



MINISTÉRIO DO
PETRÓLEO
E MINERAIS

**Consulting Services for Independent Administrator to
Prepare and Reconcile the 9th, 10th, 11th Timor-Leste
EITI Reports Beneficial Ownership
RFP/01/MPM-2018**

ADDENDUM No. 2
3 December 2018

This Addendum No. 2 are issued to amend certain items in the RFP in accordance with Clause 13 of the Instruction to Consultants for **RFP/01/MPM-2018**: Consulting Services for Independent Administrator to Prepare and Reconcile the 9th, 10th, 11th Timor-Leste EITI Reports Beneficial Ownership, in the form of Addendum-2.

Part/ Section/ Clause of RFP	As in the original RFP	Amended as in the Addendum-2
Section 5-Terms of Reference	Annex-A Schedule set out for 2016,2017 EITI Reconciliation report undertake by Independent Administrator Schedule set out for 2018 EITI Reconciliation report undertake by Independent Administrator	Annex-A Please refer to Appendix-1 Schedule set out for 2018 EITI Reconciliation report undertake by Independent Administrator will be discussed and finalized during contract negotiation.
Section 6, Conditions of Contract and Contract Forms	Conditions of Contract and Contract Forms	Conditions of Contract and Contract Forms-attached as Appendix-2
Section 2- Instruction to Consultants and Data Sheet	APPENDIX-1- SUMMARY EVALUATION SHEET	Please Refer to Appendix-3

Your Sincerely;

Hermenegildo Augusto Cabral Pereira

Minister of State of the Presidency of the Council of Ministers and Minister of Petroleum and Minerals

APPENDIX 2

Annex A

Schedule set out for 2016, 2017 EITI Reconciliation report undertake by Independent Administrator

EITI reporting phase	Proposed timeline	Obs.
Signing of contract	29 Dec-18	
(If relevant) Phase 0: Scoping studies of 2016, 2017 (and/or 2018 data)	3 Jan - 8 February 2019	
=> Scoping Study	8 February 2019	
Phase 1: Preliminary analysis of 2016 and 2017 data	11 February 18 - 11 March 19	
=> Inception report	18 March 19	
Phase 2: Collection of 2016 and 2017 data	18 Feb - 15 March 19	
Phase 3: Initial reconciliation	20 March- 2 April 19	
Phase 4: Investigation of discrepancies	05 April-05 May 19	
Draft 2016 TL-EITI report	05-May-19	one to two weeks for MSWG discussion
Draft 2017 TL-EITreport	Until 30 Jul 19	
Phase 5: Final EITI report	18 Apr - 30 Oct 19	
Final 2016 report (english version) include summary of the report in xls format as per EITI Req. 7.2	08-May-19	
Final 2017 report (english version) include summary of the report in xls format as per EITI Req. 7.2	30-Sep-19	
Translation of 2016 an 2017 reports into Tetum, Portuguese & Indonesian	Until 30 Sep 19	
Feasibility studies		
Beneficial Ownership (BO) feasibility study include investigating the tasks described in table 1 of ToR and presenting a summary report to MSWG	01 - 30 Jan 19	schedule includes revision of mainstreaming study
Follow up on mainstreaming feasibility study in accordance with Annex 2	01 - 30 Jan 19	schedule includes BO feasibility study

Payment schedules in accordance of 2019 budget allocation

Phase 1 - 20% of allocated amounts for EITI reports and feasibility studies to be paid after the submission of 2016 draft report
 Phase 2 - 30% of allocated amounts to be paid after the submission of 2016 final draft
 Phase 3 - 20% of allocated amounts to be paid after the submission of 2017 draft report
 Phase 4 - 30% of allocated amounts to be paid after the submission of 2017 final draft and translated versions of the reports

APPENDIX 1



**MINISTÉRIO DO
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STANDARD FORM OF CONTRACT

CONSULTANT SERVICES:

Lump-Sum Contract

Government of Timor – Leste

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CONTRACT FOR CONSULTANT'S SERVICES

Time-Based

Project Name Consulting Services for Independent Administrator to Prepare and Reconcile the 9th,
10th, 11th Timor-Leste EITI Report and feasibility study of Beneficial Ownership

Contract No. RPF/01/MPM-2018

between

Ministry of Petroleum and Minerals

and

I. Form of Contract

LUMP-SUM

This CONTRACT (hereinafter called the "Contract") is made the 30day of the month of *November*, 2016, between, on the one hand, Ministry of Petroleum and Minerals Timor-Leste (hereinafter called the "Employer") and, on the other hand,

(hereinafter called the "Consultant").

WHEREAS

- (a) the Employer has requested the Consultant to provide consulting services for Independent Administrator to prepare and reconcile the Seventh and Eighth Timor-Leste EITI Report as defined in this Contract (hereinafter called the "Services");
- (b) the Consultant, having represented to the Employer that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the parties hereto hereby agree as follows:

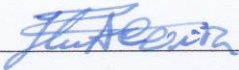
- 1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
 - (a) The General Conditions of Contract;
 - (b) The Special Conditions of Contract;
 - (c) Appendices:
 - Appendix A: Terms of Reference
 - Appendix B: Key Experts
 - Appendix C: Breakdown of Contract Price
 - Appendix D: Form of Advance Payments Guarantee (Not Used)

In the event of any inconsistency between the documents, the following order of precedence shall prevail: the Special Conditions of Contract; the General Conditions of Contract, including Attachment 1; Appendix A; Appendix B; Appendix C; Appendix D. Any reference to this Contract shall include, where the context permits, a reference to its Appendices.

- 2. The mutual rights and obligations of the Employer and the Consultant shall be as set forth in the Contract, in particular:
 - (a) the Consultant shall carry out the Services in accordance with the provisions of the Contract; and
 - (b) the Employer shall make payments to the Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of *Ministry of Petroleum and Minerals*



Hermenegildo Augusto Cabral Pereira
Minister of State of the Presidency of the Council of Ministers and Minister of Petroleum and Minerals

For and on behalf of

II. General Conditions of Contract

1. Definitions

1.1. Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) "Applicable Law" means the laws and any other instruments having the force of law in the Employer's country, or in such other country as may be specified in the **Special Conditions of Contract (SCC)**, as they may be issued and in force from time to time.
- (b) "Employer" means the implementing/ executing agency that signs the Contract for the Services with the Selected Consultant.
- (c) "Consultant" means a legally-established professional consulting firm or entity selected by the Employer to provide the Services under the signed Contract.
- (d) "Contract" means the legally binding written agreement signed between the Employer and the Consultant and which includes all the attached documents listed in its paragraph 1 of the Form of Contract (the General Conditions (GCC), the Special Conditions (SCC), and the Appendices).
- (e) "Day" means a working day unless indicated otherwise.
- (f) "Effective Date" means the date on which this Contract comes into force and effect pursuant to Clause GCC 11.
- (g) "Experts" means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Sub-consultant or JV member(s) assigned by the Consultant to perform the Services or any part thereof under the Contract.
- (h) "Foreign Currency" means any currency other than the currency of the Employer's country.
- (i) "GCC" means these General Conditions of Contract.
- (j) "Government" means the government of the Employer's country.
- (k) "Joint Venture (JV)" means an association with or without a legal personality distinct from that of its members, of more than one entity where one member has the authority to conduct all businesses for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Employer for the performance of the Contract.
- (l) "Key Expert(s)" means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose Curricula Vitae (CV) was taken into account in the technical evaluation of the Consultant's proposal.

- (m) "Local Currency" means the currency of the Employer's country.
- (n) "Non-Key Expert(s)" means an individual professional provided by the Consultant or its Sub-consultant to perform the Services or any part thereof under the Contract.
- (o) "Party" means the Employer or the Consultant, as the case may be, and "Parties" means both of them.
- (p) "SCC" means the Special Conditions of Contract by which the GCC may be amended or supplemented but not over-written.
- (q) "Services" means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
- (r) "Sub-consultants" means an entity to whom/which the Consultant subcontracts any part of the Services while remaining solely liable for the execution of the Contract.
- (s) "Third Party" means any person or entity other than the Government, the Employer, the Consultant or a Sub-consultant.

2. Relationship between the Parties

2.1. Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Employer and the Consultant. The Consultant, subject to this Contract, has complete charge of the Experts and Sub-consultants, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

3. Law Governing Contract

3.1. This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

4. Language

4.1. This Contract has been executed in the language specified in the SCC, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

5. Headings

5.1. The headings shall not limit, alter or affect the meaning of this Contract.

6. Communications

6.1. Any communication required or permitted to be given or made pursuant to this Contract shall be in writing in the language specified in Clause GCC 4. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SCC.

6.2. A Party may change its address for notice hereunder by giving the other Party any communication of such change to the address specified in the SCC.

