12.09.2018.
46	LLC “Takom Gold”	Gold dust extraction	0003243	20.10.2010. to 27.06.2021.
		Gold dust extraction	0003244	20.10.2010. to 27.06.2021.

47	“Tajik Gold”	Gold dust mining	0003245	30.10.2010. to 30.10.2020.
		Gold dust mining	0003246	30.10.2010. to 30.10.2020.
		Gold dust mining	0003247	30.10.2010. to 30.10.2020.
48	LLC “Shohon”	Oil extraction	0003250	03.12.2010. to 03.12.2025.
49	“TBEA Dushanbe Energy”	Gold mining	0003249	30.12.2010. to 30.
50	LLC “Aprelevka”	Gold ore mining	0003248	30.10.2010. to 30.10.2015.
51	“TBEA representative office in RT”	Coal mining	0003480	02.10.2010. to 02.10.2020.
52	OJSC “MPP Adrasmon”	Extraction of lead and silver ore	0003471	01.01.01. until approval by ATN
53	OJSC “Adrasmon MPP”	Extraction of lead and silver ore	0003472	01.01.01. until approval by ATN

54	LLC “Vrodtek Tajikistan” reissuance	Ore mining	0003479	29.08.2011. to 29.08.2021.
55	LLC “Sharifi Murodali”	Gold dust mining	0003474	30.08.2011. to 30.08.2016.
56	LLC “Pakrut”	Gold mining	0003801	02.11.2011. to 02.11.2030.
57	LLC “Din Shin Khe”	Extraction of useful component from landfill	0004078	03.12.2011. to 03.12.2016.
58	LLC “Metallurgical complex of Tajikistan and China”	Extraction of iron ore and other metals	0003475	30.08.2011. to 30.08.2030.
59	LLC “Pakrut”	Gold mining	0003801	02.11.2011. to 02.11.2030.
60	LLC “Kansin”	Gold dust mining	0003477	30.03.2011.
61	LLC “TBEA Dushanbe mining industry”	Gold mining	0003810	26.04.2012. to 26.04.2026.
62	LLC “Everest trading”	Extraction of iron oxide	0003808	01.03.2012. to 01.03.2025.

63	LLC “Nugraform”	Extraction of silver and other metals	0003809	30.06.2012. to 30.06.2027.
64	LLC “Petroleum Sughd”	Extraction and production of energy sources (oil & gas) Energy sources research and discovery (oil & gas)	003807 0003804	17.07.2012. to 17.07.2022. 17.07.2012. to 20.12.2022.
65	LLC “Petroleum Sughd”	Use of oil and gas deposits	0003805	17.07.2012. to 20.12.2022.
66	PE “Sughdnafugaz” SUE “Oil, gas and coal”	Oil and gas extraction	0004807	31.05.2012. to 31.05.2017.
67	LLC “Siyovush F”	Coal mining	0004810	30.06.2012. to 30.06.2022.
68	LLC “Ganj & K”	Coal mining	0004808	03.10.2012. to 03.10.2022.
69	OJSC “Construction material producing	Gypsum stone mining		

	plant of Isfara”		
70	LLC “Barakati Istiqloj”	Gold dust mining	0005737 02.03.2013. to 02.03.2023.
71	LLC “Taleo Resource”	Coal mining	
72	LLC “Ganj & K”	Extraction of alabaster	
73	OJSC “Tajikcement”	Northern gypsum stone mining	

2. Oil and Gas Licenses¹²

No	Company Name	Tax Information Number	Type of Permitted Activity	Permit Serial Number	Validity Period of Permit
1	LLC “Quilla”		Geological survey - Gold and silver	0000220	15.03.2011 to 15.03.2016
2	LLC “Tajikistan – China Mining Company”	020024182	Geological survey - Lead and zink	0000224	08.06.2011 to 08.06.2016
3	LLC “Bunyod+AA”	520005960	Geological survey - Spilled minerals	0000227	01.08.2011 to 01.08.2016
4	LLC “Eskinkom”	520006706	Geological survey - Spilled minerals	0000228	01.08.2011 to 01.08.2016
5	LLC T ajik – Canadian “Aprelevka”	360000752	Geological survey - Gold	0000229	03.12.2011 to 03.12.2016
6	LLC “T angar”	030014492	Geological survey - Marble	0000230	30.12.2011 to 30.12.2019
7	CJSC “Hasht Holati Fosforitho”	010088110	Geological survey - Phosphorites	0000233	31.08.2012 to 31.08.2017

¹² This table of licensing information was provided by the Department of Geology under the Republic of Tajikistan government. Some modifications were made to the information provided in order to present it more consistently. No changes were made to the company names or figures.

