



**COORDINATING MINISTRY FOR ECONOMIC AFFAIRS
REPUBLIC OF INDONESIA**

EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE
EITI INDONESIA

ANNUAL REPORT 2013

Prepared by:
Secretariat of Extractive Industry Transparency Team
Deputy of Energy and Mineral Resources
December, 2013



PREFACE



The Extractive Industries Transparency Initiative is a global standard to advocate further transparency on state revenues from the extractive industries (petroleum, natural gas, minerals and coals). The basic principle of the transparency initiative is reconciliation between payment records of extractive companies and revenue records of the government received from said extractive companies, with the result being publicized in detail as public information.

The initiative is predicated upon voluntary participation and is supported by a coalition of various stakeholders consisting of corporations, governments, and civil society organizations. At present, there are 41 countries which have implemented EITI across the globe, including the Republic of Indonesia, which had been accepted as a candidate country in 19 October 2010. Indonesia's participation within EITI was based upon a submission letter sent by the Coordinating Minister for Economic Affairs on 14 September 2010.

The legal basis for the implementation of EITI in Indonesia is Presidential Regulation (PR) 26/2010 on Transparency of State and Regional Revenues from the Extractive Industries. The PR governed that EITI Indonesia will be implemented by a Transparency Team consisting of a Steering Committee and an Implementation Multi-Stakeholder Working Group (MSG). The Steering Committee is chaired by the Coordinating Minister for Economic Affairs, Mr. Hatta Rajasa, which is responsible to provide guidance and evaluation to the Implementation MSG. The Implementation MSG itself is coordinated by the Office of the Deputy for Energy and Mineral Resources, Coordinating Ministry for Economic Affairs.

The implementation of EITI in Indonesia adheres to the EITI International Standards. In order to comply with the said international standards,

Indonesia shall and have published various EITI reports. Indonesia had published its first EITI Report for calendar year 2009. At present, the Implementation MSG is compiling the second EITI Report which will cover calendar years 2010-2011. The reporting and compilation process of the second report is scheduled to be completed in May 2014 and is hoped to be published soon after the completion.

Nearing the end of 2013, we have asked the EITI Indonesia Secretariat, under the authority of the Office of the Deputy for Energy and Mineral Resources, to compose this Annual Report. The intent and objective of this report is to provide complete explanation on the implementation of EITI Indonesia in 2013 in order to increase understanding and common perception from the various stakehodlers in Indonesia. We fully acknowledged that the one of the indicators of success regarding the implementation of EITI in Indonesia will be determined by common understading and perception from various stakeholders. The lack of such common understanding and perception was one of the factors which hinder the compilation of Indonesia's First Report which should have been completed at the end of 2012.

In closing, we would like to convey our deepest gratitude to the Steering Committee as well as the entire stakeholder of EITI Indonesia which had contributed to the process of EITI Implementation in Indonesia. We would also like to extend our gratitude to the World Bank which had provided financial support in the form of a grant managed through a Multi Donor Trust Fund for the implementation of EITI in Indonesia.

Act. Deputy for Energy and Mineral Resources
as Head of the Implementation Multi-stakeholder Working Group



Dr. Bambang Adi Winarso

TABLE OF CONTENTS

PREFACE	iii
TABLE OF CONTENTS	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
EXECUTIVE SUMMARY	x
CHAPTER I INTRODUCTION	1
1.1 Legal Basis	1
1.2 The Extractive Industries Transparency Team	1
1.3 Secretariat of the Extractive Industries Transparency Team	2
1.4 Mechanism of Transparency and Extractive Industries Transparency Initiative (EITI) Standards	2
CHAPTER II KEY ACTIVITIES IN IMPLEMENTING EITI IN INDONESIA	5
2.1 Meetings of Implementation Team and Technical Team	5
2.1.1 The Implementation Team Meetings	5
2.1.2 Technical Team Meetings	6
2.2 Reconciliation Activities	6
2.2.1 First Reconciliation	6
2.2.2 Second Reconciliation	7
2.3 Validation Activity	8
2.3.1 Validation Report	8
2.3.2 EITI International Board Decision	9
2.4 EITI Indonesia Socialization Activities	10
2.5 EITI Global Conference, 23-24 May, Sydney, Australia	11
2.5.1 International EITI Board Meeting	12
2.5.2 EITI National Expo	12
2.5.3 Plenary meeting and Thematic	13
2.5.4 EITI Stakeholders Forum	13
2.5.5 Delegation of Indonesia	14
2.6 Public Communications Activities	15
2.6.1 Media Releases	15
2.6.2 Media Briefing	16

2.6.3	Responses to Media Coverage.....	16
2.6.4	Publication of Third Party Advocacy.....	17
2.6.5	Designs of Communications Collaterals.....	17
2.6.6	Developments of Public Information and Education Collaterals	18
2.6.7	Participation's on Other Parties Events	19
CHAPTER III BRIEF OF THE FIRST EITI INDONESIA REPORT (2009)		21
3.1	In General.....	21
3.2	Oil and Gas Sector	22
3.2.1	Reporting Entities.....	22
3.2.2	Government revenue stream for reporting purposes	23
3.2.3	Brief Report in Aggregat and Unreconciled Differences.....	25
3.2.4	Contributions of PSC Contractors in 2009	27
3.3	Mineral and Coal Mining Sector	28
3.3.1	Reporting Entities.....	28
3.3.2	Reported Revenue Stream.....	29
3.3.2.1	Royalty	29
3.3.2.2	Dead Rent.....	30
3.3.2.3	Corporate Income Tax.....	30
3.3.2.4	Land and Building Tax	30
3.3.2.5	Dividends	30
3.3.3	Aggregate Report and Unreconciled Differences	30
3.3.4	Summary Report per Company.....	31
CHAPTER IV BRIEF OF EITI INDONESIA VALIDATION REPORT.....		35
4.1	Brief of Assessments in Accordance with EITI Requirements	35
4.1	Validator's Explanations on The Unmet Requirements.....	36
4.2	The Implementation Team's comments on the unmet requirements	38
4.3	Overall Assessment of Indonesia's EITI Implementation	40
CHAPTER V BRIEF OF SECOND EITI INDONESIA REPORTING SCOPING (2010-2011)		43
5.1	Oil and Gas Sector	43
5.2	Mining and Coal Sector	45

5.3	Other Topics	47
CHAPTER VI OTHER RELATED ACTIVITES		49
6.1	Mining for Development Conference in Sydney, Australia.....	49
6.2	Meetings between EITI Indonesia Secretariat and KPK's Directorate of Research and Developments.....	51
6.3	Visits of EITI International Secretariat and Chair of the EITI International Board	51
6.4	South East Asia Workshop	52
6.5	Weekly Meeting with World Bank Team.....	54
6.6	Secretariat Weekly Meeting.....	54
CHAPTER VII 2014 WORKPLAN		57
7.1	Reporting activities for the Second Report (2010 and 2011) and the Third Report (2012).....	57
7.1.1	The Second Report, 2010 and 2011 Calendar Year.....	57
7.1.2	The Third Report, 2012 Calendar Year	58
7.2	Communication Activities	59
7.3	Dissemination and Capacity Building.....	61
CHAPTER VIII EITI INDONESIA FINANCIAL REPORT 2013		63
8.1	Fund Allocation and Realization In 2013	63
ANNEX A – BRIEF OF IMPLEMENTING TEAM MEETINGS IN 2013.....		xiii
ANNEX B – BRIEF OF TECHNICAL TEAM MEETINGS IN 2013.....		xvi
ANNEX C – CHRONOLOGY OF SCHEDULE REVISION OF THE SECOND REPORT (2010-2011)		xviii
ANNEX D – SUMMARY OF OIL AND GAS SECTOR.....		xxi
ANNEX E - SUMMARY OF MINERAL AND COAL SECTOR		xxx
ANNEX F – ORGANIZATIONAL STRUCTURE OF EXTRACTIVE INDUSTRY TRANSPARENCY SECRETARIAT.....		xxxvii
ANNEX G – EVENT PHOTOS		xxxviii

LIST OF TABLES

Table III-1 Brief report of oil and gas in aggregat and the unreconciled differences	26
Table III-2 Number of Production Units Report in Each Commodity.....	28
Table III-3 Royalty of Each Commodity	29
Table III-4 Summary of Aggregate Mineral and Coal Report and Unreconciled Differences.....	30
Table IV-1 Result of Validation Assessment.....	35
Table V-1 Oil And Gas Sector Benefit Streams In 2011.....	43
Table V-2 Mineral And Coal Mining Benefit Streams In 2011.....	45
Table VII-1 Work Plan of the Second Reporting, 2010 and 2011	58
Table VII-2 Brief of Reporting Activitis for the Third Report, 2012 Calendar Year	59
Table VIII-1 Fund Allocation and Realization for EITI Indonesia Activities in 2013	63

LIST OF FIGURES

Figure III-1 Percentage of contribution of PSC contractors to government <i>lifting</i> from oil and gas and DMO oil (based on BPMIGAS side)	27
Figure III-2 Percentage of contribution of PSC contractors to <i>Corporate and Dividend / Branch Profit Tax</i> (based on side of PSC contractors and partners)	27
Figure III-3 Percentage of Contribution of Mineral Companies to Corporate Income Tax	32
Figure III-4 Percentage of Contribution of Coal Company to Corporate Income Tax	32
Figure III-5 Percentage of Contribution of Mineral Company to Royalties	32
Figure III-6 Percentage of Contribution of Coal Company to Royalties	33
Figure III-7 Percentage of Contribution of Mineral Company to Sales Revenue Share	33

EXECUTIVE SUMMARY

The Extractive Industries Transparency Initiative (EITI) is implemented in Indonesia based upon Presidential Regulation 26/2010 on Transparency of State and Regional Revenues from the Extractive Industries. PR 26/2010 includes both the oil and gas as well as the mining sectors. The Initiative is implemented by a multi-stakeholder group nominally known as the Transparency Team. The Transparency Team is comprised of a Steering Team which is consisted of Minister-level officials and Professor Emil Salim, chaired by the Coordinating Minister for Economic Affairs; and an Implementation Team which is consisted of Deputy and Director General - level officials as well as representatives from Regional Governments, Industries and Civil Society.

During 2013, various activities have been undertaken which can be classified as key activities and other supporting activities. The key activities are defined as those that are explicitly relevant to the core of EITI implementations, such as meetings between the Implementation Team and technical Teams, reconciliation, validation, information dissemination, EITI conference participation and communications.

Reconciliations undertaken during 2013 were for the First EITI Report for Calendar Year 2009 and for the Second EITI Report for Calendar Year 2010-2011. The first report was published on 22 April 2013 and was validated by an independent party. The validation report was published on 17 July 2013 where Indonesia had received an extension for the validation to 18 July 2013. Based on the Validator's Report and evaluation by the International Validation Committee, on October 2013, the International EITI Board announced that Indonesia remains as a candidate country but have gained significant progress.

Reconciliation for the Second Report have begun since early November 2013 and, based on the working plan of the Implementation Team, would be completed and the report published on June 2014. A request for extension has been sent by the Coordinating Minister for Economic Affairs to the International EITI Board on 11 December 2013.

Disseminations in regards to EITI Indonesia, its First Report and preparation for the Second Report have been undertaken in seven Regencies /Municipalities. The information dissemination events were attended by all relevant stakeholders. Meanwhile, communications activities were undertaken through press announcements and releases as well as media

briefings. Apart from that, collaterals design and information development for public education were undertaken as supporting activities. On 9-11 December 2013, the EITI Indonesia Secretariat participated in the Anti Corruption Week Festival as a part of a public campaign to promote extractive industries transparency for corruption prevention.

In connection to our communication activities, Indonesia also participated in the EITI Global Conference in Sydney, Australia in May. The Chair of EITI Indonesia Secretariat became one of speakers in one of the sessions. Apart from that, Mr. Erry Riyana Hardjapamekas, representing Indonesia on the Stakeholders Forum, reiterated Indonesia's commitment to continue upholding transparency standard in the extractive industries. During this event, Indonesia has the opportunity to promote the implementation of EITI standards in Indonesia during the EITI National Expo.

Apart from these key activities, others related to the supporting activities were attendance during the International Mining Development Conference attended by the EITI Indonesia Secretariat, meetings with Corruption Eradication Commission, a visit from the Chair of EITI International Board, Southeast Asian workshop on EITI standards in Jakarta, as well as various internal meetings and between the Secretariat and the World Bank.

The composition of the 2013 Annual Report began with the Regulatory Basis which lies as a foundation for the implementation of EITI in Indonesia in Chapter I. Chapter II consists of key activities which is the core activities for the Implementation Team. Within this document, the result of the key activities were reported in a summary form within Chapters III through to V, consisting of summary of the First Report, summary of the Validator's Report, and summary of the Scoping for the Second Report. Chapter VI consists of other relevant activities, while Chapter VII consists of EITI Indonesia's working plan for 2014.



CHAPTER I

INTRODUCTION

1.1 Legal Basis

The implementation of the Extractive Industries Transparency Initiative (EITI) in Indonesia is based on Presidential Regulation (PR) 26/2010 on Transparency of State and Regional Revenues from the Extractive Industries.

In the Presidential Regulation, the extractive industries are defined as all activities which extracted natural resources directly from the Earth in the form of minerals, coals, natural oil and gas. At the same time, state revenue is defined as all revenues generated from payments of tax and non-tax, acknowledged as net asset increments from the extractive industries.

1.2 The Extractive Industries Transparency Team

PR 26/2010 stipulates that the organizing body of transparency of state and regional revenue from the extractive industries would be a Transparency Team. The Team would be directly under and responsible to the President of the Republic of Indonesia.

This Transparency Team will consist of a Steering Committee and an Implementation Multi-Stakeholder Working Group (MSG).

The Steering Committee shall submit a regular annual report to the President. Responsibilities of the Steering Committee is stipulated within PR 26/2010 Article 5, among others the authority to formulate general policy of extractive industries transparency, establishing work plans and conducting evaluations.

The Implementation MSG is responsible to the Steering Committee and report all progress to the Chair of the Steering Committee. The responsibilities of the Implementation MSG is stipulated in Articles 8 and 9 of PR 26/2010, among others is the establishment of a three-year work plan,

formulation of a reporting format, appointing an independent reconciler and compiling its various reports.

Article 10 established the composition of the Implementation MSG, which consists of 9 Deputies and Director Generals from the Coordinating Ministry for Economic Affairs, the Ministry of Finance, the Ministry of Energy and Mineral Resources (ESDM), and the Ministry of Home Affairs; Head of the Special Task Force for Upstream Oil and Gas Business Activities (SKK Migas); CEO of PT Pertamina (Persero); three representatives from Regional Governments; three representative of industrial associations; and three representatives of Civil Society Organizations.

Each three representatives from regional governments, industrial associations, and civil society organizations are appointed through Edict of the Coordinating Minister for Economic Affairs, as Chair of Extractive Industries Transparency Steering Committee, No. KEP-57/M.EKON/11/2010 on Memberships of Extractive Industries Transparency Implementation MSG fro Regional Governments, Industrial Associations and Civil Society Organizations.

1.3 Secretariat of the Extractive Industries Transparency Team

The Secretariat was formed based on the stipulations of Article 13 PR 26/2010 with a function to assist the execution of Transparency Team's responsibilities.

To implement the stipulations of said article, a regulatory set in the form of Coordinating Minister for Economic Affairs Regulation No. PER-04/M.EKON/04/2012 on the Organization and Management of the Secretariat of Extractive Industries Transparency Team was issued.

1.4 Mechanism of Transparency and Extractive Industries Transparency Initiative (EITI) Standards

The Mechanism of transparency is regulated through Article 14, in which Central and Regional Government agencies, SKK Migas and the extractive

companies submit their report to the Transparency Team through the Implementation MSG. Data and information content originate from Central and Regional Governments Financial Reports, as well as independently audited financial reports of corporations. All said reports shall be reconciled by an appointed independent auditor.

The Extractive Industries Transparency Reconciliation Report shall adhere to EITI International Standards, in which Indonesia is currently implementing the 2011 EITI Standards. The 2011 EITI Standards comprised 18 requirements which must be met in order for Indonesia to pass validation and be declared EITI compliant country.



CHAPTER II

KEY ACTIVITIES IN IMPLEMENTING EITI IN INDONESIA

2.1 Meetings of Implementation Team and Technical Team

2.1.1 The Implementation Team Meetings

Meetings of the Implementation Team are chaired by the Head of Implementation Team or his/her representative. Participants of the meetings are members of the Implementation Team or their representatives. A quorum is achieved when half the members of the Implementation Team or their representatives are in attendance.

In general, the meetings are held in Meeting Room in building of Coordinating Ministry for Economic Affairs or other representative place. Pertaining to invitation and meeting material, the National Secretariat organizes the invitation and material for the meeting. The materials are sent out at least one week in advance of the date of the meeting.

Decisions-making of the Implementation Team are typically taken by consensus. Should a consensus decision not be possible, decisions will be taken by majority vote. Voting is considered passed when at least one member from each of the following three stakeholder groups – government, industry, and civil society required to vote in the affirmative for a particular motion.

Results of the meetings are documented in the form of minutes-of-meeting (MoM). The MoM is written by a note taker and will be published within a week of the meeting. The MoM is also published in website <http://eiti.ekon.go.id>.

During 2013 the Implementation Team has held 8 meetings and all are in Jakarta. In general, the meetings discuss on the First Report of EITI Indonesia, Validation activities, workplan and the revisions, budget allocation for

communication, the Second Report of EITI Indonesia, and other relevant activities as well.

Brief of meetings of the Implementation Team and its decisions taken can be seen in ANNEX A - BRIEF OF THE IMPLEMENTATION TEAM MEETINGS IN 2013.

2.1.2 Technical Team Meetings

Meetings of the technical team are hold 4 times. The meetings discuss on technical issues needed before decision-making in the Implementation Team meetings. The technical team meetings discuss on the need to include cost recovery in Second Report, technical discussion on reporting template for oil and gas sector, as well as meeting with International Secretariat representative to talk about validation assessments and new standard that will be implemented in Indonesia. Brief of the meetings can be seen in ANNEX B – BRIEF OF THE TECHNICAL TEAM MEETINGS IN 2013

2.2 Reconciliation Activities

2.2.1 First Reconciliation

First EITI Indonesia report is the reconciliation report of the 2009 state revenue. Reconciliation is performed between the report from companies and government entities. Revenue streams contained in the report are those which provide significant contribution to the state revenue, for instance oil and non tax revenue, oil and gas tax, mining tax, and mining royalty. This reconciliation report is based on reports from 129 oil and gas, mineral and coal production units, and reports from technical ministries/institutions i.e. Special Task Force for Upstream Oil and Gas Business Activities (SKK Migas), DG of Oil and Gas, DG of Mineral and Coal, and DG of Budget.