7. **Location** 7.1. The Services shall be performed at such locations as are specified in **Appendix A** hereto and, where the location of a particular task is not so specified, at such locations, whether in the Government's country or elsewhere, as the Employer may approve.
8. **Authority of Member in Charge** 8.1. In case the Consultant is a Joint Venture, the members hereby authorize the member specified in the **SCC** to act on their behalf in exercising all the Consultant's rights and obligations towards the Employer under this Contract, including without limitation the receiving of instructions and payments from the Employer.
9. **Authorized Representatives** 9.1. Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Employer or the Consultant may be taken or executed by the officials specified in the **SCC**.
10. **Corrupt and Fraudulent Practices** 10.1. The Employer's Anticorruption Policy requires that all consultants observe the highest standard of ethics during the selection process and in execution of such contracts. In pursuance of this policy, the Employer:
- (i) defines, for the purpose of this provision, the terms set forth below as follows:
 - (a) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
 - (b) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
 - (c) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - (d) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
- a. **Measures to be Taken** 10.2. (i) will reject a proposal for award if it determines that the consultant recommended for award has directly, or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question;
- (ii) will sanction a party or its successor, including declaring ineligible, either indefinitely or for a stated period of time, such party or successor from participation in activities administered by

the Employer, if it at any time determines that the consultant has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices.

b. Commissions and Fees

10.3. The Employer requires the Consultant to disclose any commissions, gratuities or fees that may have been paid or are to be paid to agents or any other party with respect to the selection process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee. Failure to disclose such commissions, gratuities or fees may result in termination of the Contract and/or sanctions by the Government.

A. GENERAL PROVISIONS

B. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

11. Effectiveness of Contract

11.1. This Contract shall come into force and effect on the date (the "Effective Date") of the Employer's notice to the Consultant instructing the Consultant to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, listed in the SCC have been met.

12. Termination of Contract for Failure to Become Effective

12.1. If this Contract has not become effective within such time period after the date of Contract signature as specified in the SCC, either Party may, by not less than twenty two (22) days written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto.

13. Commencement of Services

13.1. The Consultant shall confirm availability of Key Experts and begin carrying out the Services not later than the number of days after the Effective Date specified in the SCC.

14. Expiration of Contract

14.1. Unless terminated earlier pursuant to Clause GCC 19 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SCC.

15. Entire Agreement

15.1. This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.

16. Modifications or Variations

16.1. Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.

16.2. In cases of substantial modifications or variations, the prior written consent of the Employer is required.

17. Force Majeure

a. Definition

17.1. For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible under the circumstances, and subject to those requirements, includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action confiscation or any other action by Government agencies.

17.2. Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Experts, Sub-consultants or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract, and avoid or overcome in the carrying out of its obligations hereunder.

17.3. Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

b. No Breach of Contract

17.4. The failure of a Party to fulfil any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

c. Measures to be Taken

17.5. A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

17.6. A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) calendar days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

17.7. Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a

result of Force Majeure.

17.8. During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the Employer, shall either:

- (a) demobilize, in which case the Consultant shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Employer, in reactivating the Services; or
- (b) continue with the Services to the extent reasonably possible, in which case the Consultant shall continue to be paid under the terms of this Contract and be reimbursed for additional costs reasonably and necessarily incurred.

17.9. In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clauses GCC 44 & 45.

18. Suspension

18.1. The Employer may, by written notice of suspension to the Consultant, suspend all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Consultant to remedy such failure within a period not exceeding thirty (30) calendar days after receipt by the Consultant of such notice of suspension.

19. Termination

19.1. This Contract may be terminated by either Party as per provisions set up below:

a. By the Employer

19.1.1. The Employer may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Employer shall give at least thirty (30) calendar days' written notice of termination to the Consultant in case of the events referred to in (a) through (d); at least sixty (60) calendar days' written notice in case of the event referred to in (e); and at least five (5) calendar days' written notice in case of the event referred to in (f):

- (a) If the Consultant fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GCC 18;
- (b) If the Consultant becomes (or, if the Consultant consists of more than one entity, if any of its members becomes) insolvent or bankrupt or enter into any agreements with their creditors

for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;

- (c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GCC 45.1;
- (d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days;
- (e) If the Employer, in its sole discretion and for any reason whatsoever, decides to terminate this Contract;
- (f) If the Consultant fails to confirm availability of Key Experts as required in Clause GCC 13.

19.1.2. Furthermore, if the Employer determines that the Consultant has engaged in corrupt, fraudulent, collusive, coercive [*or obstructive*] practices, in competing for or in executing the Contract, then the Employer may, after giving fourteen (14) calendar days written notice to the Consultant, terminate the Consultant's employment under the Contract.

b. By the Consultant

19.1.3. The Consultant may terminate this Contract, by not less than thirty (30) calendar days' written notice to the Employer, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause.

- (a) If the Employer fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause GCC 45.1 within forty-five (45) calendar days after receiving written notice from the Consultant that such payment is overdue.
- (b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days.
- (c) If the Employer fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 45.1.
- (d) If the Employer is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the

Employer of the Consultant's notice specifying such breach.

- c. Cessation of Rights and Obligations**

19.1.4. Upon termination of this Contract pursuant to Clauses GCC 12 or GCC 19 hereof, or upon expiration of this Contract pursuant to Clause GCC 14, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause GCC 22, (iii) the Consultant's obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GCC 25, and (iv) any right which a Party may have under the Applicable Law.
- d. Cessation of Services**

19.1.5. Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GCC 19a or GCC 19b, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Consultant and equipment and materials furnished by the Employer, the Consultant shall proceed as provided, respectively, by Clauses GCC 27 or GCC 28.
- e. Payment upon Termination**

19.1.6. Upon termination of this Contract, the Employer shall make the following payments to the Consultant:

 - (a) payment for Services satisfactorily performed prior to the effective date of termination; and
 - (b) in the case of termination pursuant to paragraphs (d) and (e) of Clause GCC 19.1.1, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this Contract, including the cost of the return travel of the Experts.

C. OBLIGATIONS OF THE CONSULTANT

20. General

- a. Standard of Performance**

20.1 The Consultant shall perform the Services and carry out the Services with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as a faithful adviser to the Employer, and shall at all times support and safeguard the Employer's legitimate interests in any dealings with the

third parties.

20.2. The Consultant shall employ and provide such qualified and experienced Experts and Sub-consultants as are required to carry out the Services.

20.3. The Consultant may subcontract part of the Services to an extent and with such Key Experts and Sub-consultants as may be approved in advance by the Employer. Notwithstanding such approval, the Consultant shall retain full responsibility for the Services.

b. Law Applicable to Services

20.4. The Consultant shall perform the Services in accordance with the Contract and the Applicable Law and shall take all practicable steps to ensure that any of its Experts and Sub-consultants, comply with the Applicable Law.

20.5. The Employer shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.

21. Conflict of Interests

21.1. The Consultant shall hold the Employer's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

a. Consultant Not to Benefit from Commissions, Discounts, etc.

21.1.1 The payment of the Consultant pursuant to GCC F (Clauses GCC 38 through 42) shall constitute the Consultant's only payment in connection with this Contract and, subject to Clause GCC 21.1.3, the Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder, and the Consultant shall use its best efforts to ensure that any Sub-consultants, as well as the Experts and agents of either of them, similarly shall not receive any such additional payment.

21.1.2 Furthermore, if the Consultant, as part of the Services, has the responsibility of advising the Employer on the procurement of goods, works or services, the Consultant shall comply with the applicable laws of the Employer's country, and shall at all times exercise such responsibility in the best interest of the Employer. Any discounts or commissions obtained by the Consultant in the exercise of such procurement responsibility shall be for the account of the Employer.

b. Consultant and Affiliates Not to Engage in Certain

21.1.3 The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-consultants and any entity affiliated with such Sub-consultants, shall be disqualified from

Activities	providing goods, works or non-consulting services resulting from or directly related to the Consultant's Services for the preparation or implementation of the project, unless otherwise indicated in the SCC.
c. Prohibition of Conflicting Activities	21.1.4 The Consultant shall not engage, and shall cause its Experts as well as its Sub-consultants not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.
d. Strict Duty to Disclose Conflicting Activities	21.1.5 The Consultant has an obligation and shall ensure that its Experts and Sub-consultants shall have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Employer, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.
22. Confidentiality	22.1 Except with the prior written consent of the Employer, the Consultant and the Experts shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Experts make public the recommendations formulated in the course of, or as a result of, the Services.
23. Liability of the Consultant	23.1 Subject to additional provisions, if any, set forth in the SCC, the Consultant's liability under this Contract shall be as determined under the Applicable Law.
24. Insurance to be Taken out by the Consultant	24.1 The Consultant (i) shall take out and maintain, and shall cause any Sub-consultants to take out and maintain, at its (or the Sub-consultants', as the case may be) own cost but on terms and conditions approved by the Employer, insurance against the risks, and for the coverage specified in the SCC, and (ii) at the Employer's request, shall provide evidence to the Employer showing that such insurance has been taken out and maintained and that the current premiums therefore have been paid. The Consultant shall ensure that such insurance is in place prior to commencing the Services as stated in Clause GCC 13.
25. Accounting, Inspection and Auditing	25.1 The Consultant shall keep, and shall make all reasonable efforts to cause its Sub-consultants to keep, accurate and systematic accounts and records in respect of the Services and in such form and detail as will clearly identify relevant time changes and costs. 25.2 The Consultant shall permit and shall cause its Sub-consultants to permit, the Employer and/or persons appointed by the Employer to inspect the Site and/or all accounts and records relating to the performance of the Contract and the submission of the Proposal to provide the Services, and to have such accounts and records audited by auditors appointed by the

Employer if requested by the Employer. The Consultant's attention is drawn to Clause GCC 10 which provides, inter alia, that acts intended to materially impede the exercise of the Employer's inspection and audit rights provided for under this Clause GCC25.2 constitute a prohibited practice subject to contract termination.

