



**PNG EXTRACTIVE INDUSTRIES  
TRANSPARENCY INITIATIVE  
ANNUAL PROGRESS REPORT 2019**

PNGEITI National Secretariat  
December 2020

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## **EXECUTIVE SUMMARY**



Figure 1 Mr Lucas Alkan PNGEITI Head of National Secretariat

Papua New Guinea (PNG) has achieved great progress in implementing the EITI Global Standard since 2014 and remains overtly committed to ensuring improved transparency and accountability for strengthened governance in the extractives sector. Since becoming a member of the International EITI, the PNG Government (GoPNG) had been fully supportive of the initiative with significant resource allocation over the years resulting in the publication of six (6) consecutive PNGEITI Annual Country Reports that covered financial years (FY) 2013 to 2018.

Furthermore, the PNGEITI had consistently addressed requirement 7.4 *Review of the outcomes and impact of EITI implementation* with the production of the PNGEITI Annual Progress Report (APR). The EITI APR is a mandatory requirement of the EITI Standard that indicated the outcomes and impacts of

EITI Implementation in host countries. The PNGEITI National Secretariat had progressively fulfilled this requirement with the production of seven APR's that covered financial years (FY) 2013 to 2019.

This report highlights key outputs in the 2019 financial year from activities undertaken by the PNGEITI National Secretariat and its Multi-Stakeholder Group (MSG). The activities in 2019 witnessed increased involvement from the MSG in addressing recommendations from the PNGEITI FY Reports; the NEC Decision 91/2017; and, the Validation Report of 2018. With the introduction of the new Validation Model and flexible reporting requirements from EITI International welcomed by the PNGEITI MSG, the country will now undergo Validation in April of 2021.

Aside from these undertakings; the PNGEITI progressed its annual recurrent programs with increased technical support from international development partners such as the World Bank, and the Japanese International Cooperation Agency (JICA).

Key highlights in the 2019 financial year included the drafted Extractive Industries Transparency Commission Bill that will now undergo legislative processes prior to dispatch to Cabinet for deliberation.

The culminated efforts of the various MSG Technical Working Groups (TWG) ensured the completion of the Beneficial Ownership Roadmap by the Roadmap Implementation Manager (RIM) KPMG in December 2019, and the BO reporting in the PNGEITI Reports will follow in 2020.

The PNGEITI-JICA Project garnered substantive output which resulted in increased data assurance in the 2019 FY Report as well as enhanced collaboration between the Department of Petroleum and the PNGEITI MSG. The two and a half year project is expected to conclude by the end of 2020, however, due to disruptions caused by Covid 19, the project is now extended beyond 2021.

Additionally, the 2019 PNGEITI communications programs generated good results in 2019 with increased presence in the mainstream media of the 2018 PNGEITI Report findings and various discussion papers and events proved invaluable for various audiences. Numerous outreach activities conducted had succeeded in stimulating dialogue and collaboration amongst various local civil societies groups and interest groups, as well as State regulators and academics both domestic and international on how to address pertinent issues related to

extractive governance in PNG. The PNGEITI National Secretariat increased its emphasis on promoting a neutral stance on various sensitivities debated in the public domain despite indiscriminate use of the report findings by various groups.

Administratively, the National Secretariat delivered EITI key activities within its parameters as mandated through NEC and under the guidance of the PNGEITI MSG through the mandatory MSG quarterly meetings; MSG Technical Working Group meetings; and, MSG consultations. The recent emphasis on gender balance in the 2019 EITI International Standard is captured within PNGEITI and MSG work plans going forward. Data from the MSG meeting minutes indicated a need to strengthen participation, however, despite the disparity, female voting members played a significant role in enhancing the implementation of the EITI from years 2012- 2019.

The EITI remains a neutral platform for dialogue amongst stakeholder's operating in the extractive sector and is considered to be a valuable mechanism by which gaps in existing government systems can be identified, and the recommendations contained within to be elevated to policy level for reform.

The PNGEITI objectives remain consistent with PNG National Government priorities through the objectives of the National Policy on Transparency and Accountability in the Extractive Sector 2019:

1. The Independent Administrative Body
2. Full Participation in extractive sector transparency and accountability
3. Comprehensive Disclosure of Information
4. Limit Corruption in Government
5. Diagnostic Tool as support Extractives Sector Reform
6. Better Public Financial Management in Extractive Industry Sector
7. Encourage Public Debate and Policy Making
8. Effective Information Dissemination among stakeholders
9. Ensure Complementarity with Transparent and governance in PNG

I hereby present this annual report for financial year 2019 for your utmost interest and consideration.



Mr Lucas Alkan  
Head of PNGEITI National Secretariat

## 1. GENERAL ASSESSMENT OF 2019 PERFORMANCE

The PNG Extractive Industries Transparency Initiative performed exceptionally well in the 2019 financial year as captured in this progressive report from the periods January - December 2019. This review covers the four program areas in the PNGEITI Work plan which include procurement, communications & engagement, policy & technical, finance and administration. The PNGEITI National Secretariat is positioned under the Sectoral Policy Division within the PNG National Department of Treasury and had a total of nine staff in the 2019 financial year. The National Secretariat is resourced and funded by the Department of Treasury through its appropriation from the PNG National Government Budget allocation.

### 1.1. PNGEITI Multi-Stakeholder Group

The various EITI Standards' 2013, 2016 and 2019, required candidate countries to form a Multi-Stakeholder Group (MSG) as the key decision-making body for implementation.

In PNG, the MSG was formed from representatives from the PNG Government, the Civil Society and the PNG Mining and Oil & Gas Industry. An informal group first had discussions in early 2012, and the group was formalised on 1 November 2013 via a Memorandum of Understanding (PNGEITI MSG MoU 2013).

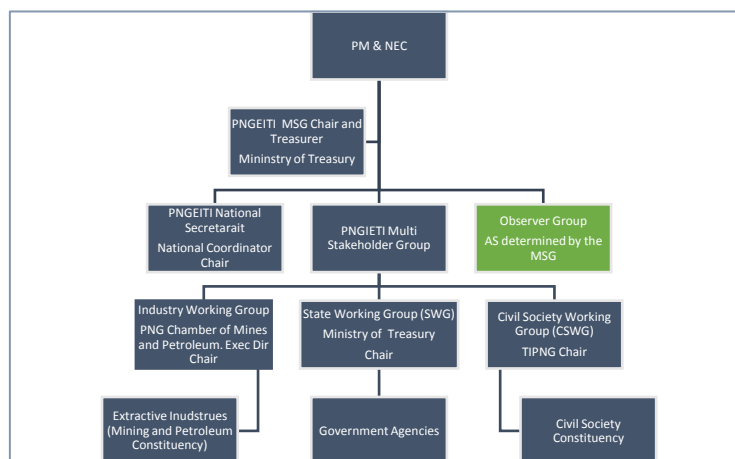


Figure 2 PNGEITI Governance Structure

The MSG is chaired by the PNG Treasurer, and comprises:

- Eleven representatives from the Government of PNG, including four voting and seven non-voting members, selected through internal processes and through direct engagement with participating ministries, agencies and departments
- Four representatives from state-owned enterprises, including three voting members and one non-voting member
- Eight representatives from civil society, including seven voting members and one non-voting member, selected through a democratic process based on agreed criteria, representing a range of perspectives and constituencies
- Seven representatives from the extractive industries, selected through a democratic process based on agreed criteria, in collaboration with the PNG Chamber of Mines and Petroleum.

Each MSG member has a primary and two alternate representatives; a proxy vote can be given to others in case these representatives are unable to join a meeting.

### 1.2. Multi-Stakeholder Group Meetings

The PNGEITI Multi-Stakeholder Group conducted a total of four meetings in 2019, and a grand total of 43 meetings since 2012 to date. The PNGEITI MSG MoU 2013 outlined the rules of engagement during MSG meetings.