Procurement process of the reconciliator for this first EITI Report is performed in 2012. This pre-procurement and procurement process takes a quite long time. This is due to several factors, for instance bidding document which needs several revisions since this type of service is new for the

ministry so that it needs more time to understand it and to survey for the benchmark price. Other thing is that it needs some time to obtain the No Objection Letter (NOL) from the World Bank since the funding for this activity uses First Phase of Multi Donor Trust Fund.

The result of the procurement is Gideon Ikhwan Sofwan Public Accountant Firm which is defined as the Reconciler based on decision of the Procurement Committee. The firm has won over other firms competing in this bidding. The firm signed contract on December 2012 and the contract ends on March 2013. The contract is extended according to the the work period extension required in order to publish this First Report. Funding for this reconciliation process is from First Phase of Multi Donor Trust Fund (MDTF I).

The reconciler provides the draft report to the MSG in MSG meetings on March and April. And on 22 April, MSG has provided their approval to the first EITI Indonesia Report. After that, the report is published in website and informed to public through dissemination events and media release.

2.2.2 Second Reconciliation

The second reconciliation is served for 2010 and 2011 report. The procurement process for the reconciler is performed for three months, from August to October 2013. There are 5 consultant firms sent their Expression of Interest (EoI). Procurement Committee ranks them based on qualification criteria of the firm and consultant, work experience and other related information.

Based on the ranking, Gideon Ikhwan Sofwan Public Accountant Firm has been decided as the winner. And after reviewing the technical proposal and other administration documents, Procurement Committee decides Gideon Ikhwan Sofwan Public Accountant Firm as the Reconciler.

The second reconciliation process starts on 18 November 2013 since the contract is signed for the period of 5 months. Currently the Reconciler together with the Secretariat to ensure that all reporting entities submit their reports and the reports are reconciled as scheduled in the work plan. The

report is scheduled to be published in May 2014. The funding comes from *Second Phase of Multi-donor Trust Fund (MDTF II)*.

This second report schedule exceeds the required schedule defined by EITI International, which is latest by 31 December 2013. Therefore the Government of Indonesia has submitted its request to extend the publication deadline of the Second Report to June 2014. The letter has mentioned a chronology that explains on why the schedule is shifted. The chronology is attached in ANNEX C – CHRONOLOGY OF SCHEDULE REVISION OF THE SECOND REPORT (2010-2011). There is also the work plan of the second reporting, as described in Chapter VII on Work Plan 2014.

2.3 Validation Activity

Validation process in Indonesia starts on 25 February 2013. Deloitte Touche Tohmatsu, Australia is selected as the validator. Based on EITI International Board's decision on October 2010, EITI Indonesia Validation Report is scheduled to be completed latest by 18 April 2013. However, the target is shifted according to the extension request of the validation schedule, which is due to the shifting in Reconciliation Report schedule and the time needed for the International Validation Committee to provide their comment.

The MSG requests for 3-month extension to EITI International Board. EITI International Board approves and provides the extension until 18 July 2013. Validation Report is discussed in MSG meetings on May to June 2013. The report is approved on 16 July 2013 by the MSG.

2.3.1 Validation Report

EITI Indonesia Secretariat sent Validation Report to EITI International Secretariat on 17 July 2013. The validator, in the report, has assumed that Indonesia has not met requirement 5, 11, 12 and 13. MSG has written an argument on the report. The response is sent together with Validation Report. Summary of the Validation Report and the MSG's response is presented in Chapter IV.

EITI International Secretariat afterward asked EITI Indonesia to compose a specific explanation on requirement 12 and 13 on the assurance of financial statement which is the basis of the report from reporting entities. EITI Indonesia Secretariat writes a 12-page paper explaining thoroughly the audit standard used by reporting entities in 2009 EITI Report, both companies and government entities. Basically, the paper describes that those entities have referred to a certain standard. Although the standard has not fully aligned with international standard, the MSG has declared their contentment to the current standard. The paper is sent by Indonesia Secretariat to International Secretariat on 19 August 2013.

2.3.2 EITI International Board Decision

In EITI International Board meeting in Abidjan Côte d'Ivoire 17 October 2013, the Board decides validation result which is Indonesia remains a candidate country (has not achieved the status of compliant country) and has made a meaningful progress. EITI International Board has decided that Indonesia has not met the following requirements:

- Requirement 5 – First EITI Indonesia Report is 2009 report. The requirement demands that a report published in 2013 must be no later than a 2011 report.
- Requirement 9 and Requirement 11 – materiality and reporting entities in First EITI Indonesia Report are deemed not adequate enough. Materiality is the reason why a revenue stream and reporting entities must be transparent. Materiality becomes the basis on which entity that needs to be transparent.
- Requirement 14 dan Requirement 15 – reports from government entities and companies are deemed not comprehensive enough.

With those notes, EITI International Board recommends that Indonesia perform corrective actions. EITI implementation in Indonesia will be re-evaluated in 15 months by EITI International Secretariat no later than 15 January 2015.

2.4 EITI Indonesia Socialization Activities

To support the successful implementation of transparency using EITI standard, the EITI Indonesia Secretariat held socialization regarding EITI Indonesia first report year covered 2009.

These socialization have been done in 7 cities. Which are :

1. Jakarta, DKI Jakarta
2. Surabaya, East Java
3. Samarinda, East Kalimantan
4. Kutai Kartanegara, East Kalimantan
5. Pangkal Pinang, Bangka Belitung Islands
6. Banjarmasin, South Kalimantan
7. Yogyakarta.

These socialization were attended by representatives from The Implementing Team, oil and gas companies, mining and coal companies, local governments, and civil societies.

By socialization of EITI, all stakeholders from the government, local authorities, companies, and public are expected to understand and realize the importance of transparency of state revenues, local revenues, and payments company that generated from extractive industries to implement the EITI standards in Indonesia and to improve governance in this sector.

By applying transparency, the public will be able to get mutual information that can encourage the use of natural resources for the maximum benefit of the people according to Article 33 UUD 1945, especially to access education, health, and a better life in the midst of corruption. Transparency is intended to prevent corruption and natural resources in Indonesia can be used for sustainable development. For local governments, the extractive industries transparency would be beneficial in the form of knowing how big the result of oil and gas management and existing mines in the area.

These dissemination were presented about the EITI rules and regulations, including the legal basis for the implementation of the EITI, which is Presidential Decree 26/2010. The socialization also mentions its technical

report that must be completed by extractive industry companies such as oil and gas and mining sectors.

In socialization there is a question from companies about “Voluntary Participation” in EITI Indonesia, the benefit and its penalty if the company do not involved in reporting. Companies was explained that there is no penalty provided in Presidential Decree 26/2010, however, the social sanctions of society will arise from public and public will note which companies are not cooperative to transparent.

2.5 EITI Global Conference, 23-24 May, Sydney, Australia

The biannual EITI Global Confernce is the global forum of the EITI and it’s stakeholders. The 6th EITI Global Conference in Sydney, Australia, was the second participation of Indonesia as an EITI candidate country. The first participation was at the 5th EITI Global Conference in Paris, France in 2011.

The 6th EITI Global Conference in Sydney, Australia which took place on 23-24 May 2013 was attended by approximately 1200 EITI member participants and other invitations from various organizations / government institutions, industry, civil society, and media from 96 countries and 100 speakers. Among the speakers are government leaders (Prime Minister and Minister level), CEO of extractive industry companies, figures of Governmental Organization (NGOs) as well as from academia.

In general, the purpose of the conference are:

1. To provides opportunities for members and stakeholders to meet, discuss and share experiences and information on the progress and challenges faced in the implementation of the EITI;
2. As a global forum, to discuss efforts to improve resource management governance of extractive industries (oil and gas, minerals and coal)
3. As an effort to encourage new owners state extractive resources into the EITI membership; as an effort to encourage new owners state extractive resources into the EITI membership;
4. To discuss and approve the adoption of the new EITI standards.

2.5.1 International EITI Board Meeting

Preceding the conference, on May 22, 2013, the 23rd International EITI Board meeting was held as well as the meeting of EITI member with the agenda:

1. Determination of the new membership of the EITI Board for the term of 2013 -2015;
2. Amendment of the EITI rules, and
3. Presentation and application of the new EITI standards.

In determining the new EITI Board membership, Mr. Erry Riyana Hardjapamekas as the representative of the Government of Indonesia in the 2011-2013 EITI Board, to terminate his membership.

Erry Riyana Hardjapamekas previously worked at the Commission on Outreach and Candidacy. Meanwhile, there representatives of NGO representatives from Indonesia is Fabby Tumiwa elected by acclamation of the selection of members of international NGOs. Fabby Tumiwa entered in the Commission Outreach and Candidacy.

Meanwhile, Mr. Fabby Tumiwa the representatives of Indonesian NGO was elected by acclamation of the selection of members of international NGOs. Fabby Tumiwa entered in the Commission Outreach and Candidacy..

2.5.2 EITI National Expo

Along with the conference, there was also the EITI National Expo, followed by 36 EITI member countries that provide information about the activities of extractive resource management and activities of the EITI in the form of posters, reports, videos, brochures, country flags, and souvenirs at each booth of each country.

Indonesian booth provides information about the progress of the EITI Indonesia packed in a hard and soft copy. In addition, a little information about Indonesian culture such as batik art was introduced by providing a souvenir in the form of a short scarf.

2.5.3 Plenary meeting and Thematic

The Conference activities include plenary meeting which was opened by Michael West, Cultural Representative, Metropolitan Local Aboriginal Land Council, Australia, Clare Short, Chair of the EITI Board, and Mr. Hon Gary Gray, Minister for Resources and Energy, Australia.

Some of the things presented, is that transparency is essential in implementing good governance of extractive natural resource management. Australia is a good example of a country that has been carrying out its extractive industry transparency.

Good governance will be a good signal for investors because, mining activities will become predictable and reliable. The opportunity should be given to countries that are now implementing the EITI, to continue the implementation. Plenary meeting was held until the last day which was attended by speakers from various countries and stakeholders.

In addition to the plenary sessions, group discussions were also held in parallel with varied themes, including the impact of the EITI. In this session, Ms. Emy Perdanahari, Secretary of the Indonesia Extractive Industries Transparency describes the implementation of the EITI in Indonesia as an EITI candidate country.

Ms. Emy Perdanahari informed, that Indonesia has accomplished the First Report of the EITI Indonesia for calendar year 2009 and has been publishing them on the EITI Indonesia website. As a country that is still in the early stages of implementing the EITI, the impact of the implementation of EITI in Indonesia is not so significant. However, awareness of various stakeholders regarding the importance of transparency of extractive resource management in Indonesia has begun to be built.

2.5.4 EITI Stakeholders Forum

EITI implementing countries are invited to give a commitment on how to build the EITI process to achieve a better industry-extractive governance. Countries that have not been incorporated as an executor, stakeholders, and

other organizations are also invited to make a commitment to support the implementation of the EITI. In the statement of this commitment, any representation to deliver only 3 minutes statement. In this event, the moderator was Mr. Jonas Moberg, the Head of the EITI International Secretariat.

On this occasion also, Mr. Erry Ryana Hardjapamengkas as the representative of Indonesia, said that Indonesia is committed to ensuring transparency in the extractive industries sector.

2.5.5 Delegation of Indonesia

Delegation of Indonesia to the conference consists of 30 people from various agencies, companies and non-governmental organizations, as follows:

1. Coordinating Ministry for Economic Affairs
2. Secretariat of the Extractive Industries Transparency
3. Directorate General of Mineral and Coal
4. Directorate General of Oil and Gas
5. Special Task Force for Upstream Oil and Gas Business Activities (SKK Migas)
6. Local Government Kutai Kartanegara Regency, East Kalimantan.
7. Oil and Gas Company: PT Pertamina
8. Mineral Company: PT Freeport Indonesia
9. NGO's
10. World Bank- Jakarta
11. Indonesian Institute of Sciences (LIPI)

In general, the conference was very beneficial to bring more information about the EITI global sphere. Participants receive information from the experience of other countries that had already implementing the EITI that might be as an input to the EITI Indonesia. Indonesia will be able to establish communication and build better relationships with members of other EITI countries and the EITI International Secretariat in Oslo.

2.6 Public Communications Activities

In order to execute all supporting activities in light of the importance to disseminate information about the State and Regional Revenues Transparency from the Indonesian Extractive Industries, the EITI Indonesia Secretariat appointed an Expert Staff for Communications on April 2013 to fill a vacant position due to a resignation which occurred in December 2012.

The following description will provide illustrations on communications activities executed during 2013.

2.6.1 Media Releases

The Secretariat had disseminated media releases in three separate occasions during 2013 inline with the developments and milestones of its responsibilities. The dissemination detail is as follow:

1. On 22 April 2013, titled "Announcement on the Publication of State and Regional Revenues Transparency Report from the Extractive Industries", which publicly announced to the general public on the existence, for the first time, corporate payment-government revenue reconciliation report both for tax and non-tax revenue stream in the form of 2009 EITI Indonesia Reconciliation Report.
2. On 8 May 2013, titled "News Perspective for the Extractive Industries through EITI Indonesia First Report", which inform the public, in detail, the figures of State revenues and any discrepancies found after reconciliation. The release also highlighted the finding of a weakness in the management of data and information at the Directorate General of Minerals and Coals, Ministry of ESDM. It also highlighted the public to find payment figures from each extractive companies which belongs to the regions based upon principles of derivation and relization. The information were previously not highly known to the general public because detailed contribution from each extractive companies to the regional governments were not in the same report as that which are paid to the Central Government.

3. On 4 June 2013, titled "Understanding the EITI Indonesia's First Report", which was disseminated at the same time as the execution of a Media Briefing. The release covers highlights over: scope of the EITI Report, contributions in each revenue stream, reconciliation results for each sector and continuing plans.

2.6.2 Media Briefing

Information dissemination to the media were undertaken through a media briefing after the publication of EITI First Report (2009). The method was chosen in lieu of a press conference due to the fact that information regarding the report were mainly technical in nature and require prior understanding, which would be difficult to convey in a relatively short press conference.

During 2013, the Secretariat conducted one media briefing which took place on 4 June 2013, or one month after the publication of EITI Indonesia Report.

The decision to undertake the briefing was taken after the Secretariat evaluated the situation in which there were misinformation due to the complexities of the published report and limited space for explanation if relying solely on press release or a relatively short press conference.

The media briefing discussed several topics, such as:

1. scope of the report;
2. contributions from each revenue stream;
3. results of reconciliation from each sector;
4. participants/entities which submitted reports;
5. continuing plans;

2.6.3 Responses to Media Coverage

During 2013, the EITI Indonesia Secretariat responded once to media coverage in the form of Right of Correction. The measure was taken due to a coverage misreporting found by the Secretariat.

The Right of Correction was sent on 14 May 2013 to Koran Tempo and Harian Kontan which had published misinformation on the technical aspect of EITI Indonesia Report formulation.

2.6.4 Publication of Third Party Advocacy

After the publications of EITI Indonesia's First Report, the Secretariat, in cooperation with the World Bank's Communications Division in Jakarta, published a third party advocacy in the form of opinion article in the media. The said article was published in Kompas on 24 May 2013, and was penned by former Deputy of the Corruption Eradication Commission, Erry Riyana Hardjapamekas.

2.6.5 Designs of Communications Collaterals

In order to support information dissemination of the EITI Indonesia's First Report, along with all data and information contained therein, the Secretariat design several communications collaterals which shall be used as materials for public education, specifically to deepen understanding of State and Regional Revenues Transparency from the Extractive Industries.

Whereas the designs of such communications collaterals are as follow:

1. Graphical designs
 - 6 campaign posters
 - 2 EITI Indonesia logo and its variants
 - 1 infographic explaining the workflow and information about EITI Indonesia
 - 1 cover report design
 - 1 identification card design
2. Souvenir & hand-outs design
 - 1 t-shirt design
 - 9 souvenir designs (bags, pins, stickers, pens, etc.)
 - stationery designs (budgeted, procurement process continuous)

3. Printed matters

- Annual Reconciliation report design for EITI Indonesia (budgeted, execution postponed inline with the publication of EITI Indonesia Second Report)

2.6.6 Developments of Public Information and Education Collaterals

In order to effectively disseminate information about State and Regional Revenues from the Extractive Industries to a wider audience, a number of information collaterals are continuously developed by the EITI Indonesia Secretariat. Such collaterals are:

1. Comic book series on the Extractive Industries Revenues Transparency, first two editions were designed. These comic books were designed to reach readers of all ages with basic and middle educational background. The comic book is ready to be launched in early 2014.
2. Video profiles on the Extractive Industries Revenues Transparency, designed as an introductory tool of EITI Indonesia to the public. Intended for use during events in which EITI Indonesia participate in as well as standard profile to be displayed in EITI Indonesia official website, it is designed to reach adult audience with high and tertiary educational backgrounds. Progress of the video development is currently in procurement process.
3. Public Service Announcement Video, designed as short introductory tool of EITI Indonesia to the general public, specifically those living in the regions. Intended for broadcast in regional televisions. The video is designed to reach adult audience with middle to high educational backgrounds. Progress of the video development is currently in procurement process.
4. Radio Talkshow program, designed as an in-depth introductory tool of EITI Indonesia, Transparency and Corruption Prevention. Intended to be broadcasted as a series of 6 weekly talkshows through radio syndication. The program is designed to reach adult listeners with

high to tertiary educational backgrounds. Progress of the video development is currently in procurement process, but execution postponed until 2014 in-line with the publication of the Second Report.