26. Reporting Obligations

26.1 The Consultant shall submit to the Employer the reports and documents specified in **Appendix A**, in the form, in the numbers and within the time periods set forth in the said Appendix.

27. Proprietary Rights of the Employer in Reports and Records

27.1 Unless otherwise indicated in the SCC, all reports and relevant data and information such as maps, diagrams, plans, databases, other documents and software, supporting records or material compiled or prepared by the Consultant for the Employer in the course of the Services shall be confidential and become and remain the absolute property of the Employer. The Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Employer, together with a detailed inventory thereof. The Consultant may retain a copy of such documents, data and/or software but shall not use the same for purposes unrelated to this Contract without prior written approval of the Employer.

27.2 If license agreements are necessary or appropriate between the Consultant and third parties for purposes of development of the plans, drawings, specifications, designs, databases, other documents and software, the Consultant shall obtain the Employer's prior written approval to such agreements, and the Employer shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned. Other restrictions about the future use of these documents and software, if any, shall be specified in the SCC.

28. Equipment, Vehicles and Materials

28.1 Equipment, vehicles and materials made available to the Consultant by the Employer, or purchased by the Consultant wholly or partly with funds provided by the Employer, shall be the property of the Employer and shall be marked accordingly. Upon termination or expiration of this Contract, the Consultant shall make available to the Employer an inventory of such equipment, vehicles and materials and shall dispose of such equipment, vehicles and materials in accordance with the Employer's instructions. While in possession of such equipment, vehicles and materials, the Consultant, unless otherwise instructed by the Employer in writing, shall insure them at the expense of the Employer in an amount equal to their full replacement value.

28.2 Any equipment or materials brought by the Consultant or its Experts into the Employer's country for the use either for the project or personal use shall remain the property of the Consultant or the Experts concerned, as

applicable.

D. CONSULTANT'S EXPERTS AND SUB-CONSULTANTS

29. Description of Key Experts

29.1 The title, agreed job description, minimum qualification and estimated period of engagement to carry out the Services of each of the Consultant's Key Experts are described in **Appendix B**.

30. Replacement of Key Experts

30.1 Except as the Employer may otherwise agree in writing, no changes shall be made in the Key Experts.

30.2 Notwithstanding the above, the substitution of Key Experts during Contract execution may be considered only based on the Consultant's written request and due to circumstances outside the reasonable control of the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall forthwith provide as a replacement, a person of equivalent or better qualifications and experience, and at the same rate of remuneration.

31. Removal of Experts or Sub-consultants

31.1 If the Employer finds that any of the Experts or Sub-consultant has committed serious misconduct or has been charged with having committed a criminal action, or shall the Employer determine that Consultant's Expert or Sub-consultant have engaged in corrupt, fraudulent, collusive, coercive *[or obstructive]* practice while performing the Services, the Consultant shall, at the Employer's written request, provide a replacement.

31.2 In the event that any of Key Experts, Non-Key Experts or Sub-consultants is found by the Employer to be incompetent or incapable in discharging assigned duties, the Employer, specifying the grounds therefore, may request the Consultant to provide a replacement.

31.3 Any replacement of the removed Experts or Sub-consultants shall possess better qualifications and experience and shall be acceptable to the Employer.

31.4 The Consultant shall bear all costs arising out of or incidental to any removal and/or replacement of such Experts.

E. OBLIGATIONS OF THE EMPLOYER

32. Assistance and Exemptions

32.1 Unless otherwise specified in the SCC, the Employer shall use its best efforts to:

- (a) Assist the Consultant with obtaining work permits and such other documents as shall be necessary to enable the Consultant to perform

the Services.

- (b) Assist the Consultant with promptly obtaining, for the Experts and, if appropriate, their eligible dependents, all necessary entry and exit visas, residence permits, exchange permits and any other documents required for their stay in the Employer's country while carrying out the Services under the Contract.
- (c) Facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Experts and their eligible dependents.
- (d) Issue to officials, agents and representatives of the Government all such instructions and information as may be necessary or appropriate for the prompt and effective implementation of the Services.
- (e) Assist the Consultant and the Experts and any Sub-consultants employed by the Consultant for the Services with obtaining exemption from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a corporate entity in the Employer's country according to the applicable law in the Employer's country.
- (f) Assist the Consultant, any Sub-consultants and the Experts of either of them with obtaining the privilege, pursuant to the applicable law in the Employer's country, of bringing into the Employer's country reasonable amounts of foreign currency for the purposes of the Services or for the personal use of the Experts and of withdrawing any such amounts as may be earned therein by the Experts in the execution of the Services.
- (g) Provide to the Consultant any such other assistance as may be specified in the SCC.

33. Access to Project Site

33.1 The Employer warrants that the Consultant shall have, free of charge, unimpeded access to the project site in respect of which access is required for the performance of the Services. The Employer will be responsible for any damage to the project site or any property thereon resulting from such access and will indemnify the Consultant and each of the experts in respect of liability for any such damage, unless such damage is caused by the willful default or negligence of the Consultant or any Sub-consultants or the Experts of either of them.

**34. Change in the
Applicable Law
Related to Taxes and**

34.1 If, after the date of this Contract, there is any change in the applicable law in the Employer's country with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses

Duties

otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the Contract price amount specified in Clause GCC 38.1

35. Services, Facilities and Property of the Employer

35.1 The Employer shall make available to the Consultant and the Experts, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference (**Appendix A**) at the times and in the manner specified in said **Appendix A**.

36. Counterpart Personnel

36.1 The Employer shall make available to the Consultant free of charge such professional and support counterpart personnel, to be nominated by the Employer with the Consultant's advice, if specified in **Appendix A**.

36.2 Professional and support counterpart personnel, excluding Employer's liaison personnel, shall work under the exclusive direction of the Consultant. If any member of the counterpart personnel fails to perform adequately any work assigned to such member by the Consultant that is consistent with the position occupied by such member, the Consultant may request the replacement of such member, and the Employer shall not unreasonably refuse to act upon such request.

37. Payment Obligation

37.1 In consideration of the Services performed by the Consultant under this Contract, the Employer shall make such payments to the Consultant for the deliverables specified in **Appendix A** and in such manner as is provided by GCC F below.

F. PAYMENTS TO THE CONSULTANT

38. Contract Price

38.1 The Contract price is fixed and is set forth in the SCC. The Contract price breakdown is provided in **Appendix C**.

38.2 Any change to the Contract price specified in Clause 38.1 can be made only if the Parties have agreed to the revised scope of Services pursuant to Clause GCC 16 and have amended in writing the Terms of Reference in **Appendix A**.

39. Taxes and Duties

39.1 The Consultant, Sub-consultants and Experts are responsible for meeting any and all tax liabilities arising out of the Contract unless it is stated otherwise in the SCC.

40. Currency of Payment

40.1 Any payment under this Contract shall be made in the currency(ies) of the Contract.

41. Mode of Billing

41.1 The total payments under this Contract shall not exceed the

and Payment

Contract price set forth in Clause GCC 38.1.

41.2 The payments under this Contract shall be made in lump-sum installments against deliverables specified in **Appendix A**. The payments will be made according to the payment schedule stated in the SCC.

41.2.1 Advance payment: Unless otherwise indicated in the SCC, an advance payment shall be made against an advance payment bank guarantee acceptable to the Employer in an amount (or amounts) and in a currency (or currencies) specified in the SCC. Such guarantee (i) is to remain effective until the advance payment has been fully set off, and (ii) is to be in the form set forth in **Appendix D**, or in such other form as the Employer shall have approved in writing. The advance payments will be set off by the Employer in equal portions against the lump-sum installments specified in the SCC until said advance payments have been fully set off.

41.2.2 The Lump-Sum Installment Payments. The Employer shall pay the Consultant within sixty (60) days after the receipt by the Employer of the deliverable(s) and the cover invoice for the related lump-sum installment payment. The payment can be withheld if the Employer does not approve the submitted deliverable(s) as satisfactory in which case the Employer shall provide comments to the Consultant within the same sixty (60) days period. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.

41.2.3 The Final Payment .The final payment under this Clause shall be made only after the final report have been submitted by the Consultant and approved as satisfactory by the Employer. The Services shall then be deemed completed and finally accepted by the Employer. The last lump-sum installment shall be deemed approved for payment by the Employer within ninety (90) calendar days after receipt of the final report by the Employer unless the Employer, within such ninety (90) calendar day period, gives written notice to the Consultant specifying in detail deficiencies in the Services, the final report. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.

41.2.4 All payments under this Contract shall be made to the accounts of the Consultant specified in the SCC.

41.2.5 With the exception of the final payment under 41.2.3 above, payments do not constitute acceptance of the whole Services nor relieve the Consultant of any obligations hereunder.

42. Interest on Delayed Payments

42.1 If the Employer had delayed payments beyond fifteen (15) days after the due date stated in Clause GCC 41.2.2, interest shall be paid to the Consultant on any amount due by, not paid on, such due date for each day of delay at the annual rate stated in the SCC.