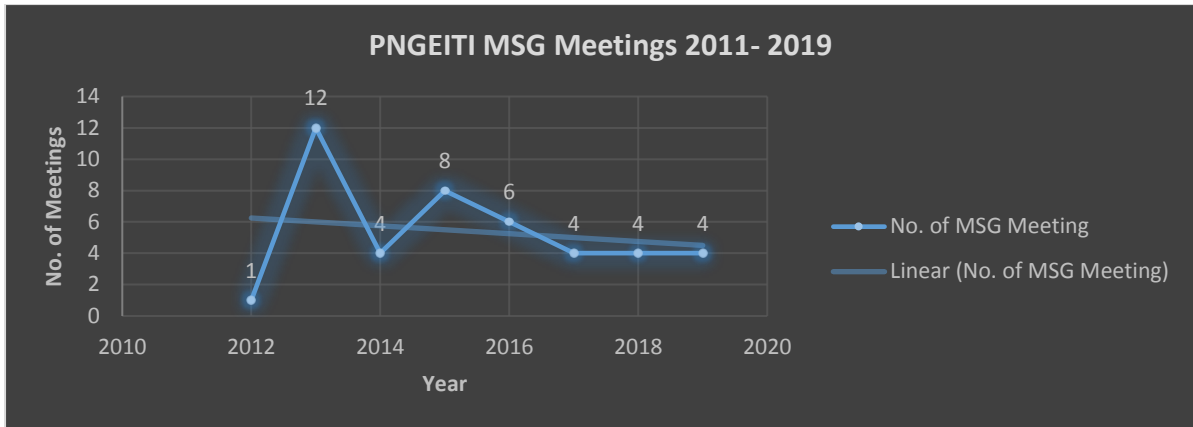


Figure 3 PNGEITI Multi-Stakeholder Group Meetings and trend line.

The number of meetings held by the PNGEITI MSG had stabilized over the last three years from the years 2017 to present as compared to its initial meetings in 2012 and 2013. The reason being that these initial meetings from period 2012- 2016 included key decisions regarding materiality thresholds and various revenue reporting requirements; integration of EITI into various stakeholder processes; the design, and the terms of reporting for entities and materiality threshold of reporting entities. The period post- 2016 saw more stabilisation in reporting with an increase in TWG meetings with a view to limit quarterly general MSG meetings to resolve on key recommendations from the Technical Working Groups.

### 1.1. Gender representation in the PNGEITI Multi-Stakeholder Group Meetings

Gender representation in the 2019 PNGEITI Meetings is still largely male dominated, however, key voting on EITI implementation still comprise of equal participants across the three constituents. Gender Balance is captured inside the EITI Standard in MSG Requirement 1.4 (ii); Requirement 6.3 (d) in Contribution of the extractive sector to the economy; Requirement 7.1 Public debate (a) (ii) (v); EITI Open data policy Preamble (4) and EITI Open data in EITI Implementation (9) (c); and, EITI Articles of Association, Article 4 Organisation (3).

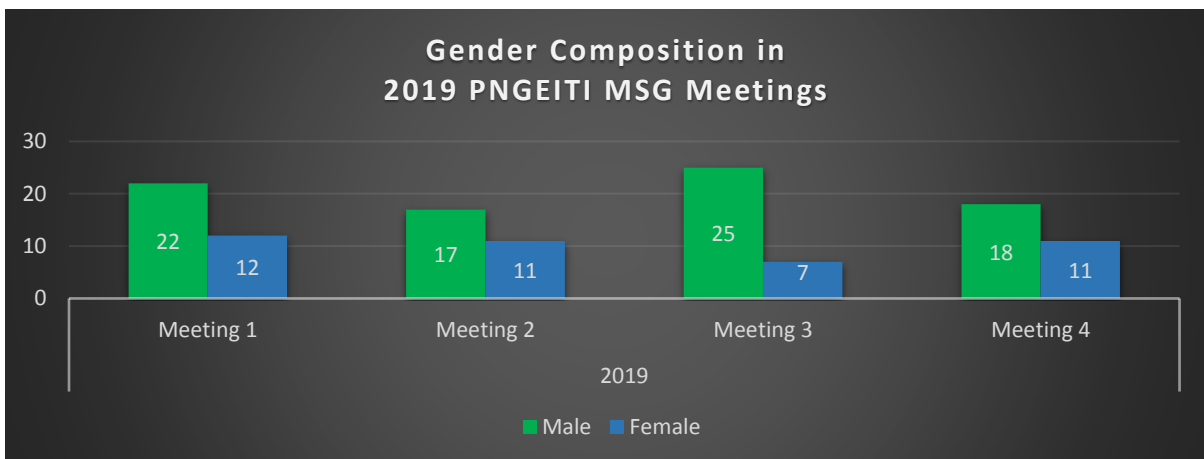


Figure 4 Gender Composition in 2019 PNGEITI MSG Meetings

Former EITI International Chairman Fredrik Reinfeldt, Chair of the EITI Board 2016-2019 announced that the key shift in the 2019 EITI Standard not only called on countries and companies to systematically disclose information through their own systems but it also compelled these reporting entities to capture disclosures requirements on environmental, social and gender impacts.

The PNGEITI National Secretariat is working progressively to strengthen gender balance in the MSG with the assistance from the JICA team. As indicated in the above graph above, males still outnumber females in meetings, however, female representatives in Government, Industry and CSO contributed immensely, through votes and consultations, toward the formulation of EITI implementation in Papua New Guinea.

### 1.1. Sectoral participation in the PNGEITI Multi-Stakeholder Group Meetings

The financial year 2019 witnessed increased attendances in EITI meetings from the three MSG constituents with notable engagements from international development partners World Bank EGPS, JICA EITI Project and the Australian Government through ABT and Associates, on specialised technical assistance projects.

Government attendance reflected the States commitment to EITI implementation with the more representation in the meetings. CSO Participation has been consistent and productive as reflected in the meeting four to finalise the PNGEITI 2018 financial year report. Industry numbers indicated lower participation however, they contributed as much as both CSO and the state.

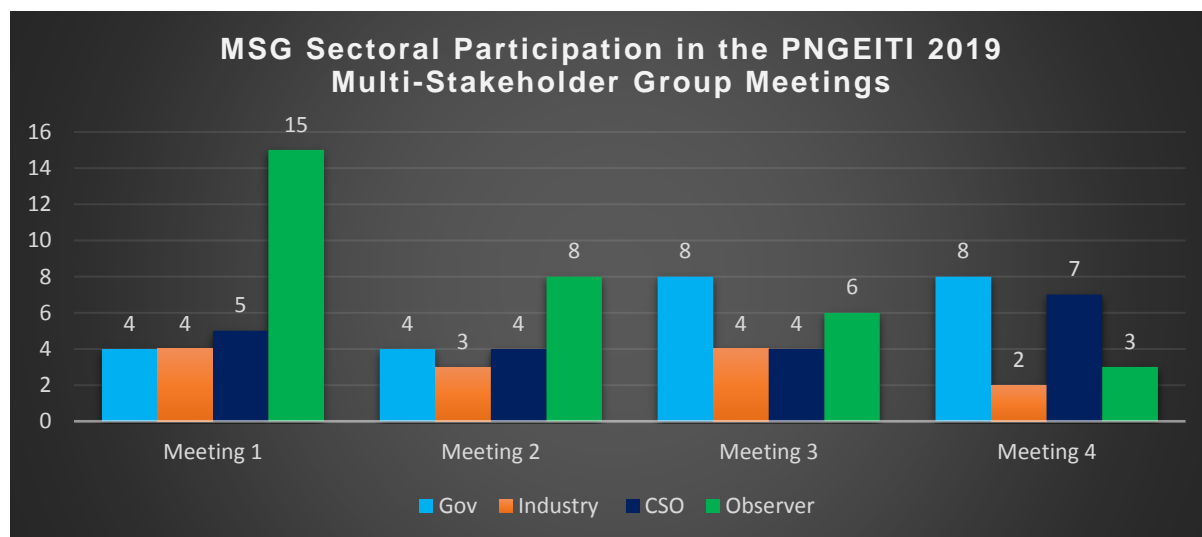


Figure 5 MSG Sectoral Participation in the PNGEITI 2019

### 1.2. Chairmanship to the PNGEITI Multi-Stakeholder Group

The table below summarises the various Chairs of the PNG EITI MSG since its inception in 2012. The Minister assumes the Chair of the MSG as per the PNGEITI MoU as the Champion of EITI implementation in Papua New Guinea.