2.6.7 Participation's on Other Parties Events

During 2013, EITI Indonesia's Communication Division had participated twice in other parties' events, relevant to the issues of transparency. they were:

1. Workshops on Non-Tax State Revenue in the mining sector. The workshop is undertaken on quarterly basis by the Directorate General of Minerals and Coals. Representatives of EITI Indonesia Secretariat attended the workshops as guest speakers which discussed the importance of State revenues transparency, in relation to the implementation of EITI standards in Indonesia. The workshops took place in Banjarmasin, Medan and Bandung.
2. The 2013 Anti-Corruption Week Festival, which was organized by the Corruption Eradication Commission (KPK) on 9-11 December 2013. The Secretariat was given a prominent exhibition booth at the event. In its participation, the Secretariat conducted a campaign on Revenue Transparency from the Extractive Industries. Largest interest came from government institutions such as the KPK (Directorate of Research and Development as well as Directorate of Public Service and Education), the National Police (Criminal Investigation Agency and Internal Affairs Division), the Ministry of Foreign Affairs (Directorate General of Multilateral Affairs), anti-corruption activists and high-school students. Apart from a campaign of transparency, representative of EITI Indonesia Secretariat also provided information dissemination through radio interview with Kanal KPK (radio) and Ministry of Education and Culture Radio.



CHAPTER III

BRIEF OF THE FIRST EITI INDONESIA REPORT (2009)

3.1 In General

The first Indonesian Report that consists of 2009 calendar year was published on April 22, 2013. This report consists of two sectors, namely oil and gas and mining. For oil and gas, it consists of all Production Sharing Contract (PSC) that have produced. And, mining sector consist of all mineral and coal companies that paid royalties in excess of USD 500,000 or IDR 5 billion which represent 81 percent of all royalties paid in 2009.

In Indonesia's report, amounts paid and received matched up pretty well. Out of 25 billion dollars reported as having been received by government, figures reported by companies were only about USD 370 million less, or about 1.5 percent of the total. In terms of amounts of reported, Indonesia's EITI report is among the largest in the world, surpassed only by oil and gas giants Iraq, Nigeria and Norway.

Most of the 370 million dollars in overall differences was attributable to a single revenue stream from a single sector: The government reported receiving 282 million dollars more in income tax from coal companies than the companies said they paid. Of that amount, 220 million dollars was due to the two biggest coal producing units of Indonesia's biggest coal group failing to report back taxes from 2007 or 2008 which the two units conveyed to the DG of Tax in 2009.

Some may argue that the main findings of the EITI Indonesia report, where revenues paid roughly matched revenues received, are unremarkable. But that is, in a sense, an ideal outcome. Companies did not over-declare the revenues they paid to government, which would have been seen as an indication that firms had withheld taxes. And government did not under-declare revenues received, which might have been seen as an indication that it had absconded with some of these revenues.

Brief of oil and gas sectors as well as mining sector in the following will describe on the reporting entities, revenue streams included in the report, aggregated and unreconciled differences, and contributions of each industry entities.

3.2 Oil and Gas Sector

3.2.1 Reporting Entities

The government entities that reported for the first report are:

1. The Directorate General of Oil and Gas, in the Ministry of Energy and Mineral Resources (MoEMR), report the:
 - Volumes of the government's share of equity oil (including condensate) and gas surrendered by reporting PSC operators,
 - Volume of DMO oil surrendered by reporting PSC operators,
 - Value of any signature bonus paid by reporting PSC operators and reported to the DG of Oil and Gas, MoEMR.
2. The Executive Agency for Upstream Oil and Gas Business Activities (BPMIGAS), report:
 - The dollar value of the government's share of equity oil (including condensate) and gas whether sold for export or sold domestically.
 - The dollar value of over/ under lifting.
 - The dollar value of Domestic Market Obligation fees paid to operators.
3. The Directorate for Non-Tax Revenues, in the Directorate General of Budget, in the Ministry of Finance will report:
 - The dollar value of the government's share of equity oil (including condensate) and gas, whether sold for export or domestically.
 - The rupiah value of DMO oil purchased by domestic refineries.
 - The dollar value of over/ under lifting.
 - The dollar value of corporate and dividend tax payments of operators and partners.
 - The dollar value of production bonuses paid by operators.

The company entities in the First Report are any oil and gas company that surrender oil and gas to the state in excess of USD 0 in 2009. Based on this criterion, 57 PSC contractors controlled by 28 oil and gas producing companies have reported. In addition, 88 partners of operators reported on corporate and dividend tax.

3.2.2 Government revenue stream for reporting purposes

1. The equity share of oil and gas lifting for the government

The equity share of oil liftings for the government ranges from 65.909% (for 56% tax rate PSCs), to 71.154% (for 48% tax rate PSCs) and 73.215% (for 44% tax rate PSCs), for the majority of PSC operations in production through 2009.

The equity share of gas liftings for government ranges from 31.818% (for 56% tax rate PSCs), to 42.408% (for 48% tax rate PSCs) and 46.429% (for 44% tax rate PSCs), for the majority of PSC operations in production through 2009.

2. *Domestic Market Obligation (DMO)*

Represents that portion of a PSC contractor's share of oil and condensate liftings which under the terms of PSCs is to be made available to meet the domestic market demand for fuel products. The DMO oil and condensate is supplied to Pertamina for the utilization in its refineries, or for export by Pertamina if it is not practical to utilize such oil and condensate in Pertamina's refineries. Pertamina pays the Government for such crude oil and condensate at ICP.

3. *Over/Underlifting Kontraktor*

If a PSC contractor has taken a share of annual liftings of oil and gas, either by way of physical lifting or distribution of sales proceeds during a year, in excess of its entitlement to First Tranche Petroleum, investment credit, cost recovery and equity entitlement, then it has a liability to the Government, referred to as an overlifting, which

liability is due to be settled by the PSC contractor in the following year.

Conversely, if a PSC contractor's share of annual liftings of oil and gas is less than its entitlement to liftings, as set out above, the PSC contractor has a receivable from the Government referred to as an underlifting, which receivable is to be settled by the Indonesian Government in the following year.

The overliftings/underliftings are settled via payments, except in the case of LNG overliftings/underliftings, which are settled via an increased allocation of equity LNG sales proceeds in the following year.

4. DMO Fees

Refer to fee paid by government to PSC contractor on the delivery of contractor's oil and/or gas to meet domestic demand in accordance with the PSC. The PSC contractors are entitled to receive DMO fees from the Government ranging from US\$0.20 (full amount) per barrel up to ICP for a maximum of 60 months, after which the price for DMO reduces to either 10%, 15% or 25% of ICP, except in the case of PSCs held by PT Pertamina EP or certain PT Pertamina Hulu Energi PSC interests involving former PN Pertamina areas, where the DMO oil price basis is ICP.

DMO is not applicable for gas production through 2009.

Such DMO fees are presented as an offset to the Government revenue stream for 2009 EITI reporting purposes, since the DMO crude and condensate priced at ICP is included in Government liftings, as described above..

5. Bonuses

Bonuses paid by PSC contractors for oil and gas upstream activities consist of:

- Signature Bonuses refer to contractor's payment to government as compensation upon signing a Production Sharing Contract or upon signing an extension of a Production Sharing Contract.
- Production Bonuses refer to contractor's payment to the government in the event that daily production exceeds specified volumes or cumulative production exceeds specified volumes in accordance with the PSC. Production Bonuses do not represent a cost recoverable expense, but historically have been able to be treated as a deductible expense in a PSCs' tax computations.

6. Corporate and dividend tax/branch profits tax

- Corporate Tax

Corporate income tax applies at rates of 45%, 35% or 30%, depending on the generation of the PSC.

- Dividend tax/branch profits tax

The rate for this tax is 20% (15% for certain Pertamina PSC interests) and since this tax is computed on the basis of the after tax profits of a permanent establishment, the effective percentage for this tax is 11%, 13% or 14% (10.5% for certain Pertamina PSC interests), based on the above corporate income tax rates. As previously noted there may be instances where a PSC partner is entitled under an international tax treat to apply a branch profits tax rate of less than 20%.

3.2.3 Brief Report in Aggregat and Unreconciled Differences

Brief report of oil and gas in aggregat and the unreconciled differences can be seen on Table III-1

Table III-1 Brief report of oil and gas in aggregat and the unreconciled differences

Revenue Stream	Reported by BPMIGAS, after adjustment, in IDR ('000)	Reported by DGB, after adjustment, in IDR ('000)	Total Adjutsmnts	Unreconciled differences, in IDR ('000)
Government liftings of oil and gas, and DMO oil	159.290.944.800	159.290.903.200	3	41.600
<i>Over/(under)lifting</i>	8.287.583.200	8.287.583.200	8	-
DMO fee (*)	(7.250.890.400)	(7.250.869.600)	-	(20.800)
Sub Total	160.327.637.600	160.327.616.800	11	20.800
Revenue Stream	Reported by PSC Reporting Partners, after adjustment, in IDR ('000)	Reported by DGB, after adjustment, in IDR ('000)	Total Adjutsmnts	Unreconciled differences, in IDR ('000)
<i>Corporate and Dividend / Branch Profit Tax</i>	46.622.534.400	47.625.375.200	25	(1.002.840.800)
<i>Over/(under)lifting (**)</i>	7.975.614.400	8.287.583.200	18	(311.968.800)
Production Bonus	200.200.000	200.200.000	4	-
Signature Bonus	-	-	-	-
Sub Total	54.798.348.800	56.113.158.400	47	(1.314.809.600)
Total (***)	215.125.986.400	216.440.775.200	58	(1.314.788.800)
Revenue Stream	Reported by PSC Reporting Partners, after adjustment, in Volume(***)	Reported by DG Oil & Gas, after adjustment, in Volume (***)	Total Adjutsmnts	Unreconciled differences, in IDR ('000)
Government liftings of oil - BBLs	179.240.272	179.242.266	8	(1.994)
DMO oil - BBLs	25.004.903	24.760.691	2	244.212
Government liftings of gas – MSCF	588.873.273	588.700.978	11	172.295

(*)The DMO fees are shown as negative, as DMO fees represent payments from the Government to the PSC participants.

(**)In order to avoid double counting, the Grand Total excludes the contractors' overliftings/(underliftings) - net, since contractors' overliftings/(underliftings) are included in the comparison between BPMIGAS vs DGB.

(***) Volume data from PSC contractors based on accrual basis, while DG of Oil and Gas based on cash basis.

3.2.4 Contributions of PSC Contractors in 2009

The EITI Indonesia First Report 2009 has reported the contributions of each PSC contractors for oil and gas. The percentage can be seen in Figure III-1 and Figure III-2. Information detail of each production unit can be seen in ANNEX D – BRIEF OF OIL AND GAS REPORT 2009

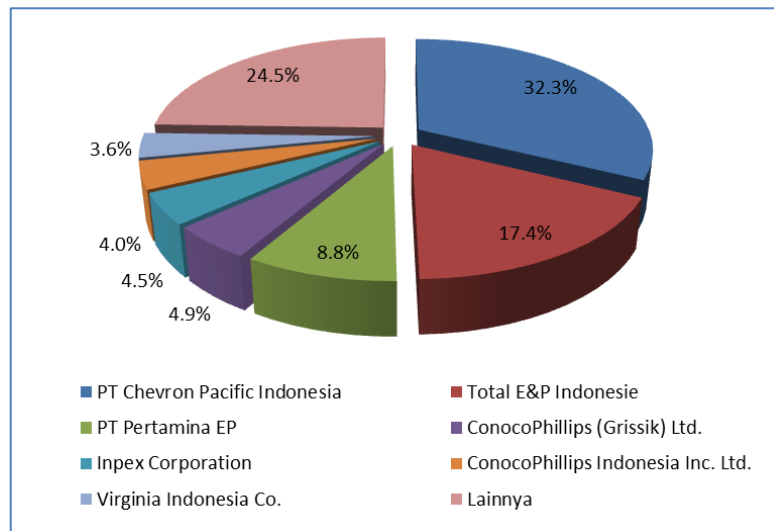


Figure III-1 Percentage of contribution of PSC contractors to government *lifting* from oil and gas and DMO oil (based on BPMIGAS side)

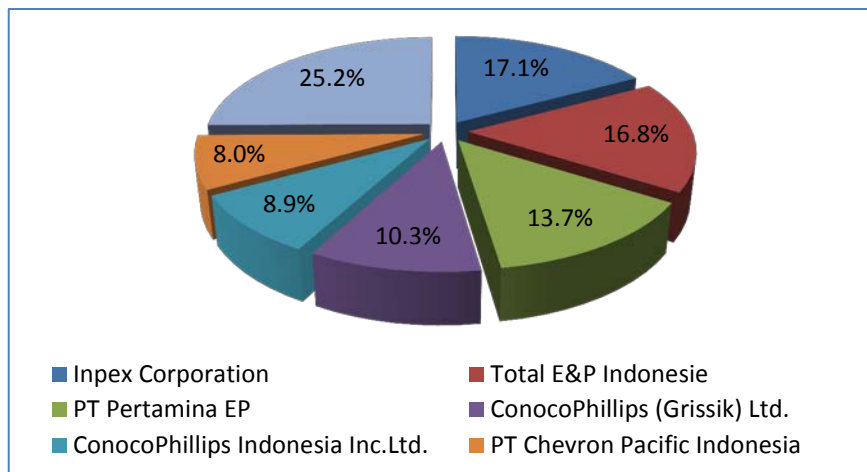


Figure III-2 Percentage of contribution of PSC contractors to *Corporate and Dividend / Branch Profit Tax* (based on side of PSC contractors and partners)

3.3 Mineral and Coal Mining Sector

3.3.1 Reporting Entities

Government entities provide their reports to be reconciled in this report are:

1. Directorate General of Mineral and Coal, Ministry of Energy and Mineral Resources provides information on royalty and land rent, which are paid by mineral and coal production units, and Sales Revenue Share which is paid by coal production units with CcoW type of contract.
2. Directorate General of Tax, Ministry of Finance provides information on Income Tax and Land and Building Tax which are paid by mining production units in 2009. Information is only provided for production units which already have provided their tax authorization letter and the letter is valid as the basis to open the tax information.
3. Directorate of Non Tax Revenue, Directorate General of Budget, Ministry of Finance provides information on dividen paid by state owned mining companies and private companies which shares owned partly by government, which are PT. Aneka Tambang, PT. Timah, PT. Bukit Asam, and PT. Freeport Indonesia.

Reporting entities from mineral and coal production units cover the following comodities in Table III-2.

Table III-2 Number of Production Units Report in Each Commodity

Commodity	Number of Production Units
Copper and Gold	6
Tin	7
Bauxite	2
Nickel	3
Coal	54
Total	72

3.3.2 Reported Revenue Stream

3.3.2.1 Royalty

Mineral

Royalties for minerals produced by entities operating under CoWs, KPs and IUPs, are defined as percentages of FOB sales prices per tonne or kilogram of metal sold, or exported as such or as contained in exported concentrates. For the minerals entities included in the scope of the 2009 EITI reporting, the rates of royalties, unless otherwise specified in CoWs, are as in Table III-3

Table III-3 Royalty of Each Commodity

Commodity	Unit	Royalty
Nickel	Per tonne	5% of sale price
Tin	Per tonne	3% of sale price
Copper	Per tonne	4% of sale price
Bauxite	Per tonne	3,75% of sale price
Gold	Per kilogram	3,75% of sale price
Silver	Per kilogram	3,25% of sale price

Coal

The royalty rates for coal, unless otherwise specified in CCAs, are as follows:

- KPs and IUPs
 - Open cut mining operations - 3% to 7%, depending on the calorific content of the coal.
 - Underground mining operations - 2% to 6%, depending on the calorific content of the coal.
- CCoWs
 - Ranging from 3% to 7%, depending on the calorific content of the coal, and
 - Sales revenue share (PHT), the balance of 6.5% to 10.5% being the differential between a total of 13.5%, as specified in CCoWs and the royalty amounts noted above.

3.3.2.2 Dead Rent

For CoWs and CCAs/CCoWs, the rates start at US\$0.05 per hectare and increase up to US\$4.00 per hectare, depending on the stage of mining activities, and the generation of CoWs or CCoWs. For KPs and IUPs, the rates start at Rp500 (approximately US\$0.05) hectare and increase up to Rp25,000 (approximately US\$2.50) per hectare.

3.3.2.3 Corporate Income Tax

Companies pay corporate income tax at the rates specified in the contract. Companies holding KPs and IUPs pay corporate income tax at the rates in effect based on the tax law.

3.3.2.4 Land and Building Tax

Land and buildings tax (PBB) applies for buildings and other facilities located on land which is held under title, in accordance with current tax law.

3.3.2.5 Dividends

Dividends involve dividend payments to the Government by four mining companies in which the Government holds direct ownership interests.

3.3.3 Aggregate Report and Unreconciled Differences

Summary of aggregate mining report and unreconciled differences can be seen in Table III-4

Table III-4 Summary of Aggregate Mineral and Coal Report and Unreconciled Differences

Revenue Stream	Reported by Mining entities, after adjustment, in Rupiah ('000)	Reported by DJP / DJMB / DJA, after adjustment, in Rupiah ('000)	Total Adjustment	Unreconciled Differences, in Rupiah ('000)
Corporate Income Tax *				
- Mineral	12.720.934.223	12.126.399.545	14	498.611.094
- Coal	11.543.552.097	13.458.533.765	29	(2.838.588.015)
Sub Total	24.264.486.319	25.584.933.310		(2.339.976.921)
Royalty				
- Mineral	2.054.104.324	2.027.472.783	20	26.631.541
- Coal	9.756.938.636	9.973.523.843	213	(216.585.207)
Sub Total	11.811.042.961	12.000.996.626		(189.953.666)

Revenue Stream	Reported by Mining entities, after adjustment, in Rupiah ('000)	Reported by DJP / DJMB / DJA, after adjustment, in Rupiah ('000)	Total Adjustm ent	Unreconciled Differences, in Rupiah ('000)
Sales Revenue Share				
- Mineral	-	-	-	-
- Coal	2.242.048.858	2.583.173.110	163	(341.124.252)
Sub Total	2.242.048.858	2.583.173.110		(341.124.252)
Dead Rent				
- Mineral	16.747.412	25.549.580	9	(8.802.168)
- Coal	24.633.054	23.643.172	88	989.466
Sub Total	41.380.466	49.192.752		(7.812.702.16)
Land and Building Tax				
- Mineral	209.277.238	34.926.426	7	168.833.178
- Coal	65.331.944	27.983.134	19	29.941.611
Sub Total	274.609.182.80	62.909.561		198.774.790
Dividend				
- Mineral	3.005.543.604	2.879.448.515		126.095.089
- Coal	655.862.708	655.862.708	-	-
Sub Total	3.661.406.312	3.535.311.223		126.095.089
TOTAL	42.294.974.099	43.816.516.582	562	(2.553.997.661)

Note :

(*) The above Corporate Income Tax and Land and Building Tax do not include any amount that is not disclosed by DG of Tax due to incomplete authorization letter.