G. FAIRNESS AND GOOD FAITH

43. Good Faith

43.1 The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

H. SETTLEMENT OF DISPUTES

44. Amicable Settlement

44.1 The Parties shall seek to resolve any dispute amicably by mutual consultation.

44.2 If either Party objects to any action or inaction of the other Party, the objecting Party may file a written Notice of Dispute to the other Party providing in detail the basis of the dispute. The Party receiving the Notice of Dispute will consider it and respond in writing within fourteen (14) days after receipt. If that Party fails to respond within fourteen (14) days, or the dispute cannot be amicably settled within fourteen (14) days following the response of that Party, Clause GCC 49.1 shall apply.

45. Dispute Resolution

45.1 Any dispute or difference arising out of this Contract or in connection therewith which cannot be amicably settled according to Clause GCC 44 shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration shall take place in the location specified in the SCC.

III. Special Conditions of Contract

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(b) and 3.1	The Contract shall be construed in accordance with the law of Democratic Republic of Timor-Leste.
4.1	The language is: English
6.1 and 6.2	<p>The addresses are:</p> <p>Employer : Ministry of Petroleum and Minerals Attention : Elda Guterres da Silva, TL-EITI National Coordinator Facsimile : +67 (0) 3339178 E-mail (where permitted): Vanozela@yahoo.com</p> <p>Consultant : Facsimile : E-mail (where permitted) :</p>
8.1	<p>The Authorized Representatives are:</p> <p>For the Employer:</p> <p>For the Consultant:</p>
11	Contract become effective after both parties signed this contract
12	<p>Termination of Contract for Failure to Become Effective:</p> <p>If the consultant fail to deliver Inception Report as scheduled in Term of References</p>
13.1	<p>Commencement of Services:</p> <p>1 (one) day after both parties signed the contract and receipt of notice to commence the services</p> <p>Confirmation of Key Experts' availability to start the Assignment shall be submitted to the Employer in writing as a written statement signed by each Key Expert.</p>
14.1	<p>Expiration of Contract:</p> <p>The time period shall be : Three (3)Years, with (1) Year subject to performance review every quarter.</p>
23.1	<p>The following limitation of the Consultant's Liability towards the Employer can be subject to the Contract's negotiations:</p> <p>"Limitation of the Consultant's Liability towards the Employer:</p> <p>(a) Except in the case of gross negligence or willful misconduct on the part of the Consultant or on the part of any person or a firm acting on behalf of the Consultant in carrying out the Services, the Consultant, with respect to damage caused by the</p>

	<p>Consultant to the Employer's property, shall not be liable to the Employer:</p> <p>(i) for any indirect or consequential loss or damage; and</p> <p>(ii) for any direct loss or damage that exceeds three (3) times the total value of the Contract;</p> <p>(b) This limitation of liability shall not</p> <p>(i) affect the Consultant's liability, if any, for damage to Third Parties caused by the Consultant or any person or firm acting on behalf of the Consultant in carrying out the Services;</p> <p>(ii) be construed as providing the Consultant with any limitation or exclusion from liability which is prohibited by the applicable law in the Employer's country".</p>
24.1	<p>The insurance coverage against the risks shall be as follows:</p> <p>(a) Professional liability insurance, with a minimum coverage of one hundred percent (100%) of the Contract Price;</p> <p>(b) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Employer's country by the Consultant or its Experts or Sub-consultants, with a minimum coverage of Two Hundred Thousand US Dollars (USD200,000.00);</p> <p>(c) Third Party liability insurance, with a minimum coverage of Two Hundred Thousand United States Dollars (USD200,000.00);</p>
27.2	<p>The Consultant shall not use reports and documents prepared for the Services for purposes unrelated to this Contract without the prior written approval of the Employer.</p>
38.1	<p>The Contract price is: USD\$] inclusive of taxes.</p> <p>The Consultant shall pay local taxes without reimbursement by the Employer.</p>
40	<p>All payments shall be in United States Dollars (USD).</p>
41.2	<p>The payment schedule:</p> <ul style="list-style-type: none"> • The first payment equivalent to 20% of the Contract price will be paid to the Consultant after the Inception Report is submitted and approved by the Employer; • The final payment equivalent to 80% of the contract price will be paid to the Consultant after the approval by Employer and publication of the EITI report. <p>The Employer will retain 5% from each progress payment as Performance and Quality Guarantee for satisfactory performance of the Contract. The total retention money will be payable after successful completion of the Contract.</p>

	<p><i>Note:</i> Total sum of all instalments shall not exceed the Contract price set up in SCC38.1.</p> <p>The report shall be produce in three (3) Language as follows:</p> <ol style="list-style-type: none">1. English,2. Portugues,3. Bahasa Indonesia
41.2.4	<p>The accounts are Account Name: Account Number: Sort Code IBAN: IBAN BIC:</p>
42.1	<p>The interest rate is: 10% per annum</p>
45.1	<p>The location is:</p>

APPENDIX 3



**MINISTÉRIO DO
PETRÓLEO
E MINERAIS**

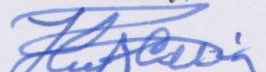
**Consulting Services for Independent Administrator to
Prepare and Reconcile the 9th, 10th, 11th Timor-Leste
EITI Reports Beneficial Ownership
RFP/01/MPM-2018**

**ADDENDUM No. 1
21 November 2018**

This Addendum No. 1 is issued to amend certain items in the RFP in accordance with Clause 13 of the Instruction to Consultants for **RFP/01/MPM-2017**: Consulting Services for Independent Administrator to Prepare and Reconcile the 9th, 10th, 11th Timor-Leste EITI Reports Beneficial Ownership, in the form of Addendum-1.

Part/ Section/ Clause of RFP	As in the original RFP	Amended as in the Addendum-1
Part I, Section II, Data Sheet (DS)	<p style="text-align: center;"><u>DS, ITC 17.9</u></p> <p>The proposals must be received at the address below not later than:</p> <p style="text-align: center;">Date : 21 November 2018</p> <p style="text-align: center;">Time: 1500 hours Timor Leste time</p> <p style="text-align: center;">The Proposals submission address is :</p> <p style="text-align: center;">TENDER BOX</p> <p style="text-align: center;">Ministry of Petroleum and Minerals Street Dom Aleixo Corte Real: Fomento Building, Mandarin, Dili, Timor Leste</p>	<p style="text-align: center;"><u>DS, ITC 17.9</u></p> <p>The proposals must be received at the address below not later than:</p> <p style="text-align: center;">Date : 12 December 2018</p> <p style="text-align: center;">Time: 1500 hours Timor Leste time</p> <p style="text-align: center;">The Proposals submission address is :</p> <p style="text-align: center;">TENDER BOX</p> <p style="text-align: center;">Ministry of Petroleum and Minerals Street Dom Aleixo Corte Real: Fomento Building, Mandarin, Dili, Timor Leste</p>
Section 6, Conditions of Contract and Contract Forms	Conditions of Contract and Contract Forms	Conditions of Contract and Contract Forms-attached as Appendix-1

Your Sincerely;


Hermenegildo Pereira

Ministro de Estado da Presidência do Conselho de Ministros
e Ministro do Petróluem e Minerais Interino

Rua Avenida Motael, Farol Dili, Timor-Leste
P.O. Box: 171, Tlp: +670 3331231
Mobile: +67077290141
Email: tleitisecretariat@gmail.com/
vanozela@yahoo.com
Website: www.eiti.tl



**MINISTÉRIO DO
PETRÓLEO
E MINERAIS**

Letter of Invitation

RFP No.: RFP/01/MPM-2018

05 NOVEMBER 2018

1. The Government of Timor-Leste is inviting proposals from qualified firms for the:
Consulting Services For Independent Administrator to Prepare and Reconcile the Timor Leste EITI 9th, 10th, 11th Reconciliation & Report and Beneficial Ownership
2. Funding for these Services will be made from the Assistant Technical Budget of the Government of the Democratic Republic of Timor-Leste.
3. The project is located in Dili, Timor-Leste.
4. The Scope of Services covers the preparation of an EITI Report for 2016, 2017, 2018 and Beneficial Ownership in accordance with the EITI Standard with full assurance on the contextual information and comprehension of the report in accordance with new EITI Standard. Produce a report in English, Portuguese and Bahasa Indonesia-showing, on aggregated and disaggregated basis of all Industry company payments and government receipts, including breakdown by Industry companies, Government institutions and type of payments in accordance with the agreed EITI template.
5. A firm will be selected under the **Quality-and Cost-Based Selection (QCBS)** procedures as described in the RFP Documents.
6. The bidding shall be conducted as a two envelope procedure, wherein the Technical Proposal and Financial Proposal shall be submitted together in separately-sealed envelopes.
7. Interested Consulting Firms may obtain further information from:
Ms. Elda Guterres da Silva
EITI National Coordinator
Street Dom Aleixo Corte-Real: Fomento Building, Mandarin, Dili, Timor-Leste
iteiti.secretariat2017@gmail.com/Vanozela@yahoo.com
8. Participation in this bidding process is open to firms affiliated with the International Federation of Accountants. Other qualification requirements are detailed in the RFP.
9. The RFP is available free-of-charge to any interested firm by sending a written request by email after which a PDF copy of the RFP will be sent also by email.
10. The proposals must be received in the Tender Box located at the same address specified above no later than **1500 hours** local time on **21 November 2018**. Late proposals will be rejected.
11. Technical Proposals will be opened immediately after the closing time for the submission of the proposals at the same address specified above in the presence of consultants who wish to attend.