Year	Treasurer as Chair of PNG EIT MSG	Ministerial Portfolio
2019- present	Hon Ian Ling Stuckey.	Treasury Minister
2019(1 month)	Hon Sam Basil	Treasury Minister
2017- 2019	Hon Charles Abel	Treasury Minister
2014- 2016	Hon Patrick Pruaitch	Treasury Minister
2012 -2014	Hon. Don Pomb Polye	Treasury Minister

Table 1 Summary of PNGEITI Chairs' to the Multi-Stakeholder Group



### 1.3. EITI Implementation in Papua New Guinea

The PNGEITI has achieved a number of key milestones since its inception and has increased its focus on implementation of key recommendations emphasised in the EITI Country Reports.

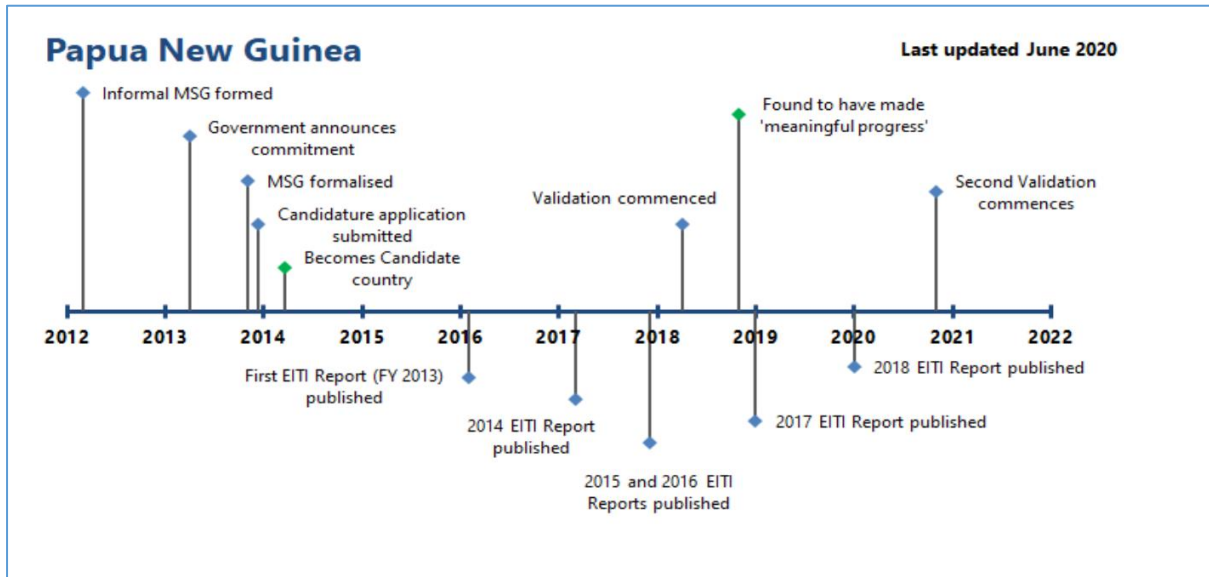


Figure 6 PNGEITI Timeline and Milestones <sup>1</sup>

The PNGEITI MSG’s efforts in implementing the EITI Standard had resulted in an outstanding Validation. PNG’s second Validation will commence in April 2020 to assess the recommendations from the first Validation Report in 2018.

### 1.4. Summary of PNGEITI Milestones

Year	Milestone achieved
2012	Informal PNGEITI Multi-Stakeholder Group formed
2013	Government announces commitment to join EITI
	NEC Decision 90/2013 endorsed the implementation of the EITI Standard
	MSG formalised through PNGEITI MSG MoU Nov 2013
	PNG candidature application submitted to EITI International
2014	PNG becomes an EITI candidate country
2015	PNGEITI National Secretariat Office established under PNG National Treasury Department Sectoral Policy Division – Extractives Branch
2016	The First PNGEITI Report for FY 2013 was published
2017	The Second PNG EITI Report for FY 2014 was published
2017	Third and Fourth PNG EITI Reports for FYs 2015 and 2016 were published
2017	NEC Policy Decision 91/2017 called for implementation of 2013 Report Recommendation by responsible entities in Government
2018	PNG was Validation by EITI International
	The EITI Board decided that Papua New Guinea (PNG) has made <b>Meaningful Progress</b> in implementing the EITI Standard at its meeting in Dakar on 30 October 2018
2019	PNG National Executive Council endorsed the PNG EITI Policy on establishing the National Secretariat to National Government Commission.

Table 2 Summary of EITI Implementation Milestones in PNG

<sup>1</sup> <https://eiti.org/papua-new-guinea>

## 2. PROCUREMENT & CONTRACTS

### 2.1. PNGEITI 2018 Fiscal Year Report

The PNGEITI MSG through the National Secretariat produced its sixth country report for financial year 2018. International auditing firm Ernst & Young were contracted as the Independent Administrator (IA) for the 2018 PNGEITI Report following contractual signing with the PNGEITI National Secretariat for a cost of K480, 000.00 in June 2019.

The total payment did not exceed the contract price set forth in the special conditions of the contracts and was made in instalments against delivered phases specified in the contract milestone.

The first payment was equivalent to 20% (PGK96, 000.00) of the contract price and was paid after delivery of the scoping study report.

The second payment was equivalent to 30% (PGK144, 000.00) of the contract price and was paid to the Consultant after the delivery of the Inception report.

The third payment was equivalent to 30% (PGK144, 000.00) of the contract price and was paid to the Consultant after delivery of the draft report and the fourth payment was equivalent to 20% (PGK96, 000.00) of the contract price and was paid to the Consultant after the MSG's approval and publication of the PNGEITI Report.

This project was undertaken and completed within seven months (June – December, 2018).



Figure 7 PNGEITI FY2018 Report

### 2.2. PNGEITI Report production costs 2013-2019

No.	EITI Reports	Published	Project Cost	Cost overshoot	IA Contracted
6	2018	2019	K480, 000.00	K0.00	Ernst and Young
5	2017	2018	K490, 000.00	K0.00	Ernst and Young
4	2016	2017	K498, 000.00	K0.00	Ernst and Young
3	2015		K498, 000.00	K0.00	
2	2014	2016	K498, 000.00	K49, 800.00	Ernst and Young
1	2013	2015	K498, 000.00	K49, 800.00	Ernst and Young

Figure 8 Summary of all PNGEITI Report Contracts

### 2.3. Summary of PNGEITI Report Launching

A milestone in the PNGEITI annual calendar was the launching of the PNGEITI Reports. The PNGEITI FY2017 Report was launched via press statement due to the absence of the PNG Treasurer and PNGEITI MSG Chairman Hon Charles Abel, MP.