3.3.4 Summary Report per Company

Based on first EITI Report year 2009, we can see contribution of each mineral and coal company. Percentage of contribution is presented in the following charts. Detail information per company can be seen in ANNEX E - SUMMARY OF MINERAL AND COAL SECTOR

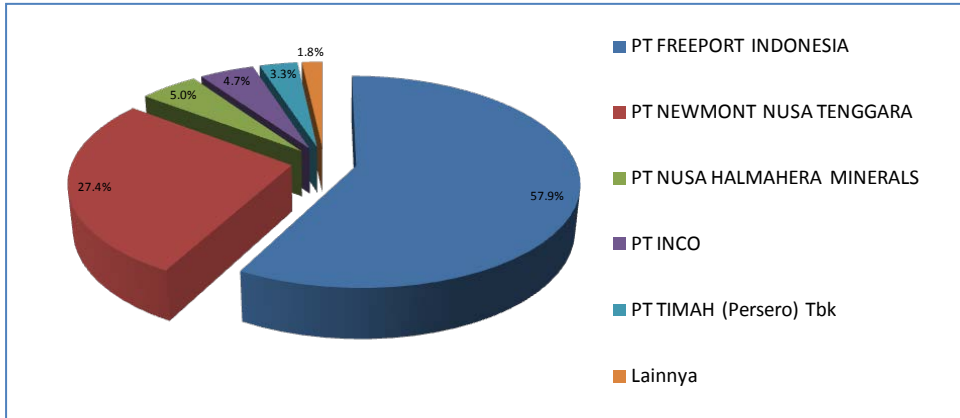


Figure III-3 Percentage of Contribution of Mineral Companies to Corporate Income Tax

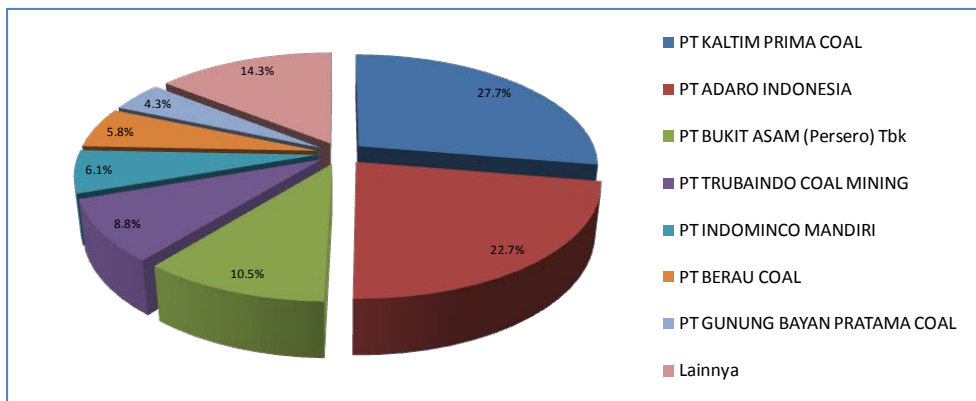


Figure III-4 Percentage of Contribution of Coal Company to Corporate Income Tax

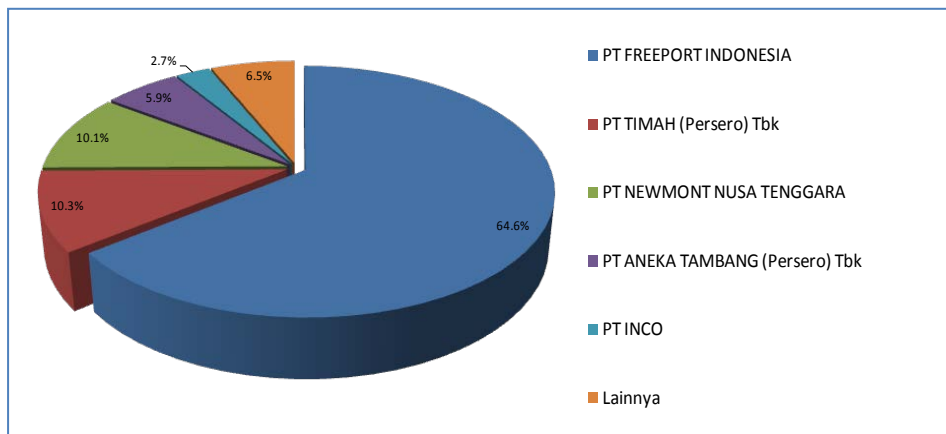


Figure III-5 Percentage of Contribution of Mineral Company to Royalties

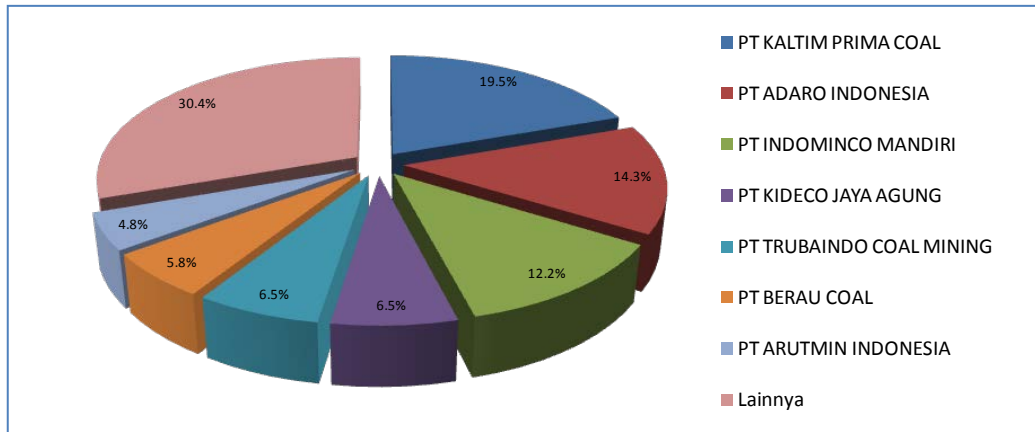


Figure III-6 Percentage of Contribution of Coal Company to Royalties

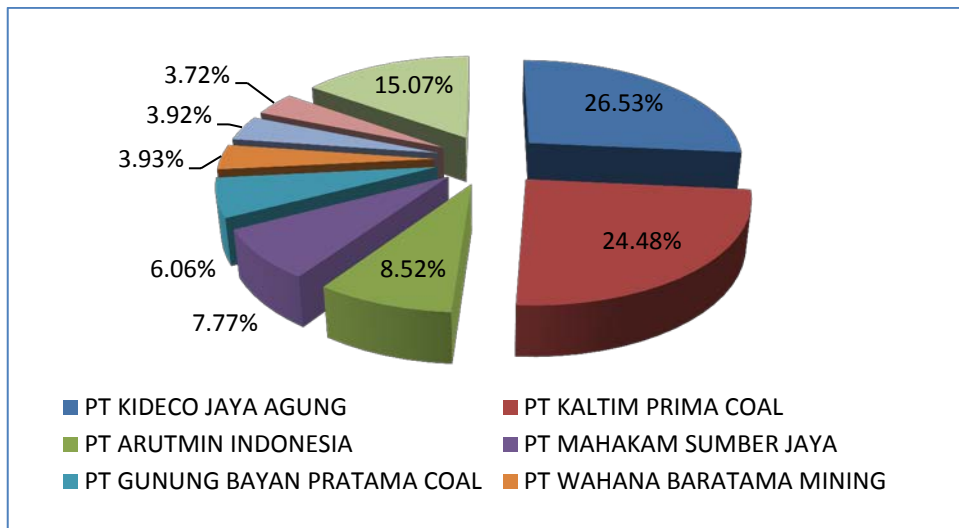


Figure III-7 Percentage of Contribution of Mineral Company to Sales Revenue Share



CHAPTER IV

BRIEF OF EITI INDONESIA VALIDATION REPORT

The validation activity is conducting assessment over the implementation of EITI Indonesia in accordance with requirements of EITI Standard/Rule. This chapter presents the validation report, in brief.

4.1 Brief of Assessments in Accordance with EITI Requirements

In general, EITI Rule 2011 consists of 18 requirements. The validator's assessment result for each requirement is presented in the Table IV-1 in the following.

Table IV-1 Result of Validation Assessment

Requirement	Met/not met
1. The government is required to issue an unequivocal public statement of its intention to implement the EITI.	Met
2. The government is required to commit to work with civil society and companies on the implementation of the EITI.	Met
3. The government is required to appoint a senior individual to lead on the implementation of the EITI.	Met
4. The government is required to establish a multi-stakeholder group to oversee the implementation of the EITI.	Met
5. The multi-stakeholder group, in consultation with key EITI stakeholders, should agree and publish a fully costed work plan, containing measurable targets, and a timetable for implementation and incorporating and assessment of capacity constraints.	Met with the exception of 5(e)
6. The government is required to ensure that civil society is full, independently, actively and effectively engaged in the process.	Met
7. The government is required to engage companies in the implementation of the EITI.	Met
8. The government is required to remove any obstacles to the implementation of the EITI.	Met
9. The multi-stakeholder group is required to agree a definition of materiality and the reporting templates.	Met
10. The organization appointed to produce the EITI reconciliation report must be perceived by the multi-stakeholder group as credible, trustworthy and technically competent.	Met

Requirement	Met/not met
11. The government is required to ensure that all relevant companies and government entities report.	This requirement has been met with the exception of the 20 PSC partners who did not report.
12. The government is required to ensure that company reports are based on accounts audited to international standard.	Not met. There was insufficient evidence to confirm that the requirement was met.
13. The government is required to ensure that government reports are based on accounts audited to international standard.	Not met. There was insufficient evidence to confirm that the requirement was met.
14. Companies comprehensively disclose all material payments in accordance with the agreed reporting templates.	Met
15. Government agencies comprehensively disclose all material revenues in accordance with the agreed reporting templates.	Met
16. The multi-stakeholder group must be content that the organization contracted to reconcile the company and government figures did so satisfactorily.	Met
17. The reconciler must ensure that that the EITI Report is comprehensive, identifies all discrepancies, where possible explains those discrepancies, and where necessary makes recommendations for remedial actions to be taken.	Met
18. The government and multi-stakeholder group must ensure the EITI Report is comprehensible and publicly accessible in such a way as to encourage that its findings contribute to public debate.	Met

4.1 Validator's Explanations on The Unmet Requirements

Requirement 5

The timeframe to complete the second EITI Report covering 2010 and 2011 will be challenging to achieve. The Implementation Team should confirm with the EITI Board that a combined 2010 and 2011 report is acceptable. All stakeholders must be committed to meeting this deadline. Specifically the government must ensure that it enables an efficient procurement and payment process for the Reconciler. Additionally, socialization of the new templates is a priority to promote understanding for the new templates.

There were significant delays in issuing the 2009 EITI Report. The report has been issued and there is an action plan in place to issue the second EITI Report covering 2010 and 2011 before 31 December 2013. Achieving this

will be challenging given past performance and the short timeframe to complete. Other than the requirement 5(e), the requirement has been met.

Requirement 11

- To ensure that all companies that paid USD 500,000 or more are sent reporting templates to complete, the EITI Reconciler should initially obtain a list of all companies from the DG Coal and Minerals that paid USD 500,000 or more during the reporting year 2009.
- 20 PSC partners were not required to report. These PSC partners pay taxes and therefore should have been required to complete templates.
- The Reconciler was not satisfied that DG Mineral and coal was the correct government entity to provide details of royalties, sales revenue share and dead rent.

Requirement 12

- In some instances the standard wording was not utilized by the companies and government but rather reflected actual audit practices for those entities. The extent of non-compliance was not quantified in the 2009 EITI Report.
- The Reconciler has made the following observation in the 2009 EITI Report:

“The audit statements wording specified in the Reporting Templates is not appropriate in certain instances e.g. oil and gas information for which the 2009 EITI reporting basis was the FQRs. The Reconciler is not aware of any instances where a Public Accounting firm audits a FQR during the course of a standard scope financial statement audit and issues an ‘audit opinion’ on FQR information. PSC FQR information is subject to audit by BPMIGAS and the BPKP and hence PSC Reporting Partners who signed the standard 2009 Reporting Template audit wording “I certify that the content of the foregoing submission is correct, independent and consistent with the mechanism stipulated in the production sharing contract and already reported in Financial Quarterly Reports, which are audited by an

independent auditor”, did not comprehend the standard scope of a Public Accountant’s audit of financial statements.”

Indonesian company law (Law No. 40 of 2007) imposes a requirement for the financial statements of companies with assets of IDR 50 billion (approximately USD 5,000,000) or more, to be audited.

Requirements for audits of Indonesian entities are also set out in a Ministry of Industry and Trade (MoIT) regulation, which requires companies with balance sheet totals of IDR 25 billion (approximately USD 2,500,000) or more, to be audited and to lodge audited annual financial statements with the MoIT.

Requirement 13

The Indonesia’s Supreme Audit Agency (BPK) is responsible for auditing government entities. Government reporting entities are audited by the BPK based on State Financial Standards. The data submitted by the Government reporting entities is included within the financial statements of the Government. The 2009 financial statements of Government were audited by BPK. However there is no evidence that the specific data submitted by the Government Reporting entities to the Reconciler was subject to audit.

4.2 The Implementation Team’s comments on the unmet requirements

Responding to the unmet requirements, Head of The Implementation Team in accordance with issuance of letter S-19/D.III.M.EKON/07/2013 sent comments. In general, the comments aim to explain that the Validator should revise their report based on facts and description provided by the Implementation Team, in which according to those descriptions all of the requirements are met. The comments in brief as in the following.

Comment to requirement 5

As Indonesia understands that EITI International has stated that

"Indonesia must demonstrate regular and timely reporting by 31 December 2012 or the end of their maximum candidacy period, whichever is later"

Indonesia has been given 3.5 years maximum candidacy period or until 18 April 2014.

During that period, Indonesia is not required to demonstrate compliance with Requirement 5(e). It means, 18 April 2014 is the date on which Requirement 5(e) should be evaluated.

Comment to requirement 11

It is not correct that 20 PSC partners were not required to report. In fact, the Implementation Team required those 20 PSC partners to report, and that it was followed up by the reconciler. Condition in which 20 PSC partners didn't report, it is due to the contacts were unable to get, because the ownerships has changed.

It is also worth noting that although 20 partners did not report on their behalf, the DG of Budget reported on revenues received from those 20, thus satisfying the precedent for full asymmetrical disclosure. For all these reasons, Indonesia should be found in compliance with Requirement 11.

Comment to requirement 12 and 13

Requirement 12 states that:

"Where [company] figures submitted for reconciliation are not to [international] audited standards, the multi-stakeholder group is content with the agreed way of addressing this."

And requirement 13 states that:

"The Government is required to ensure that Government reports are based on accounts audited to international standards, ... Where [government] figures submitted for reconciliation are not to [international] audited

standards, the multi-stakeholder group is content with the agreed way of addressing this.”

For both requirements, the Implementation Team expressed its contentment with figures in the report in the its meeting. For this reason, Indonesia should be passed on requirement 12 and 13.

4.3 Overall Assessment of Indonesia’s EITI Implementation

Indonesia has made meaningful progress towards compliance. Due to the size of the extractive industries and complexity of issues in Indonesia considerable progress has been achieved since commencing the Initiative. There have been numerous issues and recommendations identified in the EITI Report that the Implementing Team are in the process of addressing.





CHAPTER V
BRIEF OF SECOND EITI INDONESIA REPORTING SCOPING
(2010-2011)

The second reporting scoping has included improvement recommendations as suggested by Validator as well as International Secretariat in accordance to assessment of the first EITI Report. The crucial part is of determining which revenues streams that have to be included, and determining materiality of which companies that should be included in the second report. The second report will include calendar year 2010 and 2011.

5.1 Oil and Gas Sector

Benefit streams from oil and gas sector that will be included in the second report and these descriptions are presented on Table V-1 as follows.

Table V-1 Oil And Gas Sector Benefit Streams In 2011

Benefit Streams	2011 global figures (IDR trillion)	% of total oil and gas global figures	Conveyed from Contractor to Government?	Included in 2010/11 report?
Non-Tax Revenues				
Revenue from oil production (government share of equity oil)	141.30	47.13	Yes	Yes
Revenue from gas production (government share of equity gas)	52.19	17.41	Yes	Yes
Revenue from crude oil (difference between the value of the DMO oil conveyed by the operator to the state and the DMO fee paid by the state to the operator)	11.76	3.92	Yes	Yes
Signature bonus	0.95	0.32	Yes	Unilateral
Production bonus	0.05	0.02	Yes	Yes
NOC Dividends (dividend paid to government by the national oil company derives from	5.62	1.88	Yes	Yes

Benefit Streams	2011 global figures (IDR trillion)	% of total oil and gas global figures	Conveyed from Contractor to Government?	Included in 2010/11 report?
profits from upstream and downstream activities, as well as non-oil and gas activities)				
Equipment and services bonuses	-	<1%	Cost recoverable	No
Expatriate hire fees	-	<1%	Cost recoverable	No
Data fees	-	<1%	Yes	No
Joint studies	-	<1%	Yes	No
Training of Indonesian nationals	-	<1%	Cost recoverable	No
Scholarship funds	-	<1%	Cost recoverable	No
Performance bond	-	No data	Cost recoverable	No
General working fund	-	No data	Cost recoverable	No
Retirement fund	-	<1%	Cost recoverable	No
Taxes				
Oil income tax	25.94	8.65	Yes	Yes
Gas income tax	47.15	15.73	Yes	Yes
Land and building tax	20.48	6.83	No, transferred from DGB to DGT	Unilateral
Value added tax (VAT)	-	0.96	No, transferred from DGB to DGT	Unilateral
Local tax and retribution	-	0.004	No, transferred from DGB to producing regions.	Unilateral
Withholding tax article 23 – Foreign payments	-	No data	No, withheld on behalf of government for a 3rd party	No
Withholding tax article 24 – Domestic payments	-	No data	No, withheld on behalf of government for a 3rd party	No
Withholding tax article 21 – Salaries	-	No data	No, withheld on behalf of government for a 3rd party	No
Import tax (Tax article 22)	-	No data	No	No

Oil and gas sector materiality threshold is all oil and gas producers, means that all PSC contractors that exploit oil and gas will participate in the EITI process. It consists of 71 PSC contractors. Reports will be submitted by both operators and non-operators (partners). In addition, exploration stage will be included in the form of signature bonuses that completely reported by Directorate General of Oil and Gas. Government entities that will report are

SKK Migas, Directorate General of Oil and Gas, and Directorate General of Budget.