Yours Sincerely,

Hermenegildo Pereira
Ministro de Estado da Presidência do Conselho
de Ministros e Ministro do Petróleo e Minerais Interino

Rua Avenida: Motiel-Farol
Dili, Timor Leste
PO.BOX.171
T.L.P: 3339178
Mobile: +670 78730009
Email: iteiti.secretariat2017@gmail.com
Website: www.eiti.tl



MINISTÉRIO DO PETRÓLEO E MINERAIS

**Timor Leste Extractive Industries Transparency Initiative (TL-EITI)
Timor Leste EITI 9th, 10th, 11th Reconciliation & Report and Beneficial Ownership
Endorsed by the National EITI Working Group on October 2018
TERM OF REFERENCE (TOR) FOR INDEPENDENT ADMINISTRATOR
Standard Terms of Reference for Independent Administrators**

This document is a standard Terms of Reference (TOR) for Independent Administrator services in accordance with the EITI Standard, endorsed by the EITI Board on 15 February 2016. The TOR sets out the work to be undertaken by the Independent Administrator hired to produce the EITI Report. It is typically attached to the contract between the Independent Administrator and the government.

The MSG is required to use this standard TOR when hiring an Independent Administrator (Requirement 4.9.b.iii). Should the MSG wish to deviate from the procedures set out in this TOR, the International Secretariat should be consulted as advance approval from the EITI Board might be required (Requirement 8.a). The TOR includes sections [see section 4] that should be completed by the multi-stakeholder working group (MSWG) in order to adapt the TOR to the specific circumstances in the country. The TOR includes comment boxes to guide the MSGW in completing each section. It is a requirement that the MSGW approve the TOR (Requirement 4.9.b.iii).

The TOR is addressed to the Independent Administrator. A *guidance note on MSGW oversight of the EITI reporting cycle*¹ is also available to guide MSGWs and national secretariats on the issues that need to be addressed in advance of completing this TOR, and key issues to consider in overseeing the reporting process to ensure compliance with the EITI Standard. Utilisation of the TOR does not guarantee compliance. The MSGW needs to ensure that the reporting process is rigorous, comprehensive and reliable.

The Board will review the procedures and the template on a regular basis. Comments on the template should be directed to the EITI International Secretariat (contact: sbartlett@eiti.org).

¹<https://eiti.org/document/guidance-notes-implementing-countries#GN8>

Terms of Reference

Independent Administrator for the 2016, 2017 and 2018 EITI Report, Timor-Leste

Approved by the TL-EITI Multi Stakeholders Working Group MSWG on 17-10-2018

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1 Background

The Extractive Industries Transparency Initiative (EITI) is a global standard for improving transparency and accountability in the oil, gas and mining sectors.

EITI implementation has two core components:

- **Transparency:** oil, gas and mining companies disclose information about their operations, including payments to the government, and the government discloses its receipts and other relevant information on the industry. The figures are reconciled by an Independent Administrator, and published annually alongside other information about the extractive industries in accordance with the EITI Standard.
- **Accountability:** a multi-stakeholder working group (MSWG) with representatives from government, companies and civil society is established to oversee the process and communicate the findings of the EITI reporting, and promote the integration of EITI into broader transparency efforts in that country.

The EITI Standard encourages MSWGs to explore innovative approaches to extending EITI implementation to increase the comprehensiveness of EITI reporting and public understanding of revenues and encourage high standards of transparency and accountability in public life, government operations and in business. The requirements for implementing countries are set out in the EITI Standard². Additional information is available via www.eiti.org.

²<http://eiti.org/document/standard>

It is a requirement that the MSWG approves the terms of reference for the Independent Administrator (requirement 4.9.iii), drawing on the objectives and agreed scope of the EITI as set out in the MSWG’s work plan. The MSWG’s deliberations on these matters should be in accordance with the MSWG’s internal governance rules and procedures (see requirement 1.4.b). The EITI requires an inclusive decision-making process throughout implementation, with each constituency being treated as a partner.

It is a requirement that the Independent Administrator be perceived by the MSWG to be credible, trustworthy and technically competent (Requirement 4.9.b.ii).The MSWG and Independent Administrator should address any concerns regarding conflicts of interest. The EITI Report prepared by the Independent Administrator will be submitted to the MSWG for approval and made publicly available in accordance with Requirement 7.1.

These terms of reference include “agreed-upon procedures” for EITI reporting (see section 4) in accordance with EITI Requirement 4.9.b.iii. The international EITI Board has developed these procedures to promote greater consistency and reliability in EITI reporting. The EITI process should be used to complement, assess, and improve existing reporting and auditing systems. The Board recommends that the process rely as much as possible on existing procedures and institutions, so that the EITI process draws on, complements and critically evaluates existing data collection and auditing systems. In this way, the EITI process has the potential to generate important recommendations to strengthen other oversight systems.

EITI Implementation in Timor-Leste

The Government of Timor-Leste was one of the first countries to state its commitment to the Principles and Criteria of the Extractive Industries Transparency Initiative (EITI) on the occasion of the first international conference on EITI in London in June 2003. Since then, the Government of Timor-Leste has unequivocally declared its commitment to and support in implementation of EITI rules and principles. The first MSWG meeting occurred in May 2007, guaranteeing that Timor-Leste had fulfilled one of the EITI requirements for becoming a candidate. Timor-Leste’s newly elected government continued to work on the EITI process, and later that year finalized the EITI Timor-Leste Work Plan, while also agreeing on the Terms of Reference for the MSWG. Upon completion of the process and submission to the EITI Board, Timor-Leste was admitted as a candidate on 22 February 2008. This demonstrated that through collaboration, the members of the MSWG effectively oversaw the first stage of the EITI procedures.

By publishing and disseminating the first EITI report in December 2009 Timor-Leste achieved the final requirements for validation in line with the TL-EITI Work Plan. In 2010 the MSWG approved the final validation report, which allowed the EITI Board to designate Timor-Leste as a compliant country on 1 July 2010. Timor-Leste’s EITI status was revalidated in April 2016 and January 2018 based on 2016 EITI Standard requirements to ensure the country’s commitment to the EITI principles is maintained. In February 2018, the status of Timor-Leste is categorized as “satisfactory progress” after satisfactorily implementing all the requirements that are applicable to the country.

Following the publication of previous eight (8) TL-EITI Reports, Timor-Leste’s main objective in 2018 is to produce 2016 EITI Report and the preparation for 2017 and 2018 Reports for the following years. Other objectives as stipulated in work plan (www.eiti.tl/secretariat/work-plan).

2 Objectives of the assignment

On behalf of the government of Timor-Leste and the MSWG, the **Ministry of Petroleum and Minerals** seeks a competent and credible firm, free from conflicts of interest, to provide Independent Administrator

services in accordance with the EITI Standard. The objective of the assignment is to:

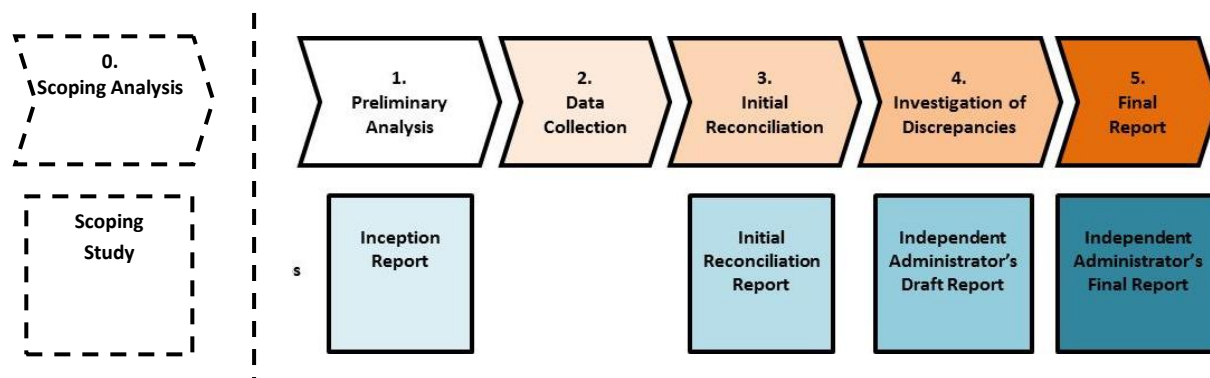
- Produce a scoping study to inform the MSWG's decision on the scope for the 2016, 2017 and 2018 EITI Reports.
- Produce EITI Reports for the fiscal years of 2016, 2017 and 2018 in accordance with the EITI Standard and section 3, below.
- Assist MSWG in establishing the definition of beneficial ownership in accordance with legal and fiscal regime in Timor-Leste as per Requirement 2.5. (see *Table 1 below*);
- Additionally, provide assistance to MSWG and the National Secretariat to improve the extractive industry governance mechanism through mainstreaming;

3 Scope of services, tasks and expected deliverables

The work of the Independent Administrator has five conceptual phases (see figure 1). These phases may overlap and there may also be some iteration between the phases. EITI reporting is generally preceded by scoping work which is sometimes undertaken by the Independent Administrator (phase 0 in the figure), and sometimes undertaken by the MSWG or other consultants.