FY Report	Launched Date	Venue	Launch Delegate
2018	20/03/2020	Press Statement	Lucas Alkan, HoS PNGEITI National Secretariat
2017	16/03/2019	Press Statement	Lucas Alkan, HoS PNGEITI National Secretariat
2016	16/03/2018	State Function Room	PNGEITI National Secretariat
2015	16/03/2018	State Function Room	Hon Charles Abel DPM, MP
2014	17/05/2017	Press Statement	Lucas Alkan, HoS PNGEITI National Secretariat
2013	30/05/2016	State Function Room	Prime Minister Hon. Peter O'Neil

Table 3 Summary of PNGEITI Report launches

## 2.4. Summary of Contracts (2015 – 2019)

The PNG EITI National Secretariat has expended a total of K5.5 million (K5, 584, 253.67) to date on major PNGEITI contracts from the periods 2015 to 2019.

Contract #s.	Contracts	Consultants/Contractor	Contracted Fees/Project Cost	Projects Overruns/Out of pocket expenses	Totals
2019 - 01	PNGEITI Country Report for FY2018	Ernst & Young	K480, 000.00	Nil/no overruns	K480,000.00
2018-10	Establishment of EITI statutory Authority	Adam Smith International	K497, 161.60	No overruns – contract expired in July 2019.	K497, 161.60
2018-09	Development of EITI Policy	Adam Smith International	K498, 808.90	Nil/no overruns – contract expired in March 2019.	K498, 808.90
2018-08	BO Disclosure RIM - Phase 2	KPMG	K493, 500.00	Nil/no overruns – contract ended/expired in July 2020.	K493, 500.00
2018-07	PNGEITI Country report for FY2017	Ernst and Young	PNGK490, 000.00	TBC	K490, 000.00
2017-06	BO Disclosure RIM - Phase 1	KPMG	K480, 000.00	n/a	K480, 000.00
2017-05	PNGEITI Country report for FY2016	Ernst and Young	PNGK498, 000.00	49, 800.00	K547, 800.00
2017-04	PNGEITI Country report for FY2015	Ernst and Young	PNGK498, 000.00	49,800	K547, 800.00
2016-03	scoping study & delivery of PNG Roadmap for BO Disclosure	KPMG	PNGK314, 490.00	n/a	K314, 490.00
2016-02	PNGEITI Country report for FY2014	Ernst and Young	PNGK498, 000.00	49, 800.00	K547, 800.00
2015-01	PNGEITI Country report for FY2013	Ernst and Young	AUD\$190, 000.00 (PNGK490, 233.17)	196, 660.00	K686, 893.17

Table 4 Summary of Contracts (2015 – 2019)

### 3. STAKEHOLDER ENGAGEMENT AND OUTREACH ACTIVITIES

PNGEITI National Secretariat in its effort to promote good governance and transparency in the mineral and petroleum sector in Papua New Guinea continued to participate in events and activities to carry out awareness on EITI. The implementation of EITI joint communication and engagement activities continues to be overseen by the PNGEITI MSG. Stakeholder engagement within these three constituencies is perceived to be crucial at various levels in which agenda and activities are consulted before collaborative implementation occurs. The National Secretariat continues to engage with these three groups to ensure active engagement and participation for networking as well as channelled awareness for programs progress to inform the public about EITI activities, its values, and benefits.

Month	Event	Location	Type	Lead Agency	Mode
July 2019	UPNG-ANU research presentation, "Does the PNG government get its fair share from the resource sector?"	Port Moresby, NCD	Seminar	INA	Participant
August 2019	PNG Council of Churches (PNGCC)-Association of Protestant Churches & Missions (EMW)	Port Moresby, NCD	Conference	PNGCC	Presenter
	CPAPNG Annual Conference	Lae, Morobe Province	Conference/Exhibition	CPAPNG	Presentation/Exhibition Booth
September 2019	Inaugural PNG Business Regulators Summit	Port Moresby, NCD	Summit	IPA	Participant
	Mike Manning Youth Democracy Camp	Bomana, NCD	Training Camp	TIPNG	Presenter
	Department of Treasury new staff induction	Port Moresby, NCD	Induction	DoT	Presenter
	TIPNG 'Right to Information' Report Launch	Port Moresby, NCD	Launching	TIPNG	Participant
October 2019	Policy Proposal launch & Presentation on the costs of corruption	Port Moresby, NCD	Launching	Act Now PNG	Participant
	NBC Radio Awareness – LIVE ON NBC 'Morning Tru Show'	Port Moresby, NCD	Radio Interview	PNGEITI	Interviewees
	Community Affairs & Business Development Workshop	Port Moresby, NCD	Workshop	PNG Chamber of Mines & Petroleum	Participant
November 2019	CPAPNG-CPAAUSTRALIA Joint Conference	Port Moresby, NCD	Conference/Exhibition	CPAPNG	Exhibition Booth
December 2019	PNG Chamber of Mines & Petroleum Conference	Port Moresby, NCD	Conference/Exhibition	PNG Chamber of Mines & Petroleum	Presentation/Exhibition Booth

Table: Summary of stakeholder engagement and outreach activities in 2019

### 3.1. Media Engagement

PNG Media continues to play that vital role in disseminating the findings of the PNGEITI Reports. The PNGEITI National Secretariat holds a high regard for the media and considers the group as an important stakeholder in the implementation of EITI by ensuring close mutual beneficial working relationship with media partners.



*Figure 9 PNGEITI Participation in the 2019 CPA Conferences*

The PNGEITI supports the work of the media periodically to engage media personnel in EITI workshops and trainings to boost media knowledge and capacity to report on EITI.

The PNG mainstream mass media includes radio, television and print, and has recently seen a convergence with the rapidly increasing usage of smart phones for social media platforms such as Facebook, LinkedIn, Twitter, Instagram, amongst other.

The rise in mobile communication adds value to the way EITI information is communicated to the public and to targeted groups. These modes of communication have generated public dialogue and information exchange between the journalists, media practitioners and the audience.

The PNGEITI engages with four national newspapers, three national television stations, four major radio stations and five online news agencies as well as international journalists and interested groups domestically and regionally.

Apart from providing information to the media groups, the PNGEITI National Secretariat also conducts media capacity building workshops and presentations to media groups and stakeholder forums to update them on the findings of the EITI Reports.



*Figure 10 PNGEITI Awareness and consultation in Lihir for the Subnational Payments project.*