5.2 Mining and Coal Sector

Benefit streams from mining sector that will be included in second report as well as the description are presented in Table V-2 as following.

Table V-2 Mineral And Coal Mining Benefit Streams In 2011

Benefit streams	2011 revenue (IDR trillion)	As a % of total mining revenue	Paid by the company to the Government?	Included in 2010/11 report?
Non-tax revenues				
Royalties	16.11	16.18	Yes	Yes
Sales Revenue Share	7.87	7.90	Yes	Yes
Dividends	3.35	3.36	Yes	Yes
Dead rent	0.26	0.26	Yes	Yes
Other non-tax revenues				
Forestry fees	0.43	0.43	Yes	Unilateral
Retirement funds	-	-	No, ultimate beneficiaries are employees	No
Fees for hiring expatriates	-	-	No, very small	No
Exploration licenses	-	-	No, moratorium in effect	No
Production licenses	-	-	No, moratorium in effect	No
Taxes				
Corporate Income tax from mining	71.17	71.46	Yes	Yes
Value Added tax	-	-	Yes, but usually reimbursed.	No
WHT on dividends, interest, royalties (articles 23, 24, and 26)	-	-	No, on behalf of 3rd party	No
WHT on services and rentals (article 15)	-	-	No, on behalf of 3rd party	No
WHT on employee salaries	-	-	No, on behalf of 3rd party	No
Land and building tax	0.40	0.40	Yes	Yes
Import tax (article 22)	-	-	Yes, different tariff levels and various government recipients	No
Other taxes and levies (regional taxes)	-	<1%	Yes, to local governments	Unilateral

At the scoping note previous version, the Implementation Team has agreed on materiality in mineral and coal sector, that is the mineral and coal companies that reported in 2009 and those that recorded paid royalties in excess than USD 500,000 in 2010 and 2011. Therefore, there are 193 mining companies including CoW, CCoW, and mining operational permits (IUP). Then the improvements are according to suggestions from International Secretariat in particular in defining materiality. In the new version, materiality is determined as follows:

1. The first step in determining materiality threshold for mining in 2010 involves a consideration of all material mining tax and non-tax payments made by companies in 2009. All companies whose payments cumulatively constituted 70 percent of total mining revenues in 2009 are considered material. Together with oil and gas sector, the 70 percent revenues from mining companies account for 95 percent of total state revenues from oil, gas, and mining sectors.
2. In order to capture any new mining companies that may have started production in 2010, the scoping also defines as material for the 2010 report, all companies who have paid in excess of USD 2,5 million (or IDR 25 billion) of royalties in 2010. Cumulatively, it constitutes approximately 90% of all royalties in 2010.
3. As well as for the 2011 report, all companies that included are those who have paid in excess of USD 2,5 million (or IDR 25 billion). The cumulative royalty payments made by those companies constitutes approximately 88% of all royalties collected in 2011.
4. Of the above procedures, 50 mining companies are considered material in 2010 and 81 companies are considered material in 2011.

Government entities who will report revenues in the mining sector are Directorate General of Mineral and Coal, Directorate General of Tax, and Directorate General of Budget.

5.3 Other Topics

The other topics that will be included in the second report are Revenue Sharing Funds from oil, gas, and mining; report from two pilot regions, data assurance, and other revenues that unilaterally reported by companies or government.



CHAPTER VI

OTHER RELATED ACTIVITIES

6.1 Mining for Development Conference in Sydney, Australia

The Mining for Development Conference is an annual event of the International Mining for Development Centre (IM4DC) Australia. The IM4DC is a research institute of mining areas of cooperation between the University of Western Australia and the University of Queensland with funding from the Australian Government through AusAID.

The conference that was held on the 20-21 May 2013, was the second annual conference of IM4DC. The inaugural conference was held at the University of Western Australia, Perth, Australia on May 2 and May 3, 2012.

With the theme "Build relationships, the knowledge, and improve performance", The Mining for Development Conference was attended by 600 participants from 69 countries. Conference is intended to provide a unique opportunity for developing countries, Non-Governmental Organizations (NGOs), the private sector and the international donor community to discuss the challenges and opportunities faced by developing countries in connection with the utilization of their mining resources.

The main focus of the conference is to highlight the need to build the relationship between Australia and developing countries, the relationship between the stakeholders in the field and priorities to improve performance in all aspects of mining in the mining sector development activities.

Speakers at the conference came from various backgrounds such as government officials and leaders, parliamentarians, NGOs, EITI Chairman, CEO mining companies, financial institutions, academics from developing countries in Africa, Asia, Latin America, and from developed countries such as Europe and the United States.

Australia as a country rich in mining resources, today enjoy economic prosperity as a result of the country's success in managing their resource mining is done in a transparent and accountable. As a country that already has a long experience in the field of mining and is currently one of the leading countries in the world in the fields of mining, Australia would like to share their experiences with other countries, especially developing countries that have mining resources in an effort to mine the resource utilization is sustainable for the prosperity of the nation and local communities.

The conference was opened by the Hon Gary Gray AO MP, Minister for Resources and Energy, Small Business and Tourism Australia. In his speech, he expressed the Australian Government's commitment to support the mining business and enhancing the well-being of local communities in developing countries. So far, there is a general impression that in many developing countries the benefits of mining only for the central government, while local people just got negative impacts. Therefore, the transparency will be very important to remove the stigma.

Another aspect that was raised during the conference is the gender aspect raised by Mrs. Ume Wainetti, Program Coordinator, Family and Sexual Violence Action Committee, Papua New Guinea, as well as aspects of the problem of human resource capacity building and leadership in the mining industry to create a change. The latter was explained by Mr. Antonio Pedro MA Director, United Nations Economic Commission for Africa. Antonio stressed the importance of improving skills other than mining skills such as managing expectation value skills.

On the last day of the conference Ms. Clare Short, Chair of the EITI Board describe briefly the EITI and its relevance to the business of mining. She pointed out that with transparency, mining resources will be utilized more responsibly so as to create sustainability benefits of mining for the benefit of future generations.

6.2 Meetings between EITI Indonesia Secretariat and KPK's Directorate of Research and Developments

In order to further develop cooperation in in conveyance of several issues inherent in the extractive industries transparency, the Secretariat undertook several visits and meetings with the Directorate of Research and Development, Division of Prevention, KPK. The meetings, which took place on 27 May and 10 September, discussed the various issues of non-tax payments in the mining sector and its relative connection and analyses to tax payments. Apart from that, discussions on the new 2013 standards of EITI, which is highly relevant to the prevention of corruption in Indonesia, also took place. Post 10 September meeting, the Secretariat sent several recommendations to the Directorate of Research and Development.

6.3 Visits of EITI International Secretariat and Chair of the EITI International Board

Clare Short, the Chair of the EITI International Board, accompanied by Jonas Moberg, Head of the EITI International Secretariat, visited Indonesia on 2-3 December 2013. The purpose of their visit is to discuss the progress of EITI implementation in Indonesia, the new 2013 EITI standards, and utilization of EITI to push for further improvement of governance in the Indonesian extractive industries.

In her visit, the Chair of the EITI International Board conducted meetings with a number of representatives of State Agencies and other stakeholders. The activities were:

- Meeting with the Coordinating Ministry for Economic Affairs, represented by Dr. Emy Perdanahari (Office of the Deputy for Energy and Mineral Resources) and the Deputy for Fiscal and Monetary Policies, and representatives of SKK Migas and the State Comptroller (BPKP);
- Meeting with Prof. Dr. Kuntoro Mangkusubroto, Head of the Presidential Working Unit for Development Supervision and Control (UKP-PPP);
- Meeting with the Implementation MSG;
- Meeting with representatives of various civil society organizations; and

- Meeting with Mr. Muhammad Husein, Upstream Business Director of PT. Pertamina (Persero).

6.4 South East Asia Workshop

In order to disseminate the new EITI standard that have been introduced at the *EITI Global Conference Day* in Sydney, May 22, 2013, the EITI International Secretariat and the World Bank organized "*South East Asia Workshop*" on December 2-5, 2013, at The Dharmawangsa Hotel, Jakarta. The workshop was attended by representatives of government, companies, and non-governmental organisations from neighbouring countries, including the Philippines, Myanmar, Laos, Vietnam, and also from Papua New Guinea and Afghanistan.

"South East Asia Workshop" was officially opened by Chair of EITI Board Clare Short as part of her visit to Indonesia.

- Day 1, Monday, Desember 2, 2013.

The agenda of the first day of workshop is especially designed for new countries that will implementing the new EITI standard which are Laos, Myanmar, Papua New Guinea and Vietnam. Discussion on the first day revolves around general issues which includes challenges in managing natural resources, stakeholder management, how EITI works, formulating EITI workplan, and management of EITI International. The first day was closed with a reception which was attended by several officials from Indonesia and Chair of EITI Board.

- Day 2, Tuesday December 3, 2013.

The workshop was officially opened on this second day by the Chair of the EITI Board, representatives of the Indonesian government , and representatives from the World Bank. In her opening, explained about the purpose and overview of the workshop. The material presented on the second day is already entered into more technical than the previous day. The workshop was consisted of presentations and group discussion and the representation from all groups were given the opportunity to

presenting their discussion results. The material in the second day of the workshop covers the challenges in the management of natural resources followed by the identification of key challenges and priorities in the extractive sector. As an addition, the presentation made by one of the international NGOs named Revenue Watch Institute (RWI), which has an important role in the implementation of the EITI. The presentation was about the Governance Index of Natural Resources as a tool in identifying differences in the level of a transparency among countries .

- Day 3, Wednesday, December 4 2013

The presentation in third day is more focused on EITI reporting context. In making an EITI report that is required basic knowledge of the legal framework, the scope of the report, including the quality of the data. The material on EITI report is very important so that countries who are implementing EITI can published the useful report. Beside of presentation about EITI Report, in this third day was presented about Governance of Multi Stakeholder Groups. The Governance include the roles and responsibilities of stakeholders, challenges and implications of the implementation of EITI new standard.

- Day 4 , Thursday, Desember 5, 2013

As a complement of all EITI-related material, on the last day is given the tips and material on how to use the data from the EITI report. The analysis from data in EITI report are expected to attract attention from public and can make a developing public debates. In the last session also provided examples of ways to communicate EITI to the public. This presentation took the example of communication technic in Indonesia, which was presented by representatives of NGOs, named the Publish What You Pay Indonesia and from EITI Indonesia Secretariat.

6.5 Weekly Meeting with World Bank Team

Since October 2013, EITI Indonesia Secretariat has been holding weekly meeting with World Bank Team in order to provide more support in EITI implementation in Indonesia, assist in schedule punctuality, and to follow up validation results.

Among the agendas of such meetings are revising the scope of EITI Indonesia reports in 2010-2011 to ensure they are up to the criteria that have not been met in 2009 report. Other agendas also include technical issues such as extending the deadline for 2010-2011 report, procurement process for communication activities, financial performance, and other technical assistance contributed by the World Bank.

6.6 Secretariat Weekly Meeting

Weekly meetings are aimed at coordinating the chores within EITI Indonesia Secretariat. Through this meeting, EITI Indonesia Secretariat coordinates the operational implementation of activities such as distribution and submission of reports from reporting entities, implementation of dissemination workshops, procurement activities for communication, finance, workplan, and other duties. Meetings will also discuss ways to prepare strategic actions to be decided at the Steering Committee Meeting.





CHAPTER VII

2014 WORKPLAN

The 2014 work plan has been discussed and approved in the meetings of the implementation team. In general, EITI Indonesia activities in 2014 consist of three main activities, namely:

1. Reporting activities for the Second and Third Reports;
2. Public Communications activities;
3. Dissemination and capacity building.

The three activities will involve the implementation team, the technical team, and the Secretariat as well as related stakeholders. The implementation and technical team meetings will be held every three months regularly and as needed.

7.1 Reporting activities for the Second Report (2010 and 2011) and the Third Report (2012)

In 2014 the Implementation Team has agreed that Indonesia will release two EITI reports, which consists of the Second Report for 2010 and 2011 calendar years and the Third Report for calendar year 2012.

7.1.1 The Second Report, 2010 and 2011 Calendar Year

Pertaining to the second report, since November and December 2013 the reconciler has started collecting data, developing contingency plan, as well as contacting companies and government entities who haven't submitted the report and who haven't reported completely.

Reporting activities in 2014 will include of activities of data reconciliation and writing the report. These activities will take 4 months. Cut off date is expected to be in the end of February. The draft report will be submitted in March. In April, meeting of the Implementation Team will be held to review for revisions or data additions. It is expected that in May the report have been

accepted and approved by the Implementation Team. The publication is scheduled in June. Brief of the workplan is shown in Table VII-1 as follows.

Table VII-1 Work Plan of the Second Reporting, 2010 and 2011

No	ACTIVITIES	2014					
		Jan	Feb	Mar	Apr	May	June
1	Reconciliation and report writing (including the Implementation Team meetings)						
2	The Second Report (2010-2011) approved by the Implementation Team						
3	Publication of the report						

7.1.2 The Third Report, 2012 Calendar Year

Reporting of the third report that consists of 2012 calendar year is required to comply with new EITI Standard 2013. The Implementation Team has understood on the new standard implementation, in which this issue has been discussed in its meetings in the end of 2013. In order to comply with the new standard, the report will comprise two types, namely inception report and reconciliation report. The inception report consist of things required in requirement 3 in the new standard which including context of extractive industries in the implementing countries.

Activities for the third report consist of developing report scoping, approval on the reporting templates, template distribution to reporting entities, procurement of independent administrator, and reconciliation as well as writing the report.

The development of scoping will be conducted by a consultant provided by World Bank. This activity is expected to be taking until April including approval from the Implementation Team. The scoping has included reporting templates. After getting approval from the Implementation Team, then the templates can be distributed. The distribution will be done simultaneously with collection of the templates that have been filled out. This activities are expected for 4 months, it is from April until July 2014.

Coincide with those activities at the outset, the procurement of Independent Administrator will be conducted from May until July. The result is expected to appear in August, so that the independent administrator can started to work. Activities of reconciliation and preparing the Third Report are expected to take four months, from August to November. During that time, the Implementation Team will holde meetings to ensure that the report have met the expectation. The third report is expected to finish by the end of November to be approved in December. Then, on December 31, 2014 it can be published.

Brief of activities of the third report can be seen in Table VII-2below.

Table VII-2 Brief of Reporting Activitis for the Third Report, 2012 Calendar Year

No.	ACTIVITIES	2014											
		Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
1	Development of scoping	■	■										
2	Procurement for consultant	■	■										
3	Review of the scoping			■									
4	Approval on the reporting templates (MSG Meetings)				■								
5	Template distribution to government entities and companies (including workshops)				■	■	■						
6	Template collection from government entities and companies					■	■	■					
7	Procurement for the independent administrator					■	■	■					
8	Reconciliation and report writing								■	■	■	■	
9	Approval of the report												■
10	Publication												■

7.2 Communication Activities

EITI Indonesia 2014 Communications Work Plan is continues the existing 2013 work plan with additions. The postponed activities due to delayed procurement process will be executed in 2014. Apart from that. there will be special emphasis on the production of public campaign collaterals in order to increase public awareness of the existence of EITI Indonesia under the Coordinating Ministry for Economic Affairs, as well as announcing the availability of data and information materials for the purpose of transparency of State Finances. Whereas additional programs apart from existing ones which will be continued on from the 2013 work plan are as follow:

1. Television Program – *Talk Show* (National)
To effectively and efficiently push for a public discourse regarding transparency of state revenues, with target audience encompassing urban middle class group.
2. Radio Program – *Talk Show* (Regional)
To provide the public with an understanding about state revenues transparency and the existence of EITI Indonesia Report. Specific target audience are those who live in resource rich areas. Also to increase attention on the issues of revenue sharing between the central and regional governments, specifically that from the extractive industries.
3. Radio Program – Advertisements (Regional)
To effectively and efficiently push for public awareness on the transparency of state revenues from the extractive industries, specifically targeting urban middle class group in resource rich areas.
4. Public Education Program – Comics
To effectively provide basic education about transparency and reach youths and those with basic-intermediate educational background.
5. Standardization of information and collaterals design
Design and basic collaterals standardization program for all EITI Indonesia productions for either printed or electronic forms. This is undertaken in order to achieve an easily recognizable branding so as to make EITI Indonesia known to the public.
6. Placements of Public Announcements (National & Regional)
To support information dissemination activities for the 2010-2011 Reconciliation Report (EITI Indonesia Second Report).
7. Development of Video Profile (Communications Collaterals)
To provide understanding to the general public on transparency of state revenues from the extractive industries, and the existence of EITI Indonesia Report specifically as a description of EITI Indonesia as an institution. The use of which is as public education material through digital medium.

7.3 Dissemination and Capacity Building

Dissemination activities in 2014 are planned to be undertaken as a stand-alone event and in cooperation with other government agencies. Dissemination activities will raise issues and include further understanding of EITI Indonesia, its second reconciliation report (which will be published in June 2014), as well as preparation for the Third Report, which will utilize the new 2013 EITI standards.

Capacity building will be undertaken for civil society participants by reaching wider audience, and include relevant regional governments in relation to their participation in report submission.



CHAPTER VIII

EITI INDONESIA FINANCIAL REPORT 2013

This section describes on financial report for EITI Indonesia activities during 2013. The report consists of brief explanation on the allocation and absorption of funds from national budget and funds that derived from grant.

8.1 Fund Allocation and Realization In 2013

The Coordinating Ministry for Economic Affairs has allocated IDR 8,689,460,000 funds for activities of EITI Indonesia during 2013.

As of Desember 31, 2013 the fund absorbed reached IDR 6,976,435,000 or as much as 80 percent of what have been allocated.