The Independent Administrator's responsibilities in each phase are elaborated below.

Figure 1 – Overview of the EITI Reporting process and deliverables



Phase 0- Scoping and scoping study

Objective: Scoping work aims to identify points that EITI Report should cover in order to meet the requirements of the EITI Standard. Scoping sets the basis for producing a timely, comprehensive, reliable and comprehensible EITI Report. It commonly involves as assessing data of the fiscal period to be reported, drafting contextual information to be included in EITI Report, reviewing the types of assurances that are needed for ensuring that the data submitted by reporting entities are credible, determining which revenue streams from oil, gas and mining are significant, and consequently which companies and government entities should be required to report. It is also an opportunity for the multi-stakeholder working group to consider the feasibility of extending the scope of EITI reporting beyond the minimum requirements in order to address the objectives outlined in the EITI work plan. Scoping may also include investigating likely gaps or issues that may be particularly challenging, to include in the EITI Report with a view to identify options, solutions,

and recommendations for an appropriate reporting methodology for consideration by the multi-stakeholder working group.

The Independent Administrator is expected to undertake the following tasks during the scoping phase:

- For the purpose of project-level reporting, propose:
 - 1) A definition of the term “project” that is consistent with relevant national laws and systems as well as international norms;
 - 2) Produce an overview of the revenue streams that should be reported by project, classifying the revenue streams that are levied on a license/contract basis and should be reported as such as well as the revenue streams that are levied on a company basis and should be reported as such; and
 - 3) Draft corresponding reporting templates, drawing on the model reporting templates for project level reporting developed by the EITI.

In undertaking the above the Independent Administrator is expected to consult the EITI’s guidance note on project level reporting, and to make use of the template definitions in the guidance note³.

- Conduct review of 2016 EITI Requirements to identify areas required to be reported
- Conduct gap analysis of previous reporting template to determine the areas for improvements
- Identify the reporting entities required to provide data
- Identify contextual information required to be included in the report
- Propose a draft reporting template for approval by MSWG
- Conduct analysis on pre-existing feasibility study for implementation of mainstreaming
- Conduct a feasibility study for implementation of beneficial ownership

Phase 1 – Preliminary analysis and inception report

Objective: The purpose of the inception phase is to confirm that the scope of the EITI reporting process has been clearly defined, including the reporting templates, data collection procedures, and the schedule for publishing the EITI Report. In cases where the Independent Administrator is involved in scoping work, the inception phase will not be extensive. Where the Independent Administrator is not involved in scoping work, some work is required by the Independent Administrator to review prior scoping decisions and considerations taken by the MSWG (1.1-1.2 below). The inception report thus ensures that there is a mutual understanding between the MSWG and the Independent Administrator of the scope of the EITI Report and the work to be carried out.

The Independent Administrator is expected to undertake the following tasks during the inception phase:

- 1.1 Review the relevant background information, including the governance arrangements and tax policies in the extractive industries, the findings from any preliminary scoping work, and the conclusions and recommendations from previous EITI Reports and Validations. (A list of relevant documentation is provided as Annex 2).**

³https://eiti.org/sites/default/files/documents/reporting_template_for_project-level_reporting_option_1.xlsx
https://eiti.org/sites/default/files/documents/reporting_template_for_project-level_reporting_option_2.xlsx
³https://eiti.org/sites/default/files/documents/guidance_note_28_on_project-level_reporting_final.pdf

1.2 The Independent Administrator should review the scope proposed by the MSWG in annex 1 with a particular focus on the following:

- 1.2.1 Reviewing the comprehensiveness of the payments and revenues to be covered in the EITI Report as proposed by the MSWG in Annex 1 and in accordance with EITI Requirement 4.
- 1.2.2 Reviewing the comprehensiveness of the companies and government entities that are required to report as defined by the MSWG in Annex 1 and in accordance with EITI Requirement 4.1
- 1.2.3 Supporting the MSWG with examining the audit and assurance procedures in companies and government entities participating in the EITI reporting process. This includes examining the relevant laws and regulations, any reforms that are planned or underway, and whether these procedures are in line with international standards.
- 1.2.4 Providing advice to the MSWG on **the reporting templates based on the agreed benefit streams to be reported and the reporting entities (1.1.1– 1.1.2 above)**. It is recommended that the templates include a provision requiring companies to report “any other material payments to government entities” above an agreed threshold. The Independent Administrator is required to draft reporting templates for consideration and approval by the MSWG.

1.3. On the basis of 1.1 and 1.2 as applicable, produce an inception report that:

1.3.1 Includes a statement of materiality (annex 1) confirming the MSWG’s decisions on the payments and revenues to be covered in the EITI Report, including:

- The definition of materiality and thresholds, and the resulting revenue streams to be included in accordance with Requirement 4.1(b).
- The sale of the state’s share of production or other revenues collected in-kind in accordance with Requirement 4.2.
- The coverage of infrastructure provisions and barter arrangements in accordance with Requirement 4.3.
- The coverage of social expenditure in accordance with Requirement 6.1.
- The coverage of transportation revenues in accordance with Requirement 4.4.
- Disclosure and reconciliation of payments to and from state owned enterprises in accordance with Requirement 4.5.
- The materiality and inclusion of direct sub-national payments in accordance with Requirement 4.6.
- Revenue allocation – Distribution of extractive industry revenue 5.1. Implementing countries must disclose a description of distribution of revenues from the EI
- The materiality and inclusion of sub-national transfers in accordance with Requirement 5.2.
- The level and type of disaggregation of the EITI Report in accordance with Requirement 4.7.
- Any other aspects as agreed by the MSWG.

1.3.2 Includes a statement of materiality (annex 1) confirming the MSWG’s decisions on the companies and government entities that are required to report, including:

- The companies, including SOEs that make material payments to the state and will be required to report in accordance with Requirement 4.1(c).
- The government entities, including any SOEs and sub-national government entities, that receive material payments and will be required to report in accordance with Requirement 4.1(c-d), 4.5 and 4.6.
- Any barriers to full government disclosure of total revenues received from each of the benefit streams agreed in the scope of the EITI report, including revenues that fall below agreed materiality thresholds (Requirement 4.1(d)).

1.3.3. Includes a definition of the term ‘project’ and an overview of the revenue streams to be reported by project, confirming the MSWG’s decision that the financial data should be disaggregated by project where levied by project.

1.3.4. **Confirms the reporting templates based on the agreed benefit streams to be reported, the reporting entities, and the definition of project** (1.1.1 – 1.1.2, and 1.3.3 above). The IA in collaboration with the National Secretariat will draft the templates for MSWG’s approval. It is recommended that the templates include a provision requiring companies to report “any other material payments to government entities” and non-government entities (including landowner entities – other than for the provision of goods and services, including employment) listed above an agreed threshold.

1.3.5. **The IA should confirm (in its communications to reporting entities) any procedures or provisions relating to safeguarding confidential information.** The IA should also develop guidance to the reporting entities on how to complete the reporting templates, and provide training to reporting entities.

1.3.6. Based on the examination of the audit and assurance procedures in companies and government entities participating in the EITI reporting process (1.2.3 above), **confirms what information participating companies and government entities are required to provide to the Independent Administrator in order to assure the credibility of the data in accordance with Requirement 4.9.**

The Independent Administrator should exercise judgement and apply appropriate international professional standards⁴ in developing a procedure that provide a sufficient basis for a comprehensive and reliable EITI Report and in all its dealings with reporting entities. The Independent Administrator should employ his /her professional judgement to determine the extent to which reliance can be placed on the existing controls and audit frameworks of

⁴ For example, ISA 505 relative to external confirmations; ISA 530 relative to audit sampling; ISA 500 relative to audit evidence; ISRS 4400 relative to the engagement to perform agreed-upon procedures regarding financial information and ISRS 4410 relative to compilation engagements.

the companies and governments. Where deemed necessary by the Independent Administrator and the multi-stakeholder group, assurances may include one of these points:

- Requesting sign-off from a senior company or government official from each reporting entity attesting that the completed reporting form is a complete and accurate record.
- Requesting a confirmation letter from the companies' external auditor that confirms that the information they have submitted is comprehensive and consistent with their audited financial statements. The MSWG may decide to phase in any such procedure so that the confirmation letter may be integrated into the usual work programme of the company's auditor. Where some companies are not required by law to have an external auditor and therefore cannot provide such assurance, this should be clearly identified, and any reforms that are planned or underway should be noted.
- Where relevant and practicable, requesting that government reporting entities obtain a certification of the accuracy of the government's disclosures from their external auditor or equivalent.

The inception report should document the options considered and the rationale for the assurances to be provided.

- 1.3.7. **Confirms the procedures for integrating and analysing non-revenue information in the EITI Report.** The inception report should incorporate table 1 below, confirming the division of labour between the Independent Administrator, the MSWG or other actors in compiling this data, and how the information should be sourced and attributed.