NEWS ITEM	DATE PUBLISHED	BY MEDIA ORGANISATION	MEDIUM	WEBSITE LINK TO NEWS
Garry Passionate about Alluvial Mining	15/01/2019	Loop PNG	Online	<a href="http://www.looppng.com/business/pngs-dpm-appointed-international-board-83405">http://www.looppng.com/business/pngs-dpm-appointed-international-board-83405</a>
PNGEITI to Formulate Policy Frameworks	20/02/2019	The National	Print/online	<a href="https://www.thenational.com.pg/framework-extractive-industries-policy-adopted/">https://www.thenational.com.pg/framework-extractive-industries-policy-adopted/</a>
PNG's DPM appointed to International Board	31/03/2019	Loop PNG	Online	<a href="http://www.looppng.com/business/garry-passionate-about-alluvial-mining-81875">http://www.looppng.com/business/garry-passionate-about-alluvial-mining-81875</a>
Abel appointed as Extractive Industry Transparency Initiative member	01/04/2019	The National	Print/online	<a href="https://www.thenational.com.pg/abel-appointed-as-extractive-industry-transparency-initiative-member/">https://www.thenational.com.pg/abel-appointed-as-extractive-industry-transparency-initiative-member/</a>
Accurate data essential: EITI	15/07/2019	Loop PNG	Online	<a href="http://www.looppng.com/business/accurate-data-essential-pngeiti-85654">http://www.looppng.com/business/accurate-data-essential-pngeiti-85654</a>
Government not receiving fair share	05/08/2019	Post Courier	Print	<a href="https://postcourier.com.pg/govt-not-receiving-fair-share-study/">https://postcourier.com.pg/govt-not-receiving-fair-share-study/</a>
PNGEITI Participates in Global Conference	05/08/2019	Post Courier	Print	<a href="https://postcourier.com.pg/pngeiti-participates-global-conference/">https://postcourier.com.pg/pngeiti-participates-global-conference/</a>
Govt. not receiving resource benefits: Study	05/08/2019	Loop PNG	Online	<a href="http://www.looppng.com/business/govt-not-receiving-resource-benefits-study-86117">http://www.looppng.com/business/govt-not-receiving-resource-benefits-study-86117</a>
Govt. not getting share of resource benefits: Report	05/08/2019	The National	Print/online	<a href="https://www.thenational.com.pg/govt-not-getting-share-of-resource-benefits-report/">https://www.thenational.com.pg/govt-not-getting-share-of-resource-benefits-report/</a>
Country praised for participating in conference	05/08/2019	The National	Print/online	<a href="https://www.thenational.com.pg/country-praised-for-participating-in-conference/">https://www.thenational.com.pg/country-praised-for-participating-in-conference/</a>
Having accurate, systematic availability of data vital, says Alkan	05/08/2019	The National	Print/online	<a href="https://www.thenational.com.pg/having-accurate-systematic-availability-of-data-vital-says-alkan/">https://www.thenational.com.pg/having-accurate-systematic-availability-of-data-vital-says-alkan/</a>
Industry prepares fiscal report	02/10/19	The National	Print/online	<a href="https://www.thenational.com.pg/industry-prepares-fiscal-report/">https://www.thenational.com.pg/industry-prepares-fiscal-report/</a>

Table 5: Summary of Published Media Reports from PNGEITI National Secretariat 2019 (not exhaustive)

### 3.2. PNGEITI Communication materials

#### Summary list of PNGEITI Communication materials to date

Communication materials	Objective	Date(s) Produced
Annual Reports Progress	The objective of the APR is to communicate to the stakeholders on the operations and progress of the PNGEITI administration.	FY 2019 FY 2018 FY 2017 FY 2016 FY 2015 FY 2014
Summary EITI Report	The EITI report summary is intended for conferences and exhibitions where information is condensed for easier and quick referencing.	FY 2019 FY 2018 FY 2017 FY 2016 FY 2015
Newsletter	The PNGEITI Impact Quarterly Newsletters is intended to be distributed to stakeholders to inform them of PNGEITI activities.	FY 2019 FY 2018 FY 2017
Brochure	The brochure template was developed in the third quarter. Currently there are 4 types based on 4 topics. Beginning of 2020, the first 3 were printed and are in stock. The fourth type was produced early 2020.	FY 2019 FY 2018 FY 2017
Fact sheet	The Fact sheet template was also developed in the third quarter of 2019. The fact sheets were distributed during workshops and conferences towards the end of the year.	FY 2019 FY 2018 FY 2017 FY 2016
Poster Supplement	The poster supplement template was also developed but and to be completed.	2019
Facebook	The PNGEITI Facebook page was created in 2016 and so far, has garnered over 600 followers. The content consists of snippets of information highlighting PNGEITI activities.	2016-2019
Website	The PNGEITI Website has been updated since 2015 and to date a refurbished website is under development. The website contains a list of documents as well data summaries and is consistent with the PNGEITI Open data Policy.	2015- 2018

Table 6 Summary List of PNGEITI Communication Materials

### 3.2.1. PNGEITI Website Performance June 2019 to July 2020

The PNGEITI website continues to be a resource hub to generate significant interaction often during the months of January and February.

The reason for the high engagement rate during these period is credited to the timely publication of the PNGEITI Country Report(s). Similarly, efforts to update and maintain website content is on going, while a website review is being carried out to assess website performance against payment of the services rendered by the contractor.

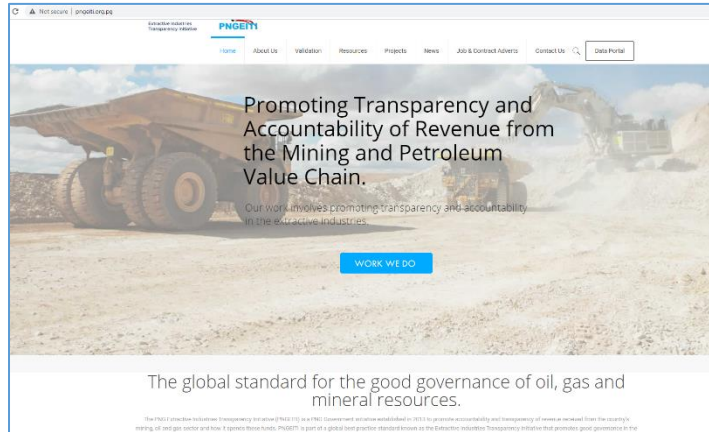


Figure 11: PNGEITI Refurbished Website

The PNGEITI Website has been updated since 2015 and was refurbished in 2-19. The website contains a list of documents as well data summaries and is consistent with the PNGEITI Open Data Policy.

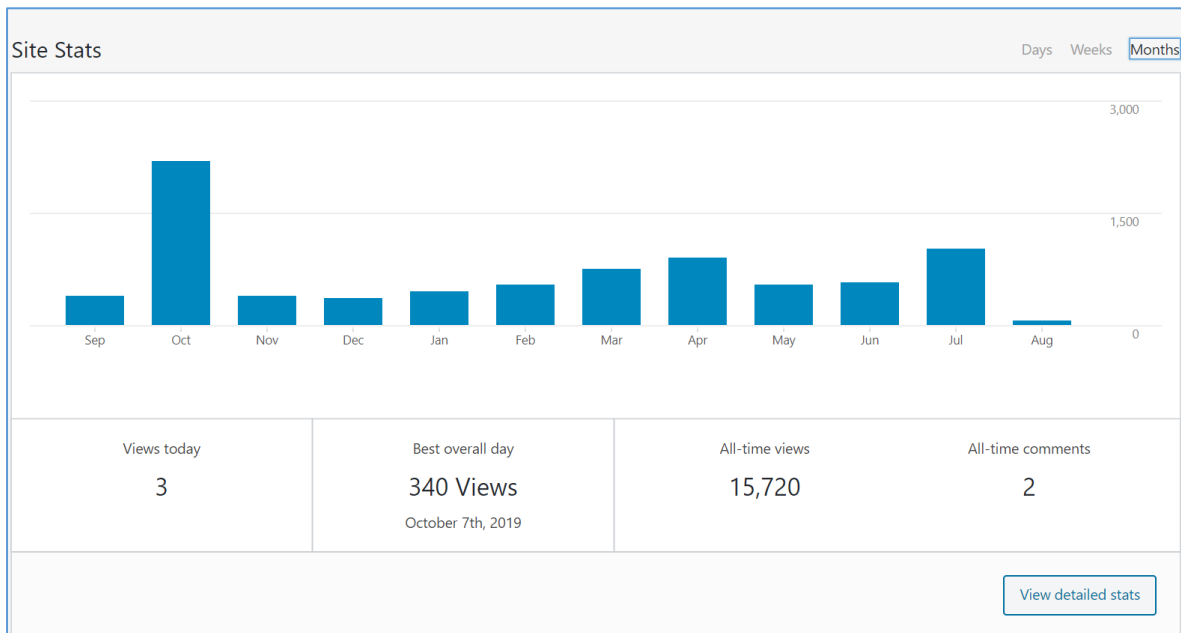


Figure 12: Summary of Website Performance September 2019 to August 2020



## Summary List of PNGEITI Professional Affiliations

The PNGEITI continues to be an active participant and member in its various affiliated bodies such as the Transparency International (PNG), The PNG Chamber of Mines and Petroleum and the Chartered Practising Accountants (CPA). The National Secretariat supports the various efforts of these organizations to continue their pivotal roles in promoting transparency and accountability in the PNG Mining and Petroleum Sector and wider scope of activities.