The detail of allocation and realization is as shown in Table VIII-1 as follows.

Table VIII-1 Fund Allocation and Realization for EITI Indonesia Activities in 2013

Code	PROGRAM / ACTIVITIES / OUTPUT / SUB OUTPUT / COMPONENT / SUB COMPONENT / ACCOUNT / DETAIL	Allocation	Realization (SPP)	Activities that have been done	Balance	Desc
1	2	3				
2502.003	Report on percentage of stakeholders in oil, gas, and mining sectors that have conducted transparency	8,689,460	6,976,435	-	1,713,025	80%
Rupiah		1,999,460	1,209,957	-	789,503	61%
52	Expenditure of Goods	1,708,260	1,089,250		619,010	
521211	Materials Expenses	71,400	63,277		8,123	
521213	Honorarium of Activity Outputs	387,300	191,530		195,770	
521219	Other Expense of Non Operasional Goods	36,600	31,200		5,400	
522113	Expense of Consultants Services	936,800	673,390		263,411	
524119	Expense of other travelling (Domestic)	137,760	129,854		7,906	
524219	Expense of other travelling (Abroad)	138,400	-		138,400	
					-	
52	Expenditure of Goods	291,200	120,707	-	170,493	
521211	Materials Expenses	114,700	49,829		64,871	
521219	Other Expense of Non Operasional Goods	19,500	6,642		12,859	
522151	Expense of Profesional Services	31,000	5,200		25,800	
524114	Expense for Official Travel, In-Town Meeting Package	66,000	-		66,000	
524119	Expense of other travelling (Domestic)	60,000	59,036		964	
					-	
Grant						
52	Expenditure of Goods	6,690,000	5,766,477	-	923,523	86%
521211	Materials Expenses	257,903	243,163		14,740	
522113	Expense of Consultants Services	3,638,452	3,574,735		63,717	
522191	Expense of other Services	839,130	239,408		599,722	
524114	Expense for Official Travel, In-Town Meeting Package	227,285	132,900	-	94,385	
524119	Expense of other travelling (Domestic)	1,007,230	966,462		40,768	
524219	Expense of other travelling (Abroad)	720,000	609,809		110,191	

From the table above, it can be explained as following:

1. It has been allocated as much as IDR 1,999,460,000 from the national budget. During 2013 the absorption or realization of the fund use reach IDR 1,089,250,000 or 61 percent of the total allocation. The description of the fund uses are as follows.
 - a. Funds in these accounts are allocated for activities of multi stakeholder of EITI that consist of government, industries, and civil society; operational of office of national Secretariat; salaries for supporting staffs; validation activities and validator; supervising and field visits to some provinces and regions; and travelling as well as workshop abroad.
 - b. The absorption as of Desember 31, 2013 reaches 61 percent of the total allocation. One of the allocations that is very significant but can not be realized is the validator's third payment. This payment can not be done due to there is a requirement that stated in the contract but haven't been met by the Validator. In addition, the other allocation that can not be realized are attending workshop to abroad.
2. Meanwhile, the allocation derived from grant is as much as IDR 6,690,000,000. As of end of Desember 2013 the realization reaches IDR 5,766,477,000 or 86 percent. The explanations of the fund uses are as follows.
 - a. The grant allocated to pay individual consultants in the Secretariat; the Reconciler; dissemination activities to reporting entities, local governments, and stakeholders; communications activities; as well as financing delegates to EITI Global Conference.
 - b. The non absorbed funds consist of communications activities that haven't been implemented during 2013 that make the realization less than 100 percent. Subsequently, the fund is reallocated in 2014.





ANNEX A – BRIEF OF IMPLEMENTING TEAM MEETINGS IN 2013

Day/Time and Venue	Meeting Agenda	Meeting Results	Number of Participants
Thursday / 31 January 2013 Venue: Serayu Room, Coordinating Ministry for Economic Affairs, 3rd floor	<ol style="list-style-type: none"> 1. Steering Team Meeting Result 2. Reporting from Government and Companies 3. Reconciliation Progress 4. Validator Procurement Progress 5. EITI Global Conference in Sydney, May 2013 6. Preparation of EITI Indonesia Second Reporting 	<ol style="list-style-type: none"> 1. Follow up regarding Steering Team decision about validation; 2. The Technical Ministry will support the reporting process from other agencies and companies; 3. Sending delegation to Global Conference, Sydney; 4. Accepting the scoping notes. 	45
Thursday / 14 March 2013 Venue : Coordinating Ministry for Economic Affairs, 4th floor	<ol style="list-style-type: none"> 1. Validator; Procurement Result, Introduction, and Workplan. 2. Reconciliation Report Draft Presentation from Reconciliator. 3. EITI Second Report Scoping Note: Revision after 31 January 2013. 	<ol style="list-style-type: none"> 1. Agreed on validator working plan; 2. Agreed on reconciliation draft report; 3. Agreed on second report scoping note's revision. 	52
Thursday / 28 March 2013 Venue : Serayu Room, Coordinating	<ol style="list-style-type: none"> 1. Final Report Reconciliation Presentation by Reconciliator. 2. Validator first finding after visiting Indonesia; 3. EITI Indonesia April-May Workplan; 	<ol style="list-style-type: none"> 1. Approved the final reconciliation report figures; 2. Accepting pre report validator result; 3. Accepting the April-May EITI Indonesia workplan; 4. Accepting 3 months validation process extension; 5. Approve the need for discussion on further cost 	56

Day/Time and Venue	Meeting Agenda	Meeting Results	Number of Participants
Ministry for Economic Affairs, 3rd floor	<ol style="list-style-type: none"> 4. One month Indonesia validation extension; 5. Cost Recovery discussion result. 	recovery prior to being loaded in the third report.	
Monday / 22 April 2013	<ol style="list-style-type: none"> 1. Authorization of Final Reconciliation EITI Indonesia Report 2009 2. Publication preparation 	<ol style="list-style-type: none"> 1. The first EITI Indonesia Report covered year 2009 has been authorized. 2. Publication will be done after the authorization process. 	47
Tuesday / 16 July 2013 Venue : Serayu Room, Coordinating Ministry for Economic Affairs, 3rd floor	<ol style="list-style-type: none"> 1. Discussion about feedback regarding first Report and attachment addition. 2. Discussion about Indonesia Validation <ol style="list-style-type: none"> a. Authorization of Validation Report b. Respond and recommendation from EITI International. c. Follow up from EITI Indonesia 3. Preparation of 2010 and 2011 EITI reporting and activities agenda 	<ol style="list-style-type: none"> 1. Approval of the publication separately for additional information if there are entities who feel disadvantaged; 2. Approved the note and validation report that will be sent to International Secretariat; 3. Approved the activities agenda and member from Technical Ministries that will support the report submission; 	32
Thursday / 31 October 2013 Venue : Serayu Room, Coordinating Ministry for Economic Affairs, 3rd floor	<ol style="list-style-type: none"> 1. Decision about validation report 2. Preparation of 2010-2011 Report 3. 2010-2011 reporting schedule and extension submission of report publication 4. 2014 workplan and budget 5. Information and training regarding new EITI Standard in Indonesia 	<ol style="list-style-type: none"> 1. Accepting the 2010-2011 reporting schedule 2. Approve the need and reasons for applying for extension publication schedule reports; 3. Accepting the 2014 workplan and budget draft; 	28

Day/Time and Venue	Meeting Agenda	Meeting Results	Number of Participants
<p>Tuesday / 3 December 2013</p> <p>Venue : Serayu Room, Coordinating Ministry for Economic Affairs, 3rd floor</p>	<ol style="list-style-type: none"> 1. The discussion about the progress of the implementation of EITI Indonesia and revision of the scope to adjust the assessment results from the EITI International Secretariat; 2. Discussion with EITI International Chair, Ms. Clare Short and EITI International Secretariat Head, Jonas Moberg. 	<ol style="list-style-type: none"> 1. Accepting the scoping note revision. 2. Supporting technical ministries to work immediately in order to push the reporting entities for submit the report 3. Agreed that the report will be published up to June 2014, and if it's too late, then Indonesia can be suspended. 	<p>20</p>

ANNEX B – BRIEF OF TECHNICAL TEAM MEETINGS IN 2013

Day/Time and Venue	Meeting Agenda	Meeting Results	Number of Participants
Thursday / 27 March 2013 Venue: EITI Indonesia Secretariat Meeting Room, BUMN Building, 8th floor, Jakarta	The discussion about the necessity of cost recovery included in the Second Report of the EITI Indonesia	<ol style="list-style-type: none"> 1. Cost recovery will not be included in second report; 2. The need for more intense discussions to consider the cost recovery included in third report 	25
Tuesday/2 July 2013 Venue : EITI Indonesia Secretariat Meeting Room, BUMN Building, 8th floor, Jakarta	Discussion about reporting templat from oil and gas sector with the oil and gas sector stakeholders, namely SKK Migas, DG Budget, BPKP and representation from IPA (Indonesian Petroleum Association) and oil and gas contractor.	<ol style="list-style-type: none"> 1. Approved the reporting template of oil and gas sector that consists of form fro PSC, partner and government entities; 2. The List of PSC came from SKK Migas; 3. The results of the meeting will be taken at the Implementing Team meeting. 	20
Wednesday/18 September 2013 Venue : EITI Indonesia Secretariat Meeting Room, BUMN Building, 8th floor, Jakarta	<ol style="list-style-type: none"> 1. Discussion about the assessment of the International Secretariat related visits from Dyveke Rogan; 2. Discussion of materiality and incomplete data and eligibility data in the First Report; 3. Discussion about new EITI Standard. 	<ol style="list-style-type: none"> 1. Participants understand the International Secretariat notes in First Report; 2. The need of materiality revision and completeness of data for Second Report; 3. Technical Team understand that new Standar will be adopted in Third Report. 	25

Day/Time and Venue	Meeting Agenda	Meeting Results	Number of Participants
Wednesday /11 December 2013 Venue : EITI Indonesia Secretariat Meeting Room, BUMN Building, 8th floor, Jakarta	Discussion about reporting template for piloting area, which are East Kalimantan and Kutai Kartanegara for EITI Indonesia Second Report. This discussion was attended by representation from DG of Financial Balance	<ol style="list-style-type: none"> 1. There is a revision in section of region form template for suitability of the needed recording 2. The report will be filled by two of pilot area and will not be reconciled as agreed in the previous of Implementing Team meeting. 	7

ANNEX C – CHRONOLOGY OF SCHEDULE REVISION OF THE SECOND REPORT (2010-2011)

Chronology of schedule revision of the second report (for calendar year 2010 and 2011) are described as following:

- August 30, 2012 - Deputy Minister for Energy and Mineral Resources, the Coordinating Ministry for Economic Affairs sent a letter to Sector Manager, SEGOM of the World Bank, Washington concerning “Request for Additional EITI MDTF Grant for the Implementation of EITI Indonesia. As had been agreed between the World Bank and the Coordinating Ministry for Economic Affairs, the second EITI Indonesia report (2010-2011) will be financed by the second MDTF Grant.
- January 28, 2013 - A meeting between Mr. Frederic Cegara Escolano of the World Bank and the EITI Indonesia Secretariat was held in Jakarta to discuss among others the Financing and preparation of the second EITI Indonesia Report.
- February 6, 2013 - The second request letter for Additional EITI MDTF Grant was sent to the World Bank by Deputy Assistant Minister for Energy and Electricity as the Head of EITI Indonesia Secretariat, as there was no response from the World Bank to the August 30, 2012 letter of Deputy Minister for Energy and Mineral Resources.
- March 2013 - The scoping of the second EITI Indonesia Report had been discussed and agreed in the meeting of the EITI Indonesia Implementing Team. Development of Term of Reference (TOR) of the the second EITI Indonesia Reconciler .
- April 22, 2013 - Publication of the first EITI Indonesia Report (2009).
- June 4, 2013 - The Third request letter for Additional EITI MDTF Grant was again sent to the World Bank by Deputy Assistant Minister for Energy and Electricity as the Head of EITI Indonesia Secretariat.

- 17 Juni 2013 – Response letter from The World Bank confirmed the availability of MDTF fund for the second EITI Indonesia report. The letter among others allowed EITI Indonesia to start the process of procurement for the reconciler for the second EITI Indonesia report.
- Early July, 2013 - TOR of Reconciler and advertisement to request Expression of Interest (EOI) was sent by Project Officer of EITI Indonesia to the Task Team Leader (TTL) of the World Bank to get No Objection Letter (NOL).
- July 25, 2013 - A meeting was held at Directorate of Loans and Grants, the Ministry of Finance attended by EITI Indonesia Representative and Indonesian National Development Planning (Bappenas) to discuss draft Grant Agreement EITI MDTF Fase 2.
- July 30, 2013 - A letter concerning additional EITI MDTF Grant in amount of US\$ 1,050,000 to finance the second EITI Indonesia Report was received from The World Bank. The letter was sent to Director of Foreign Multilateral Loan, the Ministry of Finance.
- July 31, 2013 - Deputy Minister for Energy and Mineral Resources, the Coordinating Ministry for Economic Affairs sent a letter concerning additional EITI MDTF Grant to Deputy of Economy and Deputy of Financing of Bappenas and Directorate General of Loan Management, the Ministry of Finance to follow up the discussion on draft Grant Agreement EITI MDTF Fase 2 held on July 25, 2013.

The World Bank provided NOL for TOR for Reconciler and advertisement of EOI.

- Early August, 2013 - Media announcement to request Expression of Interest (EOI) from interested company.
- Mid August, 2013 – Document of Request for Proposal (RFP) was sent by Project Officer of EITI Indonesia to TTL of the World Bank to request NOL.
- Late August, 2013 – The World Bank gave NOL for RFP document. Interested companies gave their EOI.

- Early September, 2013 - Procurement Team of the Coordinating Ministry for Economic Affairs received EOI from interested companies and rank to obtain 5 shortlisted according to the criteria and qualifications.
- Mid September, 2013 - The result of shortlisted was sent to The World Bank to get NOL, the World Bank gave approval. Request for Proposal was sent to the top rank company. The company has 3 weeks to develop their proposal.
- Early October, 2013 - Proposal received from the top rank company.
- Late October, 2013 - Procurement Team submits their evaluation results and conduct negotiation; Draft of contract was sent by Project Officer of EITI Indonesia to The World Bank to get NOL.
- Early November, 2013 – Review on the Reconciler contract and The World Bank gave their approval.
- Mid November, 2013 – Technical preparation.
- November 18, 2013 - Contract was signed by Reconciler and starts to work.

ANNEX D – SUMMARY OF OIL AND GAS SECTOR

a. Government Lifting of Oil and Gas and DMO Oil

No	PSC Operators	Block	Adjusted Amount		Unreconciled Differences
			SKKMIGAS	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
01	BP Berau Ltd.	Berau	51.427.012.000	51.427.012.000	-
02	BP Muturi Ltd.	Muturi	3.224.135.200	3.224.135.200	-
03	BP Wiriagar Ltd.	Wiriagar	1.078.147.200	1.078.147.200	-
04	Chevron Indonesia Co.	East Kalimantan	320.268.000	320.268.000	-
05	Chevron Makassar Ltd.	Makassar Strait	78.239.200	78.239.200	-
06	Chevron Mountain Front Kuantan Inc.	MFK	27.764.120.800	19.097.852.800	(8.666.268.000)
07	Chevron Siak Inc.	Siak	7.182.593.600	15.848.861.600	8.666.268.000
08	CITIC Seram Energy Ltd.	Seram Non Bula	6.425.016.000	6.425.005.600	(10.400)
09	CNOOC SES Ltd.	South East Sumatera	7.734.760.800	7.734.760.800	-
10	ConocoPhillips (Grissik) Ltd.	Corridor	49.358.400	49.358.400	-
11	ConocoPhillips (South Jambi) Ltd.	South Jambi B	13.981.947.200	13.981.947.200	-
12	ConocoPhillips Indonesia Inc. Ltd.	Souht Natuna Sea B	5.713.999.200	5.713.999.200	-
13	Costa International Group Ltd.	Gebang	2.521.417.600	2.521.417.600	-
14	Energy Equity Epic (Sengkang) Pty. Ltd.	Sengkang. South Sulawesi	2.437.011.200	2.437.000.800	(10.400)
15	ExxonMobil Oil Indonesia Inc.	B Block	124.228.000	124.228.000	-
16	Golden Spike Ltd.	Raja	9.422.400	9.422.400	-
17	Hess (Indonesia-Pangkah) Ltd.	Pangkah. East Java	4.681.112.800	4.681.112.800	-
18	Inpex Corporation	Mahakam	3.110.161.600	3.110.161.600	-
19	Kalila (Korinci) Ltd.	Korinci	888.461.600	888.461.600	-
20	Kalrez Petroleum (Seram) Ltd.	Bula-Seram	493.625.600	493.625.600	-
21	Kangean Energy Indonesia Ltd.	Kangean	221.634.400	221.634.400	-
22	Kodeco Energy Co., Ltd.	West Madura	141.336.000	141.346.400	10.400
23	Kondur Petroleum S.A.	Malacca Strait	31.553.600	31.553.600	-