8	LLC “Broadtech Mining Investment Co Limited”	750001271	Geological survey - Tin	0000236	10.01.2013 to 10.01.2018
			Geological survey - Tin	0000237	10.01.2013 to 10.01.2018
9	LLC “Sarvat”		Geological survey - Gold	0000239	10.07.2013 to 10.07.2016
10	OJSC “Gazprom	020021184	Geological survey - Oil and gas	0000240	15.09.2013 to 15.09.2018
			Geological survey - Oil and gas	0000247	15.09.2013 to 15.09.2018
11	Kulob Petroleum Limited - 33.33%		Geological survey - Oil and gas	0000248	23.06.2014 to 11.07.2033
	Total - 33.335%		Geological survey - Oil and gas	0000249	23.06.2014 to 11.07.2033
	China National Petroleum Corporation - 33.335%		Geological survey - Oil and gas	0000250	23.06.2014 to 11.07.2033
			Geological survey - Oil and gas	0000251	23.06.2014 to 11.07.2033
			Geological survey - Oil and gas	0000252	23.06.2014 to 11.07.2033
			Geological survey - Oil and gas	0000253	23.06.2014 to 11.07.2033

Geological survey - Oil and gas	0000254	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000255	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000256	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000257	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000258	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000259	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000260	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000261	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000262	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000263	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000264	23.06.2014 to 11.07.2033

Geological survey - Oil and gas	0000265	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000266	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000267	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000268	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000269	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000270	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000271	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000272	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000273	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000274	23.06.2014 to 11.07.2033
Geological survey - Oil and gas	0000275	23.06.2014 to 11.07.2033

			Geological survey - Oil and gas	0000276	23.06.2014 to 11.07.2033
			Geological survey - Oil and gas	0000277	23.06.2014 to 11.07.2033
			Geological survey - Oil and gas	0000278	23.06.2014 to 11.07.2033
12	LLC “Edgo Energy”	010086766	Geological survey - Oil and gas	0000279	23.06.2014 to 11.07.2033
13	JSC “Somon Oil”	020019140	Geological survey - Oil and gas	0000206	28.07.2009 to 28.07.2016
14	LLC “SA Minerals”	010020209	Geological survey - Silver	135	15.09.2006 to 15.09.2016
15	LLC TA “KM “Anzob”		Geological survey - Antimony	0000207	02.07.2009 to 02.07.2018
			Geological survey - Coal	0000219	20.12.2010 to 20.12.2015
16	LLC “Somon Kayonen”	040023211	Geological survey - Rubine	135	24.06.2008 to 24.06.2016
17	LLC “Kamarob”		Geological survey and mining - Coal	0000001	01.08.1997 to 01.08.2017
18	LLC “VTI – Pomir”		Geological survey - Coal	0000217	24.04.2010 to 24.04.2015

Appendix B – Payment Information (TJS)¹³

Company	Activity Sector	Income Tax	Profits Tax	Value Added Tax	Social Tax	Other Payments (National Budget)	Tax on Natural Resources	Tax on Using Roads	Other Taxes	Total
LLC Anzob	Mining	1,348,199	5,161,104	30,594	2,661,766	3,168,468	3,298,936	933,346	37,857	16,640,270
LLC Avesto 02	Mining	675			1,600					2,275
Broadtec Investment Co. Ltd.	Mining	6,992			14,360				2,098	23,450
UE Geological Survey Mapping	Mining	96,220	15,338	317,100	203,600			30,846	42,076	705,180
LLC Kulob Petroleum Ltd.	Oil & Gas	1,044,334	1,167,155	4,751,114	1,467,099	464,320	2,014,034	566,457	124,136	11,598,649
LLC Pakrut	Mining	1,709,332	13,663		2,674,278		4,603,602	130,010		9,130,885
LLC Pasi Gaj	Mining	1,000			1,700	500	2,118		4,091	9,409
LLC Sanggalt	Mining	48,313	478,575	417,348	91,202	1,111	210,938	700	112,793	1,360,980
LLC Sangrezai Marmar	Mining	1,500			7,800		2,500			11,800
LLC Sarvat	Mining	33,123			64,647				4,807	102,577
LLC Somon Kaehen	Mining	2,094			4,405					6,499
LLC Somon Oil	Oil & Gas	262,071			220,481			190,520	1,158	674,230
LLC Tajik-Chinese Mining Co.	Mining	3,277,051	12,784,117		11,403,827	3,152,925	21,400,412	4,581,850	192,276	56,792,458
TBEA	Electricity	24,309			367,888		180,000			572,197
LLC Vohidiyon	Mining	15,000			5,000		20,000			40,000
LLC Zarink	Mining	6,710			3,335			15	2,555	12,615
Total		7,876,923	19,619,952	5,516,156	19,192,988	6,787,324	31,732,540	6,433,744	523,847	97,683,474

¹³ This table of licensing information was provided by the Republic of Tajikistan Tax Committee. Some modifications were made to the information provided in order to present it more consistently. The company names were translated to English, where necessary.