Figure 13 Staff of the PNGEITI engaging with CPA members during the PNGCPA Southern Region Conference. The PNGEITI has been a minor sponsor and participant of the CPA conference since 2017.

The National Secretariat recognizes the invaluable partnership that leverage the activities of EITI through these affiliations.

Membership	Membership Type	Participant since
Transparency International (PNG)	Corporate Member	2017- Present
PNG Chamber of Mines and Petroleum	Corporate Member	2017- Present
PNG Chartered Practising Accountants	Corporate Sponsor	2017- Present

Table 7: Summary List of PNGEITI Professional Affiliations



Figure 14 TIPNG Officials during their Biannual Stakeholder anti-corruption event in Goroka, EHP

### Assessment of PNGEITI Communication Strategy Goals Aimed at Institutionalising the PNGEITI

Goal	Objective	Progress in outputs
Short Term	Sensitisation through awareness Roadshows and workshops to targeted groups.	Conducted over 40 roadshows and regional and provincial outreaches and presentations since 2015 to promote the PNGEITI Reports Affiliated members and active partners of the PNG Chamber of Mines and Petroleum (PNGCMP), Transparency International (TIPNG), Chartered Practising Accountants of PNG (CPA PNG) as well as active participants in various political, academic presentations, development forums and workshops.
	Consultation on Legislation, Policy,	Increased participation in the PNGEITI Multi-Stakeholder Group with a total of 43 meetings since 2012. The current PNGEITI MSG representative, since 2013, is at 35 members and include voting members from Government, Industry, CSOs, SoEs and non-voting and observers such as Development Partners and other interest groups.
Medium Term	Online services through website and social media platform.	Progressive work is being planned for improvements to the PNGEITI data portal and online database and reporting system for collection and for dissemination of EITI data.
	Media & Education	The National Secretariat has a positive relation with media stakeholders since 2014 and engage with the mainstream media on a weekly basis. The PNGEITI MSG through the National Secretariat have conducted media and outreach campaigns to promote the studies into including beneficial ownership and subnational payments reporting in future EITI reports. Additionally, the National Secretariat continues to support journalism training in key areas of Beneficial Ownership.
Long Term	Implementation of Policy and Legislation integration into Government systems. Implementation of education curriculum in schools and Higher Institutions. Online web portal for streamlining EITI Reporting and dissemination of report findings	The MSG through the National Secretariat have successfully sought National Executive Council endorsement on National EITI Policy and administrative establishment. Progressive work is undertaken with development partners to scope the feasibility of mainstreaming education and integrating an online reporting system.

Table 8: Qualitative assessment of perception trends against the PNGEITI Communications Strategy

#### 4. PNGEITI TECHNICAL AND POLICY

The Papua New Guinea Extractive Industries Transparency Initiative (PNGEITI) Multi Stakeholder Group (MSG) have progressed the development of the PNGEITI National Policy and subsequent Legislative Bill to provide the avenue for PNGEITI's transition into an independent entity. A comprehensive consultation process was undertaken with key stakeholders, industry and development partners. This draft Legislative Bill will proceed into the final round of consultations with the Legislative TWG before it is brought forward regional consultations to ensure greater coverage of feedback and input before the Commission Bill is finalized and presented to Cabinet for endorsement.

Decision No.	NEC Directive
NEC Decision No. 91/2017	Directed relevant government entities responsible for regulating the Mining and Petroleum Sector to fully participate in the EITI Reports recommendation.
NEC Decision 15/2014	Circular 10th April 2018 directed EITI to implement the alignment of Open Government Partnership (OGP cluster commitments to similar existing Government Projects and programs.
NEC Decision No. 90/2013	Approved for PNG to sign up to the EITI and endorsed the minister responsible for Treasury matters to lead its implementation.
NEC Decision No. 47/2011	Endorsed for the establishment of a State Working Group (SWG) to assess the advantages and disadvantages of signing up to the EITI standard.

Table 9 Summary of NEC Decisions relating to the implementation of EITI

##### 4.1. PNG EITI Policy and Legislation Projects

The MSG endorsed the establishment of PNG EITI National Secretariat by law in a meeting minute # 03/2017 and called for EOI through public in May 2018 of which Adam Smith International (ASI) won two separate contracts to execute the projects. (Development of an EITI National Policy and Establishment of an EITI Statutory Authority). In 2019, the draft Bill was finalised and consultations were progressing within the TWG on the characteristics of the proposed commission

##### 4.2. Income Tax Act (1959) Amendment of Secrecy provision for EITI Reporting purposes



Figure 15 PNGEITI FY2018 Report

The technical amendment in the 2018 Budget on the secrecy provisions of the Income Tax Act continued to be utilised for the 2018 PNGEITI Report. The amendment allowed the Internal Revenue Commission (IRC) to disclose company tax information when required by the PNGEITI for reporting purposes. Prior to this change, the EITI relied on extractive companies to agree with the IRC to release tax information through tax waiver letters.

This practice was sometimes difficult to obtain caused unnecessary delays to timely release of tax information in the absence of such legal provisions.

The PNGEITI effectively became an authorized recipient of relevant tax data since 2018. The minor technical amendment to the tax law will enable the EITI reporting process to be more efficient.

### 4.3. Timeline and summary of the PNGEITI Policy and Technical Legislation TWG

Year	Summary of Activities
2019	NEC endorsed the EITI Establishment Policy. The National Secretariat MSG are now progressing to the legislative process to formulate the Draft Legislative Bill.
2018	In 2018, the TWG formalised the Policy and Legal Consultant ToR the bid was announced that the TWG received numerous expressions from various international and domestic firms of which a successful nominee had been selected. Contractual arrangements between both parties are being drawn up at the time of writing this report.
2017	PNGEITI Policy and Legislative Group Formalised in Meeting 2/2017. The TWG held meetings and various online forums to develop a preliminary scope through which an options paper was developed and subsequently led to a draft policy framework to inform MSG. TWG was compelled to proceed, as per the options paper, to recommend to the MSG to engage a policy and legal expert to undertake the next phase of the project. MSG agreed and work started on the Terms of Reference.
2016	Former Treasurer Hon Patrick Pruaitch directed the PNGEITI National Secretariat to develop the PNGEITI National Policy and Legislation during Meeting 05/2016 in Kokopo, ENB.

Table 10 Summary Activity and milestones of the PNGEITI Policy and Technical Legislation

### 4.4. Open Government Partnership (OGP)

NEC Decision 15/2014 – Circular dated 10<sup>th</sup> April 2018 directed PNGEITI to implement the Open Government Partnership (OGP) cluster commitments that pertained to the PNGEITI Policy and Legislation. In support of the implementation of the OGP National Action Plan, the PNGEITI was directed to implement one of the four Cluster Commitments under the Extractives Industries Transparency commitment, the key cluster activities involved;

- Development of the PNG EITI Policy Framework; and
- Development of PNGEITI Legislation.

The National Secretariat accomplished the Policy Framework endorsed by National Executive Council and is now focusing its efforts to finalising the Bill and presenting to cabinet by 2021.

### 4.5. Report Recommendations Summary

PNG EITI Report	Progress Summary on report recommendations
2018 Report	A total of 8 recommendations were outlined in this report. They have been reviewed and a summary prepared and followed up on in the 2020 workplan..
2017 Report	A total of 8 recommendations were outlined in this report. They have been reviewed and a summary prepared and translated into a NEC Information and/or Policy Submission for Cabinet to note and advise further on.
2015 & 2016 Reports	A total of 8 new recommendations were outlined in these reports. Of the 8, the Infrastructure Tax Credit (ITC) Scheme recommendation was acted upon, with the announcement by Prime Minister on the indefinite suspension of this scheme until a review is conducted. The remaining 7 recommendations have been reviewed and a summary prepared and translated into a NEC Information and/or Policy Submission for Cabinet to note and advise further on.