No	PSC Operators	Block	Adjusted Amount		Unreconciled Differences
			SKKMIGAS	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
24	Lapindo Brantas Inc.	Brantas	9.578.400	9.578.400	-
25	Mobil Cepu Ltd.	Cepu	4.020.078.400	4.020.078.400	-
26	Mobil Expl. Indo (NSO) Inc.	NSO	759.158.400	759.158.400	-
27	Mobil Pase Inc.	Pase	123.562.400	123.562.400	-
28	Pearl Oil (Tungkal) Ltd.	Tungkal	744.421.600	744.421.600	-
29	Pertamina Hulu Energi ONWJ Ltd.	Offshore Northwest Java	7.124.000	7.124.000	-
30	Perusda Benuo Taka	Wailawi	3.110.556.800	3.110.556.800	-
31	PetroChina East Java	Tuban	18.709.600	18.720.000	10,400
32	PetroChina International (Bermuda) Ltd.	Salawati Basin	5.636.800	5.636.800	-
33	PetroChina International Bangko Ltd.	Bangko	2.527.200	2.516.800	(10,400)
34	PetroChina International Jabung Ltd.	Jabung	2.080.260.000	3.024.184.800	943,924,800
35	PetroChina International Salawati Ltd.	Kepala Burung	2.232.089.600	1.288.154.400	(943,935,200)
36	Petrosetat Ltd.	Selat Panjang	276.317.600	276.317.600	-
37	Premier Oil Natuna Sea B.V.	Natuna Sea - A	40.237.600	40.237.600	-
38	PT Bumi Siak Pusako	CPP	468.000	468.000	-
39	PT Chevron Pacific Indonesia	Rokan	1.915.950.400	1.915.950.400	-
40	PT Medco E&P Indonesia	S&C Sumatra	1.201.844.800	1.201.844.800	-
41	PT Medco E&P Lematang	Lematang	61.297.600	61.287.200	(10,400)
42	PT Medco E&P Rimau	Barisan Rimau	12.656.800	12.656.800	-
43	PT Medco E&P Tarakan	Tarakan	17.004.000	16.993.600	(10,400)
44	PT Medco E&P Tomori Sulawesi	Senoro. Toili	1.085.916.000	1.085.916.000	-
45	PT Pertamina EP	Indonesia	1.055.797.600	1.055.797.600	-
46	PT Pertamina Hulu Energi East Java	Tuban	311.500.800	311.490.400	(10,400)
47	PT Pertamina Hulu Energi Ogan Komering	Ogan Komering	189.259.200	189.259.200	-

No	PSC Operators	Block	Adjusted Amount		Unreconciled Differences
			SKKMIGAS	DJA	Rupiah '000
			Rupiah '000	Rupiah '000	
48	PT Pertamina Hulu Energi Raja Tempirai	Raja	135.356.000	135.345.600	(10,400)
49	PT Pertamina Hulu Energi Salawati	Kepala Burung	78.925.600	78.936.000	10,400
50	PT Pertamina Hulu Energi Tomori Sulawesi	Senoro-Toili. Sulawesi	37.065.600	37.065.600	-
51	PT Pertamina Hulu Energi West Madura	West Madura	37.086.400	37.086.400	-
52	Santos (Madura Offshore) Pty. Ltd.	Madura Offshore	32.188.000	32.188.000	-
53	Santos (Sampang) Pty. Ltd.	Sampang. East Java Sea	12.355.200	12.355.200	-
54	Star Energy Kakap Ltd.	Kakap	19.104.800	19.104.800	-
55	Talisman (Ogan Komering) Ltd.	Ogan Komering	11.679.200	11.679.200	-
56	Total E&P Indonesia	Mahakam	4.596.800	4.596.800	-
57	Virginia Indonesia Co.	Sanga-Sanga	1.071.200	1.071.200	-
Total			159.290.944.800	159.290.903.200	(41.600)

b. Corporate and Dividend/Branch Profit Tax

No	PSC Operators and Partners	Block	Adjusted Amount		Unreconciled Differences
			PSC Operators and Partners	DJA	Rupiah '000
			Rupiah '000	Rupiah '000	
01	PT Chevron Pacific Indonesia	Rokan	3.717.906.400	3.717.854.400	52.000
02	Chevron Indonesia Co. Inpex Offshore North Mahakam	East Kalimantan	590.868.897	590.855.200	13.697
			47.118.448	47.122.400	-
		Sub Total	637.987.345	637.977.600	13.697
03	Chevron Makassar Ltd. PT Pertamina Hulu Energi Makassar Strait	Makassar Strait	777.351.827	777.348.000	-
			97.763.852	123.832.800	(26.068.948)
		Sub Total	875.115.679	901.180.800	(26.068.948)
04	Chevron Siak Inc.	Siak	42.460.569	42.463.200	-
05	Chevron Mountain Front Kuantan Inc. PT Pertamina Hulu Energi MFK	MFK	13.274.685	13.270.400	-
			-	3.400.800	(3.400.800)
		Sub Total	13.274.685	16.671.200	(3.400.800)

No	PSC Operators and Partners	Block	Adjusted Amount		Unreconciled Differences
			PSC Operators and Partners	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
06	Total E&P Indonesia	Mahakam	7.836.009.990	7.836.004.800	-
07	Inpex Corporation	Mahakam	7.982.908.762	7.981.604.800	1.303.962
08	ConocoPhillips Indonesia Inc.Ltd. Chevron South Natuna B Inc. Inpex Natuna Ltd.	South Natuna Sea B	1.665.458.153	1.665.456.000	-
			1.055.134.833	1.055.132.000	-
			1.450.228.738	1.450.228.000	-
		Sub Total	4.170.821.725	4.170.816.000	-
09	ConocoPhillips (Grissik) Ltd. Talisman (Corridor) Ltd. PT Pertamina Hulu Energi Corridor	Corridor	2.588.150.947	2.588.154.400	-
			1.725.434.069	1.725.432.800	-
			479.925.753	479.284.000	641.753
		Sub Total	4.793.510.769	4.792.871.200	639.569
10	ConocoPhillips (South Jambi) Ltd. PetroChina International Jambi B Ltd.	South Jambi B	14.231.838	14.227.200	-
			-	9.484.800	(9.484.800)
		Sub Total	14.231.838	23.712.000	(9.480.162)
11	PT Pertamina EP Meruap B.V. Korea Development Co. Ltd. (TAC) CNOOC Poleng Ltd. Pilona Petro Tanjung Lontar Ltd. PT Medco E&P Sembakung Elnusa Trista Ramba Ltd. Ellipse Energy Jatirangon Wahana Ltd.	Indonesia	6.280.019.408	6.279.412.464	606.944
			-	11.927.136	(11.927.136)
			-	108.249.024	(108.249.024)
			112.487.669	112.487.648	-
			-	966.784	(966.784)
			-	23.955.568	(23.955.568)
			-	67.611.960	(67.611.960)
			-	2.685.904	(2.685.904)
		Sub Total	6.392.507.077	6.607.296.488	(214.789.432)
12	Virginia Indonesia Co. Lasmo Sanga-Sanga Ltd. (ENI OIL) BP East Kalimantan Ltd. Opicoil Houston Inc. Virginia International Co. LLC. Universe Gas & Oil Comp. Inc.	Sangasanga	101.458.313	101.462.400	-
			307.015.384	307.008.000	7.384
			307.020.043	307.028.800	(8.757)
			262.128.048	214.446.804	47.681.244
			211.371.732	211.369.600	-
			61.109.422	61.016.800	92.622
		Sub Total	1.250.102.942	1.202.332.404	47.772.494
13	Mobil Expl. Indo (NSO) Inc.	NSO	1.137.485.305	1.137.489.600	-
14	ExxonMobil Oil Indonesia Inc.	B Block	934.220.789	934.221.600	-

No	PSC Operators and Partners	Block	Adjusted Amount		Unreconciled Differences
			PSC Operators and Partners	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
15	Mobil Cepu Ltd. Ampolex (Cepu) Pte. Ltd.	Cepu	4.014.400	4.014.400	-
			4.794.400	4.794.400	-
		Sub Total	8.808.800	8.808.800	-
16	Mobil Pase Inc.	Pase	2.506.039	-	2.506.039
17	CNOOC SES Ltd. Inpex Sumatra Ltd. KNOC Sumatra Ltd. Orchard Energy Sumatra B.V. Fortuna Resources (Sunda) Ltd. Talisman UK (South East Sumatra) Ltd. Talisman Resources (Bahamas) Ltd.	South East Sumatra	358.300.800	358.290.400	10.400
			-	91.239.200	(91.239.200)
			55.905.283	44.428.800	11.476.483
			-	26.031.200	(26.031.200)
			-	30.430.400	(30.430.400)
			-	15.839.200	(15.839.200)
			-	13.696.800	(13.696.800)
	Sub Total	414.206.083	579.956.000	(165.749.917)	
18	PT Bumi Siak Pusako PT Pertamina Hulu Energi CPP	CPP	116.488.489	126.943.336	(10.454.847)
			138.340.166	112.040.635	26.299.530
		Sub Total	254.828.654	238.983.971	15.844.683
19	PT Pertamina Hulu Energi West Madura	West Madura	493.001.600	487.385.600	5.616.000
20	PT Pertamina Hulu Energi East Java	Tuban	248.809.231	224.777.249	24.031.983
21	PT Pertamina Hulu Energi Ogan Komering	Ogan Komering	120.050.424	120.049.176	-
22	PT Pertamina Hulu Energi Salawati	Kepala Burung	67.100.800	53.726.400	13.374.400
23	PT Pertamina Hulu Energi Tomori Sulawesi	Senoro Toili	35.668.700	35.672.000	-
24	PT Pertamina Hulu Energi Raja Tempirai	Raja	15.314.832	15.558.400	(243.568)
25	PetroChina International Jabung Ltd. Petronas Carigali (Jabung) Ltd. PP Oil & Gas PT Pertamina Hulu Energi Jabung	Jabung	613.543.340	613.548.000	-
			-	528.320.000	(528.320.000)
			571.263.765	571.261.600	-
			314.637.215	314.641.600	-
		Sub Total	1.499.444.320	2.027.771.200	(528.320.000)

No	PSC Operators and Partners	Block	Adjusted Amount		Unreconciled Differences
			PSC Operators and Partners	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
26	PetroChina East Java PT Pertamina Hulu Energi Tuban	Tuban	44.678.816	44.678.400	-
		Sub Total	44.678.816	115.398.400	(70.719.584)
27	PetroChina International Salawati Ltd. PearlOil (Basin) Ltd. Lundin International B.V.	Kepala Burung	18.302.596	18.304.000	-
		Sub Total	39.084.583	54.828.800	(15.744.217)
28	PetroChina International (Bermuda) Ltd. PearlOil (Island) Ltd. Lundin Indonesia B.V. PT PHE Bermuda Kepala Burung	Salawati Basin	8.442.678	8.444.800	-
		Sub Total	31.249.109	31.241.600	7.509
29	PetroChina International Bangko Ltd. SK Corporation	Bangko	-	-	-
		Sub Total	-	-	-
30	Pertamina Hulu Energi ONWJ Ltd. CNOOC ONWJ Ltd. Itochu Oil Exploration Co. Ltd. Inpex Java Ltd. Talisman Resources (North West Java) Ltd. Orchard Energy Java B.V.	Offshore Northwest Java	243.172.800	243.172.800	-
		Sub Total	426.420.800	518.679.200	(92.258.400)
31	BP Berau Ltd. MI Berau B.V. Nippon Oil Exploration (Berau) Ltd. KG Berau Petroleum Ltd.	Berau	-	-	-
		Sub Total	-	-	-
32	BP Muturi Ltd. Indonesia Natural Gas Resources Muturi Inc.	Muturi	-	-	-
		Sub Total	-	-	-

No	PSC Operators and Partners	Block	Adjusted Amount		Unreconciled Differences
			PSC Operators and Partners	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
33	BP Wiriagar Ltd. KG Wiriagar Petroleum Ltd. Talisman Wiriagar Overseas Ltd.	Wiriagar	-	-	-
		Sub Total	-	-	-
34	PT Medco E&P Rimau SSLC PD Pertambangan dan Energi	Rimau	313.299.854	313.300.000	-
		Sub Total	329.789.366	329.794.400	-
35	PT Medco E&P Indonesia	South Central Sumatra	291.687.656	291.688.800	-
36	PT Medco E&P Tarakan	Tarakan	43.346.160	43.347.200	-
37	PT Medco E&P Tomori Sulawesi	Senoro Toili	21.912.800	21.912.800	-
38	PT Medco E&P Lematang	Lematang	-	-	-
39	Premier Oil Natuna Sea BV Kuwait Foreign Petr.Expl. Co. k.s.c. Natuna 1 BV (Petronas) Natuna 2 BV (Amerada)	Natuna Sea A	471.886.646	474.385.600	(2.498.954)
		Sub Total	1.651.020.155	1.654.831.495	(3.809.114)
40	Kondur Petroleum S.A. PT Imbang Tata Alam OOGC Malacca Ltd. (CNOOC) Malacca Petroleum Ltd. (CNOOC)	Malacca Strait	15.553.980	27.248.000	(11.694.020)
		Sub Total	67.171.156	79.154.400	(11.985.220)
41	Kangean Energy Indonesia Ltd. EMP (Exploration) Kangean	Kangean	-	-	-
		Sub Total	-	-	-
42	Kalila (Korinci) Ltd.	Korinci	-	-	-
43	Lapindo Brantas Inc. Novus Brantas, Ltd./Santos	Brantas	-	-	-
		Sub Total	-	-	-
44	Kodeco Energy Co., Ltd. CNOOC Madura Ltd.	West Madura	134.024.800	123.385.600	10.639.200
		Sub Total	256.912.282	246.273.082	10.639.200

No	PSC Operators and Partners	Block	Adjusted Amount		Unreconciled Differences
			PSC Operators and Partners	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
45	Star Energy Kakap Ltd.	Kakap	111.421.517	111.581.600	(160.083)
	SPC Kakap Ltd.		58.606.558	45.697.600	12.908.958
	Premier Oil Kakap B.V.		61.700.163	61.703.200	-
	Novus UK (Kakap) Ltd.		44.573.464	44.366.400	207.064
	Natuna UK (Kakap 2) Ltd.		20.635.868	20.280.000	355.868
	Novus Petroleum Canada (Kakap) Ltd.		9.815.978	9.651.200	164.778
	Novus Nominees Pty. Ltd.		10.797.571	10.608.000	189.571
	PT Pertamina Hulu Energi Kakap		39.263.910	39.135.200	128.710
	Sub Total		356.815.029	343.023.200	13.794.866
46	Talisman (Ogan Komerling) Ltd.	Ogan Komerling	64.334.400	61.911.200	2.423.200
47	Hess (Indonesia-Pangkah) Ltd.	Pangkah	-	-	-
	Kufpec Indoneseia (Pangkah) B.V.		-	-	-
	Hess Pangkah LLC.		-	-	-
	Sub Total		-	-	-
48	Santos (Sampang) Pty. Ltd.	Sampang	-	-	-
	Singapore Petroleum Sampang Ltd.		-	-	-
	Cue Sampang Pty. Ltd.		-	-	-
	Sub Total		-	-	-
49	Santos (Madura Offshore) Pty. Ltd.	Madura Offshore	-	-	-
	Petronas Carigali Overseas SDN BHD		-	-	-
	Sub Total		-	-	-
50	Energy Equity Epic (Sengkang) Pty. Ltd.	Sengkang	38.103.526	38.105.600	-
51	Golden Spike Ltd.	Raja	1.720.888	-	1.720.888
52	CITIC Seram Energy Ltd.	Seram non Bula	-	-	-
	Kufpec (Indonesia) Ltd.		-	-	-
	Sub Total		-	-	-
53	Kalrez Petroleum (Seram) Ltd.	Bula Seram	-	-	-
54	Pearl Oil (Tungkal) Ltd.	Tungkal	-	-	-
55	Petroselat Ltd.	Selat Panjang	-	-	-
	PetroChina International Selat Panjang		-	-	-
	International Mineral Resources Inc.		-	-	-
	Sub Total		-	-	-

No	PSC Operators and Partners	Block	Adjusted Amount		Unreconciled Differences
			PSC Operators and Partners	DJA	
			Rupiah '000	Rupiah '000	Rupiah '000
56	Perusda Benuo Taka	Wailawi	-	-	-
57	Costa International Group Ltd.	Gebang	-	-	-
Total			46,622,530,086	47.625.375.065	(1.002.828.872)

ANNEX E - SUMMARY OF MINERAL AND COAL SECTOR

a. Corporate Income Tax

Mineral

No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Company	DG of Tax	
		Rupiah '000	Rupiah '000	Rupiah '000
1	ANEKA TAMBANG (Persero) Tbk, PT	111.937.800	111.937.800	-
2	AVOCET BOLAANG MONGONDOW, PT	16.033.380	3.841.113	12.192.266
3	BELITUNG INDUSTRI SEJAHTERA, PT	-	-	-
4	BILLY INDONESIA, PT	31.113	31.113	-
5	DS JAYA ABADI, PT	-	-	-
6	FREEPOR T INDONESIA, PT	7.359.832.678	7.359.832.678	-
7	INCO, PT	593.960.879	571.277.096	22.683.783
8	INDOMURO KENCANA, PT	-	-	-
9	NEWMONT NUSA TENGGARA, PT	3.491.293.837	3.491.293.837	-
10	NUSA HALMAHERA MINERALS, PT	636.885.827	588.185.908	48.699.919
11	TIMAH (Persero) Tbk, PT	415.035.126	-	415.035.126
Total		12.625.010.639	12.126.399.545	498.611.094

Companies which do not provide Tax Authorization Letter:

No	Mining Entities	Corporate Income Tax
		Rupiah '000
1	BUKIT TIMAH, PT	709.414
TOTAL		709.414

Companies with which Tax Authorization Letter is deemed incomplete for disclosing tax data:

No	Mining Entities	Corporate Income Tax
		Rupiah '000
1	GUNUNG SION, PT	3.899.985
2	HARITA PRIMA ABADI MINERAL, PT	31.095.295
3	KOBA TIN, PT	60.218.891
TOTAL		95.214.170