Table 1 – Non-revenue information to be provided in the EITI Report covered fiscal years of 2016, 2017 and 2018

Non-revenue information to be provided in the EITI Report	Work to be undertaken by the Independent Administrator	Work to be undertaken by the MSWG/others
Legal framework and fiscal regime in accordance with EITI Requirement 2.1.	<ul style="list-style-type: none"> • The IA should refer to the 2016 EITI Standard for details. 	NA
An overview of the extractive industries, including any significant exploration activities in accordance with EITI Requirement 3.1.	<ul style="list-style-type: none"> • The IA should refer to the 2016 EITI Standard for details. 	NA
Information about the contribution of the extractive industries to	<ul style="list-style-type: none"> • The IA should refer to the 2016 EITI Standard for details. 	NA

the economy in accordance with EITI Requirement 6.3.		
Production and export data in accordance with EITI Requirement 3.2 and 3.3	<ul style="list-style-type: none"> The IA should refer to the 2016 EITI Standard for details. 	NA
Information regarding state participation in the extractive industries in accordance with EITI Requirement 2.6 and 6.2. ⁵	<ul style="list-style-type: none"> The IA should refer to the 2016 EITI Standard for details. 	NA
Information about the distribution of revenues from the extractive industries in accordance with EITI Requirement 5.1.	<ul style="list-style-type: none"> The IA should refer to the 2016 EITI Standard for details. 	NA
Any further information requested by the MSWG on revenue management and expenditures in accordance with EITI Requirement 5.3.	<ul style="list-style-type: none"> The IA should refer to the 2016 EITI Standard for details. The IA shall provide further analysis on revenue management practices and considers the references or commentary from Civil Society around the issues of revenue and expenditure management, accountability and efficiency of use. 	NA
Information about license holders in accordance with EITI Requirement 2.3 ⁶ , and the allocation of licenses in accordance with EITI Requirement 2.2. ⁷		NA
Any information requested by the MSWG on beneficial ownership (BO) in accordance with EITI	<p>For the purpose of this report, the Independent Administrator should:</p> <ul style="list-style-type: none"> Propose a definition of BO for adoption by the MSWG⁸. 	<p>For the purpose of this report, the MSWG will:</p> <ul style="list-style-type: none"> Consider and agree the

⁵ Guidance Note 18: SOE participation in EITI Reporting, https://eiti.org/files/GN/Guidance_note_18_SOEs_EN.pdf

⁶ Guidance Note 3: Licence Registers, <https://eiti.org/guidance-notes-and-standard-terms-reference#GN3>

⁷ Guidance Note 4: Licence Allocations, <https://eiti.org/guidance-notes-and-standard-terms-reference#GN4>

⁸ <https://drive.google.com/open?id=0B7UljQS1EKz4SIRPZzdWRXfFRG8>

Requirement 2.5	<ul style="list-style-type: none"> • Propose the details to be disclosed about the identity of the beneficial owners.⁹This should include whether the beneficial • owners are politically exposed persons (PEPs), drawing on existing • Definitions of PEPs and asset declarations if available. • Propose an approach for assuring the BO data assurance for adoption by the MSWG¹⁰. • Reflect the MSWG's decisions on the definition of BO, the details to be disclosed about the identity of the beneficial owners, and the data assurance process in the EITI's model BO template¹¹. • Develop guidelines to reporting companies on how to identify their beneficial owners and complete the reporting template. • Distribute the BO template to the companies included in the scope of the EITI Report, collect data and follow up on any missing or incomplete submissions. • Compile the data in an open data format (xlsx or cvs)¹². • Present the findings in the EITI Report, noting for each of the companies in the scope of the report: the name of the BOs of each company, details about their identity, and information about how ownership is exerted. Where legal owners have been disclosed, this should be clearly distinguished from beneficial ownership. • Provide comments on the comprehensiveness and reliability of the BO information, and present recommendations for improving beneficial ownership reporting in the future. 	<p>recommendations by the IA with regards to the definition of BO, the details to be disclosed about the identity of the BO, and the approach for BO data assurance.</p> <ul style="list-style-type: none"> • Provide information on the government's policy and multi-stakeholder group's discussion on disclosure of beneficial ownership.
Any information requested by the MSWG on contracts in accordance with	<ul style="list-style-type: none"> • The IA should refer to the 2016 EITI Standard for details. 	NA

⁹<https://drive.google.com/file/d/0B7UljQS1EKz4dEpjQ0VVdzNFcTg/view?usp=sharing>

¹⁰<https://drive.google.com/open?id=0B7UljQS1EKz4ZVhjX0pKeWF3NVk>

¹¹ Template beneficial ownership declaration, <https://eiti.org/files/Template-beneficial-ownership-declaration-form.doc>

¹² An open data standard for beneficial ownership reporting is being developed. Please be in touch with the EITI International Secretariat for further information.

EITI Requirement 2.4 ¹³		
Add any other contextual information that the MSWG has agreed to include in the EITI Report	<ul style="list-style-type: none"> • Carry out further analysis on feasibility study on mainstreaming and produce a road map for MSWG review (<i>see Annex B</i>). • Provide recommendations within EITI reports on mainstreaming approach in the country. 	NA

Phase 2 – Data collection

Objective: The purpose of the second phase of work is to collect the data for the EITI Report in accordance with the scope confirmed in the Inception Report. The MSWG and national secretariat will provide contact details for the reporting entities and assist the Independent Administrator in ensuring that all reporting entities participate fully.

The Independent Administrator is expected to undertake the following tasks during the data collection phase:

- 2.1 Distribute the reporting templates and collect the completed forms and associated supporting documentation directly from the participating reporting entities, as well as any contextual or other information that the MSWG has tasked the Independent Administrator to collect in accordance with 1.3.4 above. Where an alternative approach is proposed - e.g. where the national EITI secretariat assists with data collection, or where the data is collected through an existing reporting mechanism or publicly available information, there should be consultations with the Independent Administrator to ensure the integrity of the information transmitted to the Independent Administrator.
- 2.2 Contact the reporting entities directly to clarify any information gaps or discrepancies.

Phase 3 – initial reconciliation

Objective: The purpose of this phase is to complete an initial compilation and reconciliation of the contextual information and revenue data with a view to identify any gaps or discrepancies to be further investigated.

- 3.1 The Independent Administrator should compile a database with the payment and revenue data provided by the reporting entities.
- 3.2 The Independent Administrator should comprehensively reconcile the information disclosed by the reporting entities, identifying any discrepancies (including offsetting discrepancies) in accordance with the agreed scope and any other gaps in the information provided (e.g. assurances).
- 3.3 The Independent Administrator should identify any discrepancies above the agreed margin of error established in agreement with the MSWG.

¹³ Guidance Note 7: Contract Transparency, <https://eiti.org/guidance-notes-and-standard-terms-reference#GN7>

Phase 4 – investigation of discrepancies and draft EITI Report

Objective: The purpose of this phase is to investigate any discrepancies identified in the initial reconciliation, and to produce a draft EITI Report that compiles the contextual information, reconciles financial data and explains any discrepancies above the margin of error determined by the MSWG, where applicable.

- 4.1 The Independent Administrator should contact the reporting entities to clarify the causes of any significant discrepancies or other gaps in the reported data and to collect additional data from the reporting entities concerned.
- 4.2 The Independent Administrator should submit a draft EITI Report to the MSWG for comment that comprehensively reconciles the information disclosed by the reporting entities, identifying any discrepancies, and reports on contextual and other information requested by the MSWG. The financial data should be disaggregated to the level of detail agreed by the MSWG and in accordance with requirement 4.7. The Independent Administrator shall allow a reasonable amount of time for comment and shall respond to comments prior to finalizing and publishing the report. The draft EITI Report should:
 - a) Describe the methodology adopted for the reconciliation of company payments and government revenues, and demonstrate the application of international professional standards.
 - b) Include a description of all revenue streams, related materiality definitions and thresholds (Requirement 4.1).
 - c) Include an assessment from the Independent Administrator on the comprehensiveness and reliability of the (financial) data presented, including an informative summary of the work performed by the Independent Administrator and the limitations of the assessment provided.
 - d) Indicate the coverage of the reconciliation exercise, based on the government's disclosure of total revenues as per Requirement 4.1(d).
 - e) Include an assessment of whether all companies and government entities within the agreed scope of the EITI reporting process provided the requested information. Any gaps or weaknesses in reporting to the Independent Administrator must be disclosed in the EITI Report, including naming any entities that failed to comply with the agreed procedures, and an assessment of whether this is likely to have had material impact on the comprehensiveness of the report.
 - f) Document whether the participating companies and government entities had their financial statements audited in the financial year(s) covered by the EITI Report. Any gaps or weaknesses must be disclosed. Where audited financial statements are publicly available, it is recommended that the EITI Report advises readers on how to access this information.
 - g) Include non-revenue information as per Requirement 2,3,5 and 6 and other information requested by the MSWG. The contextual information should be clearly sourced in accordance with the procedures agreed by the Independent Administrator and the MSWG.
- 4.3 Where previous EITI Reports have recommended corrective actions and reforms, the Independent Administrator should comment on the progress in implementing those measures. The Independent Administrator should make recommendations for strengthening the reporting process in the future, including any recommendations regarding audit practices and reforms needed to bring them in line with international standards, and where appropriate, recommendations for other extractive sector reforms related to strengthening the impact of implementation of the EITI on natural resource governance. The Independent Administrator is encouraged to collaborate with the MSWG in formulating such recommendations.
- 4.4 The Independent Administrator is encouraged to make recommendations on strengthening the template Terms of Reference for Independent Administrator services in accordance with the EITI

Standard for the attention of the EITI Board.