2014 Report	No new recommendations, but reiterated the need to act on implementing 2013 Report recommendations. An NEC Information Paper was prepared based on this Report and was registered with the NEC on 21st November 2017. The advice received from the NEC Secretariat was that the Information Paper will first need to be reviewed by CACC before being conveyed to NEC for its noting. Based on follow up (latest March 2018), CACC is yet to convene nor provide feedback on the status of this Information Paper. The National Secretariat will continue to follow up to ensure the Information Paper is progressed through to NEC.
2013 Report	NEC Submission was formulated. A Cabinet Decision received contained 11 NEC Directives on implementation of the recommendations. So far, 8 out of the 11 Recommendations have been acted upon and in some way implemented. The Secretariat is following up with agencies on the implementation of these directives and working through ways to assist agencies implement their respective directives.

Table 11 Report Recommendations Summary

#### 4.6. Subnational Payments Scoping Study

This commissioned bon subnational payments in PNG’s mining, oil and gas sector continued to guide the PNGEITI FY 2019 reporting template. The purpose of the study was to:

- Identify and map the subnational payments and transfers in PNG’s extractives sector;
- Document stakeholder views on enhanced subnational reporting through PNGEITI; and
- Develop a reporting framework and roadmap for PNGEITI subnational reporting.

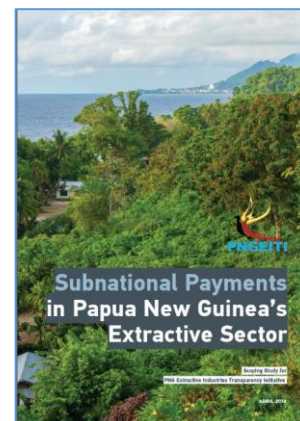


Figure 16 PNGEITI Subnational Scoping Report

Following the published report, the National Secretariat have now integrated its recommendations into the 2019 PNGEITI report and propose a Phase 2 project focusing on bringing EITI Governance to provincial level.



Table 12 Participants of the PNGEITI PLGP Workshop comprising of Provincial Mining Directors, Provincial Administrators and Provincial Treasury Mangers in June 2019

Additionally, the PNGEITI and the PLGP, conducted a two-day workshop in June 2019 on ‘Subnational governance and reporting in the extractive sector’ in Port Moresby. The workshop discussed challenges and opportunities in the governance and reporting of PNG’s extractive projects. The workshop was attended by Provincial Administrators, Provincial Treasurers and

Directors / Officers working in the extractive sector from PNG's extractive, oil and gas provinces.

#### 4.7. Development Partner Coordination

The PNGEITI has had increased partnerships with various development partners in implementing the EITI Standard in the country in the year 2017.

Development Partner	Development Assistance	Year	Status
Pacific Governance Facility (Australian Government Department of Foreign Affairs)	Subnational Payments Scoping Study EITI Capacity Building Workshops	2017	Completed
Japanese International Cooperation Agency (JICA)	revenue data management and reporting and PNGEITI Capacity Training	2017	Progressing
World Bank	Outreach and Roadshows and PNGEITI Capacity Building	2017	Progressing

Table 13 Summary of 2017 Development Assistance

#### 4.8. Japanese International Cooperation Agency (JICA)

The Japanese International Cooperation Agency continued to assist the PNGEITI National Secretariat on technical matters on revenue data management and reporting in accordance with EITI international standards. The project had succeeded in having a close working relationship with the Department of Petroleum on its data registry and enhancement of its reporting mechanism from extractive sector companies and government agencies for EITI purposes. The project is proposed to extend beyond 2021.

#### 4.9. World Bank (WB)

The World Bank in extensive consultation with the PNGEITI National Secretariat commissioned three contracted activities in 2019 under its Extractive Global Programmatic Support (EGPS) fund on key areas in the 2020 work plan. All three contracts are still active and progressive.

Activities/Contracts	Contractor
(1) Scoping study and advisory on local CSO operationalization and funding model ( Scoping Study Report)	Dr Tim Grice
(2) Complete scoping study report on design options for an electronic EITI reporting and access (Scoping Study Final Report)	Deloitte Touché Tomatsu
(3) Educational Mainstreaming through EITI educational curriculum and syllabuses (Scoping Study Report)	Dr Philip Kavan

Figure 17 World Bank- PNGEITI Contracts

#### 4.10. Validation of PNGEITI

Papua New Guinea's membership to EITI is currently undergoing its mandatory second Validation in April of 2021.

The EITI Board assessed PNG as having made meaningful progress in implementing the EITI Standard in 2018.

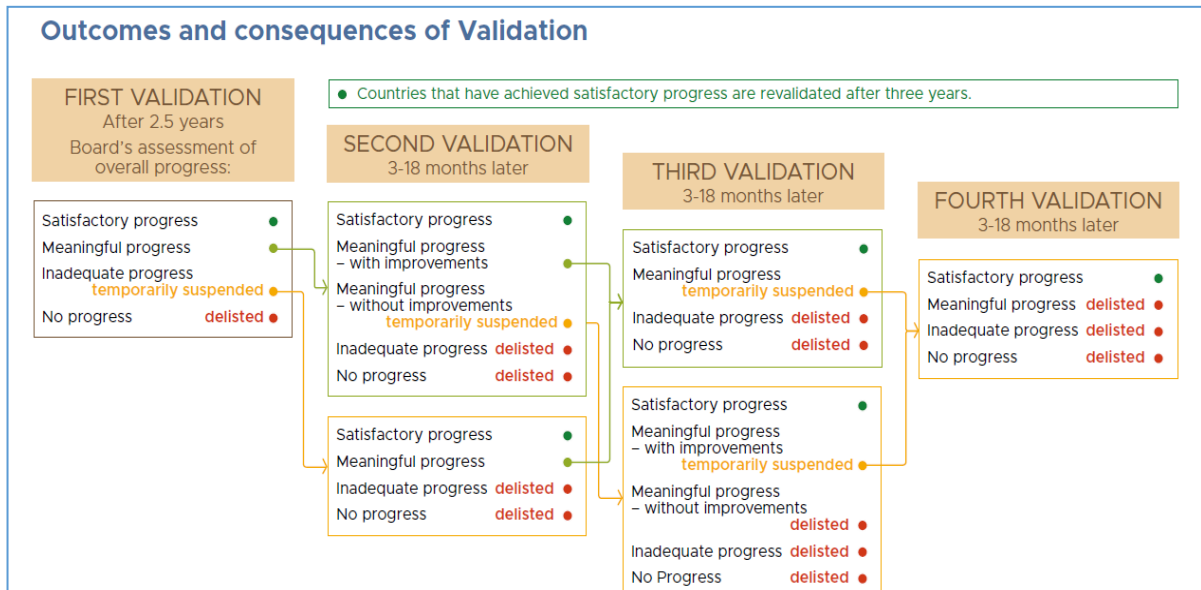


Figure 18 Outcomes and consequences of Validation

The PNG Country Validation was concluded in 2018 and a report was furnished to the MSG in early 2019 that declared our status of having achieved Meaningful Progress.

Validation is an essential feature of the EITI process. It is intended to provide all stakeholders with an impartial assessment of whether EITI implementation in a country is consistent with the provisions of the EITI Standard. The EITI Board upon assessment resolved that PNG had achieved “Meaningful Progress”- in its Validation and demonstrated that significant aspects of the (EITI) requirement(s) had been implemented and that the broader objective of the requirement was fulfilled. The Validation report itself highlighted key areas for improvement.