Coal

No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Company	DG of Tax	
		Rupiah '000	Rupiah '000	Rupiah '000
1	ADARO INDONESIA, PT	2.618.377.665	2.736.115.475	(117.737.810)
2	ADIMITRA BARATAMA NUSANTARA, PT	395.428	395.428	-
3	ANTANG GUNUNG MERATUS, PT	-	-	-
4	ARUTMIN INDONESIA, PT	105.142.036	1.497.081.193	(1.391.939.157)
5	BAHARI CAKRAWALA SEBUKU, PT	276.511.863	604.534.231	(328.022.368)
6	BANGUN BENUA PERSADA KALIMANTAN, PT	215.890	17.633	198.257
7	BARA JAYA UTAMA, PT	1.237.766	-	1.237.766
8	BARAMARTA, PT	33.346.788	33.346.788	-
9	BATUBARA BUKIT KENDI, PT	19.769.890	19.769.890	-
10	BERAU COAL, PT	668.183.623	655.205.761	12.977.862
11	BINAMITRA SUMBERARTA, PT	625.832	396.805	22
12	BUKIT ASAM (Persero) Tbk, PT	1.211.336.258	1.211.336.258	-
13	DHARMA PUSPITA MINING, PT	1.045.251	1.441.401	(396.150)
14	FIRMAN KETAUN PERKASA, PT	-	-	-
15	GUNUNG BAYAN PRATAMA COAL, PT	490.780.329	504.439.111	(13.658.783)
16	HARFA TARUNA MANDIRI, PT	2.844.666	-	2.844.666
17	INDOMINCO MANDIRI, PT	699.772.872	699.772.872	-
18	INSANI BARAPERKASA, PT	15.988.903	17.966.191	(1,977,288)
19	INTEREX SACRA RAYA, PT	-	-	-
20	JORONG BARUTAMA GRESTON, PT	75.397.253	88.588.632	(13,191,379)
21	KADYA CARAKA MULIA, PT	1.576.163	1.457.603	118,560
22	KALIMANTAN ENERGI LESTARI, PT	-	250	(250)
23	KALTIM BATUMANUNGGAL, PT	1.180.525	1.185.239	(4,714)
24	KALTIM PRIMA COAL, PT	3.193.124.657	4.090.783.741	(897,659,085)
25	KARTIKA SELABUMI MINING, PT	506.442	-	506,442
26	LAMINDO INTERMULTIKON, PT	-	-	-
27	LANNA HARITA INDONESIA, PT	147.447.457	147.447.457	-
28	MULTI TAMBANGJAYA UTAMA, PT	-	-	-
29	NUSANTARA TERMAL COAL, PT	2.077.088	2.077.088	-
30	PERKASA INAKAKERTA, PT	-	-	-
31	RIAU BARAHARUM, PT	-	100	(100)
32	SANTAN BATUBARA, PT	-	-	-
33	SENAMAS ENERGINDO MULIA, PT	-	-	-
34	SINGLURUS PRATAMA, PT	-	-	-

No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Company	DG of Tax	
		Rupiah '000	Rupiah '000	Rupiah '000
35	TANJUNG ALAM JAYA, PT	39.448.175	39.394.576	53,599
36	TEGUH SINARABADI, PT	-	2.167.061	(2,167,061)
37	TRUBAINDO COAL MINING, PT	1.013.612.901	1.103.612.901	(90,000,000)
38	WAHANA BARATAMA MINING, PT	-	-	-
Total		10,619,945,719	13,458,533,682	(2,838,816,968)

Companies with which Tax Authorization Letter is deemed incomplete for disclosing tax data:

No	Mining Entities	Corporate Income Tax
		Rupiah '000
1	BARADINAMIKA MUDASUKSES, PT	-
2	BATUBARA LAHAT, PT	11.396.078
3	BUKIT BAIDURI ENERGI, PT	11.805.152
4	FAJAR BUMI SAKTI, PT	1.606.476
5	KIDECO JAYA AGUNG, PT	151.512.832
6	MAHAKAM SUMBER JAYA, PT	80.956.358
7	MANDIRI INTIPERKASA, PT	153.661.740
8	MARUNDA GRAHAMINERAL, PT	357.020.950
9	MULTI HARAPAN UTAMA, PT	29.481.229
10	SUMBER KURNIA BUANA, PT	9.995.946
11	TANITO HARUM, PT	82.149.029
TOTAL		889.585.790

Companies which do not provide Tax Authorization Letter:

No	Mining Entities	Corporate Income Tax
		Rupiah '000
1	BORNEO INDOBARA, PT	-
2	GEMA RAHMI PERSADA, PT	-
3	KAYAN PUTRA UTAMA COAL, PT	11.490.703
4	MULTI SARANA AVINDO, PT	22.529.885
TOTAL		34.020.588

b. Royalty

Mineral

No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Company	ESDM	Rupiah '000
		Rupiah '000	Rupiah '000	
1	ANEKA TAMBANG (Persero) Tbk, PT	120.358.871	120.905.498	(546.627)
2	AVOCET BOLAANG MONGONDOW, PT	3.418.392	3.351.125	67.268
3	BELITUNG INDUSTRI SEJAHTERA, PT	11.198.732	7.166.621	4.032.111
4	BILLY INDONESIA, PT	4.762.020	3.057.202	1.704.818
5	BUKIT TIMAH, PT	16.811.865	13.370.305	3.441.560
6	DS JAYA ABADI, PT	14.824.599	12.219.855	2.604.745
7	FREEPOR T INDONESIA, PT	1.326.063.620	1.326.063.620	-
8	GUNUNG SION, PT	9.948.133	11.953.118	(2.004.985)
9	HARITA PRIMA ABADI MINERAL, PT	10.446.005	14.664.187	(4.218.182)
10	INCO, PT	54.794.289	54.794.289	0
11	INDOMURO KENCANA, PT	3.331.053	7.447.920	(4.116.867)
12	KOBA TIN, PT	31.360.592	30.359.272	1.001.320
13	NEWMONT NUSA TENGGARA, PT	207.954.244	207.953.932	312
14	NUSA HALMAHERA MINERALS, PT	27.472.193	27.471.621	572
15	TIMAH (Persero) Tbk, PT	211.359.716	186.694.220	24.665.496
Total		2.054.104.324	2.027.472.783	26.631.541

Coal

No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Company	ESDM	Rupiah '000
		Rupiah '000	Rupiah '000	
1	ADARO INDONESIA, PT	1.397.022.277	1.424.397.217	(27.374.940)
2	ADIMITRA BARATAMA NUSANTARA, PT	20.398.196	7.221.486	13.176.710
3	ANTANG GUNUNG MERATUS, PT	6.357.569	9.410.316	(3.052.747)
4	ARUTMIN INDONESIA, PT	467.691.127	608.498.893	(140.807.766)
5	BAHARI CAKRAWALA SEBUKU, PT	194.258.688	114.897.559	79.361.129
6	BANGUN BANUA PERSADA KALIMANTAN, PT	21.751.528	4.067.630	17.683.898
7	BARA JAYA UTAMA, PT	25.229.218	26.177.063	(947.845)
8	BARADINAMIKA	12.392.347	12.392.338	8

No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Company	ESDM	
		Rupiah '000	Rupiah '000	Rupiah '000
	MUDASUKSES, PT			
9	BARAMARTA, PT	216.427.687	235.429.592	(19.001.905)
10	BATUBARA BUKIT KENDI, PT	18.380.048	18.380.048	-
11	BATUBARA LAHAT, PT	11.054.429	11.054.429	-
12	BERAU COAL, PT	568.288.652	591.256.399	(22.967.747)
13	BINAMITRA SUMBERARTA, PT	20.712.364	20.712.182	182
14	BORNEO INDOBARA, PT	29.054.355	37.208.341	(8.153.986)
15	BUKIT ASAM (Persero) Tbk, PT	379.779.556	379.779.556	0
16	BUKIT BAIDURI ENERGI, PT	56.200.817	59.621.076	(3.420.259)
17	DHARMA PUSPITA MINING, PT	1.242.946	1.242.946	-
18	FAJAR BUMI SAKTI, PT	13.554.496	39.356.372	(25.801.876)
19	FIRMAN KETAUN PERKASA, PT	4.119.476	6.195.691	(2.076.215)
20	GEMA RAHMI PERSADA, PT	28.827.441	28.827.441	-
21	GUNUNG BAYAN PRATAMA COAL, PT	248.893.523	249.789.846	(896.323)
22	HARFA TARUNA MANDIRI, PT	10.186.198	3.471.866	6.714.332
23	INDOMINCO MANDIRI, PT	1.186.276.067	1.188.623.913	(2.347.846)
24	INSANI BARAPERKASA, PT	47.965.536	49.729.894	(1.764.357)
25	INTEREX SACRA RAYA, PT	2.600.000	2.600.000	-
26	JORONG BARUTAMA GRESTON, PT	85.970.551	102.400.644	(16.430.094)
27	KADYA CARAKA MULIA, PT	5.567.768	8.838.372	(3.270.604)
28	KALIMANTAN ENERGI LESTARI, PT	1.614.251	1.614.251	-
29	KALTIM BATUMANUNGGAL, PT	11.319.294	11.318.930	364
30	KALTIM PRIMA COAL, PT	1.905.530.955	1.905.530.955	-
31	KARTIKA SELABUMI MINING, PT	6.629.228	5.923.379	705.849
32	KAYAN PUTRA UTAMA COAL, PT	43.401.071	31.630.039	11.771.032
33	KIDECO JAYA AGUNG, PT	632.070.590	644.047.383	(11.976.793)
34	LAMINDO INTERMULTIKON, PT	5.871.532	5.871.532	-
35	LANNA HARITA INDONESIA, PT	29.532.427	34.937.976	(5.405.549)
36	MAHAKAM SUMBER JAYA, PT	208.314.257	216.255.034	(7.940.777)
37	MANDIRI INTIPERKASA, PT	199.676.025	199.676.025	-
38	MARUNDA GRAHAMINERAL, PT	149.295.937	152.524.049	(3.228.113)
39	MULTI HARAPAN UTAMA, PT	225.597.113	225.596.331	782
40	MULTI SARANA AVINDO, PT	69.574.696	75.174.665	(5.599.969)

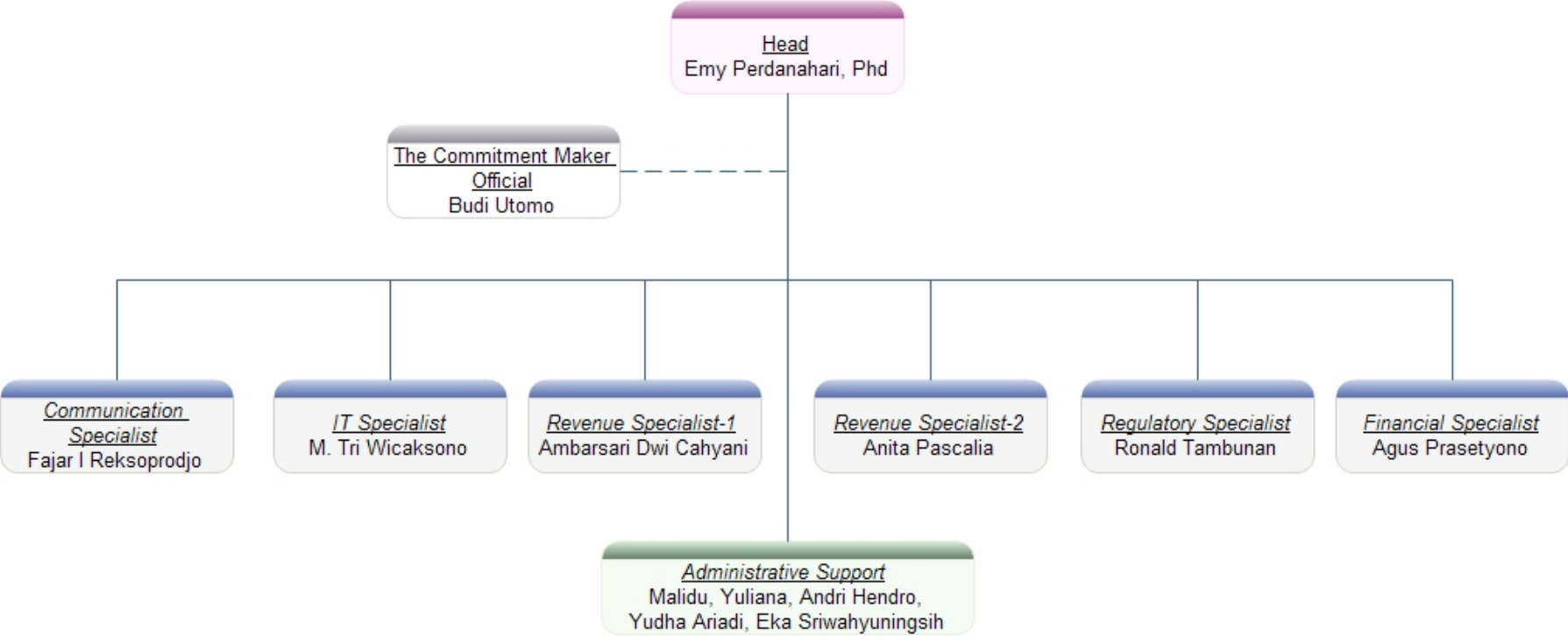
No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Company	ESDM	
		Rupiah '000	Rupiah '000	Rupiah '000
41	MULTI TAMBANGJAYA UTAMA, PT	1.797.596	1.797.596	-
42	NUSANTARA TERMAL COAL, PT	10.181.517	11.359.040	(1.177.523)
43	PERKASA INAKAKERTA, PT	38.911.412	38.911.414	(2)
44	RIAU BARAHARUM, PT	20.570.898	44.586.838	(24.015.940)
45	SANTAN BATUBARA, PT	31.619.622	33.109.094	(1.489.472)
46	SENAMAS ENERGINDO MULIA, PT	168.144	168.144	-
47	SINGLURUS PRATAMA, PT	12.920.552	12.920.546	6
48	SUMBER KURNIA BUANA, PT	40.268.321	40.268.321	-
49	TANITO HARUM, PT	128.362.436	128.362.436	-
50	TANJUNG ALAM JAYA, PT	120.508.561	128.192.537	(7.683.976)
51	TEGUH SINARABADI, PT	26.896.227	26.895.099	1.128
52	TRUBAINDO COAL MINING, PT	631.129.284	630.297.288	831.997
53	WAHANA BARATAMA MINING, PT	124.973.831	124.973.831	-
Total		9.756.938.636	9.973.523.843	(216.585.207)

c. Sales Revenue Share

No	Mining Entities	Adjusted Amount		Unreconciled Differences
		Companies	ESDM	
		Rupiah '000	Rupiah '000	Rupiah '000
1	ANTANG GUNUNG MERATUS, PT	10.807.866	21.186.386	(10.378.520)
2	ARUTMIN INDONESIA, PT	191.120.300	256.435.748	(65.315.448)
3	BARAMARTA, PT	83.447.133	83.447.133	-
4	BERAU COAL, PT	2.548.244	595.901.252	(593.353.008)
5	BORNEO INDOBARA, PT	46.973.731	58.849.995	(11.876.264)
6	FIRMAN KETAUN PERKASA, PT	2.827.853	88.219.307	(85.391.454)
7	GUNUNG BAYAN PRATAMA COAL, PT	135.914.380	41.593.559	94.320.821
8	INSANI BARAPERKASA, PT	4.058	19.957.422	(19.953.364)
9	JORONG BARUTAMA GREYTON, PT	12.442.623	31.318.398	(18.875.775)
10	KADYA CARAKA MULIA, PT	2.952.584	2.986.960	(34.376)
11	KALTIM PRIMA COAL, PT	548.809.782	548.809.782	-
12	KARTIKA SELABUMI MINING, PT	49.105.392	2.952.584	46.152.808
13	KIDECO JAYA AGUNG, PT	594.749.526	129.206.558	465.542.968

14	LANNA HARITA INDONESIA, PT	49.660.561	14.446.072	35.214.489
15	MAHAKAM SUMBER JAYA, PT	174.147.470	2.827.692	171.319.778
16	MANDIRI INTIPERKASA, PT	22.251.356	136.284.799	(114.033.443)
17	MARUNDA GRAHAMINERAL, PT	3.675.212	22.251.356	(18.576.144)
18	NUSANTARA TERMAL COAL, PT	2.986.960	15.950.192	(12.963.232)
19	PERKASA INAKAKERTA, PT	40.790.227	135.914.058	(95.123.831)
20	RIAU BARAHARUM, PT	10.319.282	87.828.000	(77.508.718)
21	SANTAN BATUBARA, PT	19.957.422	38.819.745	(18.862.323)
22	SENAMAS ENERGINDO MULIA, PT	285.844	285.844	-
23	SINGLURUS PRATAMA, PT	15.950.192	3.003.465	12.946.727
24	SUMBER KURNIA BUANA, PT	21.186.386	6.672.745	14.513.641
25	TANITO HARUM, PT	87.828.000	174.147.470	(86.319.470)
26	TEGUH SINARABADI, PT	23.087.155	40.790.227	(17.703.072)
27	WAHANA BARATAMA MINING, PT	88.219.307	23.086.349	65.132.958
Total		2.242.048.858	2.583.173.109	(341.124.251)

ANNEX F – ORGANIZATIONAL STRUCTURE OF EXTRACTIVE INDUSTRY TRANSPARENCY SECRETARIAT



ANNEX G – EVENT PHOTOS

Meetings of Implementation Team and Technical Team



Technical Team Meeting
discussing Cost Recovery
,27 March 2013, EITI
Secretariat Meeting
Room, BUMN Building
8th floor, Jakarta.



Meeting of
Implementation Team in
context of The First EITI
report ratification, 22
April 2013, Hotel
Borobudur, Jakarta.



Authorization for the
publication of the 2009
EITI Indonesia Report by
Implementing Team, 22
April 2013, Hotel
Borobudur, Jakarta.

Information Dissemination Activites



Information
Dissemination in
Tenggarong, Kutai
Kartanegara district, East
Kalimantan , 29 August
2013.



Information
Dissemination in
Banjarmasin, South
Kalimantan , 9 October
2013



Information
Dissemination in
Bangka, Kep. Bangka
Belitung, 7 October 2013

EITI Global Conference, Sydney



Discussion activity at EITI Global Conference, 23 May 2013, Sydney, Australia.



The Head of EITI Indonesia Secretariat, Emy Perdanahari, Phd (Third from the right) become one of the speakers in conference session.



Conference participants from Indonesia in front of EITI Indonesia booth.

International Anti-Corruption Day



EITI Indonesia Communication Specialist (Fajar) is giving information about EITI at EITI Indonesia booth, Istora Senayan, 9-11 December 2013.



EITI Indonesia Revenue Specialist-2 (Anita) is giving information about EITI at EITI Indonesia booth, Istora Senayan, 9-11 December 2013.



The enthusiasm from visitors in obtaining the information about EITI

EITI Workshop for South East Asia



Indonesian participants in the group discussion workshops, 3 December 2013, The Dharmawangsa, Jakarta.



Indonesian participants in the group discussion workshops, 3 December 2013, The Dharmawangsa, Jakarta.





EITI Indonesia Secretariat
Kementerian Negara BUMN Building, 8th floor,
Jl. Medan Merdeka Selatan No.13, Jakarta 10110 - Indonesia
Telp: +62 21 3483 2642 | Fax: +62 21 348 326 45
sekretariat@eiti.ekon.go.id | <http://eiti.ekon.go.id>