Phase 5 – Final EITI Report

Objective: The purpose of this phase is to ensure that any comments by the MSWG on the draft report have been considered and incorporated in the final EITI Report.

- 5.1 The Independent Administrator will submit the EITI Report upon approval to the MSWG. The MSWG will endorse the report prior to its publication and will oversee its publication. Where stakeholders other than the Independent Administrator decide to include additional comments in, or opinions on, the EITI Report, the authorship should be clearly indicated.
- 5.2 The final EITI Report must be translated to the following languages: English, Portuguese, Bahasa Indonesia, Tetum (local language)
- 5.3 The Independent Administrator should produce electronic data files¹⁴ that can be published together with the final Report.
- 5.4 Following approval by the MSWG, the Independent Administrator is mandated to submit summary data from the EITI Report electronically to the International Secretariat according to the standardised reporting format available from the International Secretariat¹⁵.
- 5.5 The Independent Administrator shall take appropriate measures to ensure that the report is comprehensible. This includes ensuring that the report has high levels of readability, legibility and usability. The MSWG may wish to request that the report be edited by a professional copy-editor and/or be designed by a professional graphical designer.
- 5.6 The MSWG may request that the Independent Administrator submit to the national secretariat all data gathered during reconciliation available, including the contact information of all institutions contacted during the reporting process.

4 Qualification requirements for Independent Administrators

The reconciliation of company payments and government revenues must be undertaken by an Independent Administrator applying international professional standards (requirement 4.9). It is a requirement that the Independent Administrator is perceived by the MSWG to be credible, trustworthy and technically competent (ibid). Bidders must follow (and show how they will apply) the appropriate professional standards for the reconciliation/agreed-upon-procedures work in preparing their report.

The Independent Administrator will need to demonstrate:

¹⁴ The files can be in CSV or Excel format and should contain the tables and figures from the print report. In accordance with requirement 7.1.c, the multi-stakeholder group is required to make the EITI Report available in an open data format (xlsx or csv) online.

¹⁵ The latest version of the summary data template can be found at: <https://eiti.org/document/eiti-summary-data-template>

- Expertise and experience in the oil, gas and mining sectors in Timor-Leste and Timor Sea.
- Expertise in accounting, auditing and financial analysis.
- A track record in similar work. Previous experience in EITI reporting is not required, but would be advantageous.
- Previous experience in conducting investigation on similar project to beneficial ownership and mainstreaming would be desirable.

In order to ensure the quality and independence of the exercise, Independent Administrators are required, in their proposal, to disclose any actual or potential conflicts of interest, together with commentary on how any such conflict can be avoided.

5 Reporting requirements and time schedule for deliverables

The assignment is expected to commence on 10 December 2018, culminating in the finalisation of the 2016 EITI Report by 30 June 2019, 2017 EITI Report by 31 December 2019 and 2018 EITI Report by 31 December 2020. The proposed reporting and payment schedules for a three year periods is annexed (*see Annex A*).

6 Client's input and counterpart personnel

Add information about reporting lines, support to the Independent Administrator during the assignment, other logistical and administrative arrangements.

Other comments

The MSG may include additional commentary on the assignment not addressed above.

Annex 1 – Statement of materiality

The purpose of this statement of materiality is for the Independent Administrator to understand the scoping work and associated decisions that have already been carried out by the multi-stakeholder group or by other consultants. The Independent Administrator confirms the joint understanding of the scope of the services in the inception report. Annex 2 lists relevant attachments, including any scoping studies undertaken in the past.

1. Taxes and revenues to be covered in the EITI Report (Requirement 4.1)¹⁶

With regards to the revenue streams set out in Requirements 4.1-4.2, the multi-stakeholder group has agreed that the following revenue streams from the extractive sector are material and should be reconciled in the EITI Report:

Table 1 – Material revenues to be reconciled

Revenue stream	Estimated value and share of total extractive industry revenue	Government recipient	Additional commentary on work to be undertaken by the Independent Administrator as necessary.
List of revenue streams, taking into account common revenue streams set out in Requirement 4.1	<value> (<percentage>)
The materiality and inclusion of the state's share of production collected in-kind (Requirement 4.2 ¹⁷ , where applicable)			

¹⁶ Guidance Note 13: on defining materiality, reporting thresholds and reporting entities, https://eiti.org/files/Guidance%20note%20on%20defining%20materiality_0.pdf

¹⁷ Guidance Note 18: SOE participation in EITI Reporting, https://eiti.org/files/GN/Guidance_note_18_SOEs_EN.pdf

The multi-stakeholder group has agreed that the revenue streams from the extractive sector listed in Table 2 should be unilaterally disclosed by the government in the EITI Report rather than reconciled with company figures. The reasons for unilateral disclosure rather than reconciliation should be documented by the MSG.

Table 2 – Material revenues to be unilaterally disclosed by the government

Revenue stream	Estimated value and share of total extractive industry revenue	Government recipient	Additional commentaries on data sources and work to be undertaken by the Independent Administrator as necessary.
...	<value> (<percentage>)

The multi-stakeholder group has agreed that the following revenue streams from the extractive sector are immaterial and should not be reconciled or unilaterally disclosed by the government in the EITI report:

Table 3 – Immaterial revenue streams from the extractive sector to be excluded from the EITI Report

Revenue stream	Estimated value and share (%) of total extractive industry revenue	Government recipient	Additional commentary on data sources and rationale for concluding that the revenue stream is immaterial
...	<value> (<percentage>)

2. Additional benefit streams:

With regards to the benefit streams set out in Requirements 4, the MSG has agreed the following:

Table 4 – Additional benefit streams

Benefit stream	Applicable/material?	Estimated value and share (%) of total extractive industry revenue	Government recipient	Additional commentary on data sources and works to be undertaken by the Independent Administrator as necessary.
The materiality and inclusion of infrastructure and barter arrangements (Requirement 4.3) ¹⁸				
The materiality and inclusion of <u>mandatory</u> social payments (Requirement 6.1(a)) ¹⁹				
The materiality and inclusion of <u>voluntary</u> social payments				

¹⁸ Guidance note 15: Infrastructure and barter provisions: <https://eiti.org/guidance-notes-and-standard-terms-reference#GN14>

¹⁹ Guidance note 17: Social expenditures: <https://eiti.org/guidance-notes-and-standard-terms-reference#GN17>

(Requirement 6.1(b)) ²⁰				
The materiality and inclusion of transportation revenues (Requirement 4.4) ²¹				

3. Reporting companies (Requirement 4.1)

The MSWG has agreed that any company making payments [equal to or above [*e.g USD 100,000*]] against the material revenue streams identified in table 1 are required to be included in the EITI Report:

Table 5 – Companies to be included in the EITI Report

Companies	Sector	Additional commentary on work to be undertaken by the Independent Administrator as necessary.
...

4. Government - government transactions (Requirement 4)

Table 6 – Government to government transactions included in the scope of the EITI Report

²⁰ Guidance note 17: Social expenditures: <https://eiti.org/guidance-notes-and-standard-terms-reference#GN17>

²¹ Guidance note 16: Revenues from transportation of oil, gas and minerals: <https://eiti.org/guidance-notes-and-standard-terms-reference#GN16>

Transactions	Applicable/ material?	Financial flow	State-owned company	Government agency	Additional commentary on work to be undertaken by the Independent Administrator as necessary.
The disclosure and reconciliation of payments to and from state-owned enterprises (Requirement 4.6) ²²					
Transactions	Applicable/ material?	Financial flow and revenue sharing formula	Government agency executing the transfer	Government agency receiving the transfer	Additional commentary on work to be undertaken by the Independent Administrator as necessary.
The materiality and inclusion of mandatory sub-national transfers in accordance with Requirement 5.2 ²³					

²² Guidance Note 18: SOE participation in EITI Reporting, https://eiti.org/files/GN/Guidance_note_18_SOEs_EN.pdf

²³ Guidance Note 10: Sub-national reporting, <https://eiti.org/files/Guidance-note-10-Subnationalreporting.pdf>

Annex 2 – Supporting documentation

Documentation on governance arrangements and tax policies in the extractive industries, including relevant legislation & regulations

- www.MoF.gov.tl
- www.anpm.tl.org
- www.bctl.tl

EITI work plans& other documents

- www.eiti.tl
- www.eiti.org

Findings from preliminary scoping work

- [\[...\]](#)

Previous EITI Reports

- www.eiti.tl
- www.eiti.org

Commentary on previous EITI Reports

- TL-EITI website, ANPM website, BCTL website, MoF website and International EITI website

Validation Reports

- www.eiti.tl
- www.eiti.org

Other relevant documentation (e.g. annual activity reports)

- www.eiti.tl
- www.eiti.org