In April 2021, the EITI International Secretariat will review all documentation and, most importantly, the report of FY 2019 to decide on PNG’s status. Consequently, submitting a compliant FY 2019 EITI Report is critical for Papua New Guinea to retain its “membership status.” Failure to do so will impede on EITI Standard 4.8 and evoke penalties pertaining to EITI Standard Article 2 – Disclosure and reporting deadlines of which the EITI International Board issue a “Suspension” and/or “Delisting” decision to a host country due to non-compliance and /or unsatisfactory progress.

## 5. PNGEITI OFFICE ADMINISTRATION

The PNGEITI MSG, the PNG EITI National Secretariat, through consultants BHCL, have completed the remuneration benchmarking review of the PNG EITI National Secretariat remuneration levels and structure and also assessed these in the context of a wider view of the employment market in which it competes. The objective of this assignment are to:

- Review the existing and current PNG EITI National Secretariat Remuneration level and structure, and;
- Produce a Report on the findings and recommendations of the assignment for the PNG EITI MSG's deliberations.

The MSG are yet to resolve on its adoption in 2019.

### 5.1. PNGEITI Staff on strength in FY2019

The PNGEITI National Secretariat continues to expand in proportion to increased scope of work. There is currently nine staff in the Secretariat operating.

Title	Name	Date employed
Head of National Secretariat	Mr Lucas Alkan	2015- Present
Deputy Head of National Secretariat	Mr Christopher Tabel	Acting D/HoS
Communications Specialist		2016 - Present
Policy Technical	Mr Vaieke Vani	2017 - Present
Procurement	Mr Francis Diakon	2016 - Present
Finance	Mrs Delka Rinny	2016 - Present
Stakeholder Engagement Coordinator	Mr Oliver Maingu	2019- Present
Media Content Writer	Mrs Sonia Kenu - Becks	2019- Present
Administration	Ms Liyasi Taligatus	2016 - Present
Driver	Mr Steven Tai	2018

Table 14 PNGEITI Staff on strength in 2019



## 6. ASSESSMENT OF PERFORMANCE AGAINST WORK PLAN ACTIVITIES

Requirements	Progress Against 2019 Work plan
<p>Ensuring a well-established and fully functional national secretariat office and the multi-stakeholder group (MSG)</p>	<ul style="list-style-type: none"> <li>• Progressive work has been ongoing to build staff capacity by engaging with development partners such as PGF, World Bank and JICA to provide training and skills development for National Secretariat staff and MSG members.</li> <li>• The website maintenance, upgrade and modernisation is complete. Progressive work is ongoing to maintain the data portal.</li> <li>• Work is still progressing for the External Consultant for MSG and National Secretariat capacity building.</li> <li>• The EITI National Policy has been endorsed by the National Executive council and Legislation Consultant Adam Smith International have successfully delivered the Draft PNGEITI Legislative Bill</li> <li>• The Beneficial Ownership Roadmap was progressed nearly all 33 milestones by the Roadmap Implementation Manager (RIM), KPMG.</li> <li>• PNGEITI National Secretariat and MSG attended relevant International Meetings including the EITI International Conference in Paris France.</li> <li>• PNGEITI National Secretariat conducted four MSG meetings, a joint workshop on data collection with reporting entities, a post validation workshop as well as various engagements and information sessions.</li> <li>• The PNGEITI is up to date with its payment of annual membership subscription fee to EITI International Secretariat.</li> <li>• PNGEITI National Secretariat fully maintained its operational and administrative activities and office and administrative assets. With budgetary funding from the PNG Government through the Department of Treasury it administers staff salaries and wages, taxes, superannuation contributions, bank charges and fees, amongst others.</li> </ul>

<p>Show extractive industries contribution (both direct and indirect) to the PNG economy</p>	<p><b><u>2018 PNGEITI Reports</u></b> Publications of 2018 PNGEITI Reports milestone are as follows;</p> <table border="1" data-bbox="757 304 1738 619"> <thead> <tr> <th>Milestone</th> <th>Payment</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Scoping Study &amp; Inception Report</td> <td>PGK96,000.00</td> <td>20%</td> </tr> <tr> <td>Draft EITI Report</td> <td>PGK144,000.00</td> <td>30%</td> </tr> <tr> <td>Final EITI Report</td> <td>PGK144,000.00</td> <td>30%</td> </tr> <tr> <td>Submission of Evaluation Report, Excel Summary Sheet, Data sheet &amp; Reporting templates it used to compile the 2019 report</td> <td>PGK96,000.00</td> <td>20%</td> </tr> <tr> <td style="text-align: right;"><b>Total</b></td> <td><b>PGK480,000.00</b></td> <td><b>100%</b></td> </tr> </tbody> </table> <p><b><u>Validation</u></b> PNG is progressing its Validation recommendation in reference to the EITI International and the EITI Board report on it having achieved <i>Meaningful Progress</i> in implementing the EITI Standard at its meeting in Dakar on 30 October 2018.</p>	Milestone	Payment	Percentage	Scoping Study & Inception Report	PGK96,000.00	20%	Draft EITI Report	PGK144,000.00	30%	Final EITI Report	PGK144,000.00	30%	Submission of Evaluation Report, Excel Summary Sheet, Data sheet & Reporting templates it used to compile the 2019 report	PGK96,000.00	20%	<b>Total</b>	<b>PGK480,000.00</b>	<b>100%</b>
Milestone	Payment	Percentage																	
Scoping Study & Inception Report	PGK96,000.00	20%																	
Draft EITI Report	PGK144,000.00	30%																	
Final EITI Report	PGK144,000.00	30%																	
Submission of Evaluation Report, Excel Summary Sheet, Data sheet & Reporting templates it used to compile the 2019 report	PGK96,000.00	20%																	
<b>Total</b>	<b>PGK480,000.00</b>	<b>100%</b>																	
<p>Improve public understanding in the management of extractive industries</p>	<ul style="list-style-type: none"> <li>• The PNGEITI and CSO conducted over 40 roadshows as well as various regional and provincial workshops since in 2019 with MSG members to promote the PNGEITI Reports.</li> <li>• The PNGEITI is affiliated with the PNG Chamber of Mines and Petroleum and the Transparency International PNG, as well as active participants with the PNG Chartered Practising Accountants. It also participated in various political, academic and development forums.</li> <li>• The Secretariat produced the timely PNGEITI Impact Quarterly Newsletter in 2019 for 2018 EITI reports.</li> <li>• The PNGEITI Website has been in operation since 2015 and the PNGEITI has a Facebook page with over 800 followers as of 2019.</li> <li>• There is increased participation in the PNGEITI Multi-Stakeholder Group with a total of 43 meetings since signing of the PNGEITI MSG MoU in 2013. Our current MSG membership stands at over 35 MSG representatives in 2018 and includes voting members from Government, Industry, CSOs, SoEs and non-voting observers from Development Partners and other interest groups.</li> </ul>																		
	<ul style="list-style-type: none"> <li>• The PNG Government has taken action on recommendation from the fifth PNGEITI Reports with the NEC Decision NEC Decision No. 91/2017 directing all relevant</li> </ul>																		

<p>Strengthen revenue generation and collection that is consistent with policy setting</p>	<p>government entities responsible for regulating the Mining and Petroleum Sector to fully participate in the EITI Reports.</p> <ul style="list-style-type: none"> <li>• The PNGEITI National Secretariat and the Pacific Governance Leadership Precinct have completed the Subnational Payments Scoping in preparation for revenue and expenditure reporting in future EITI reports</li> <li>• PNGEITI National Policy and Legislative TWG have delivered the EITI Extractives Policy and consultants Adam Smith International have completed the EITI Bill. Work is underway to review the legislative bill before presenting to parliament in 2021.</li> </ul>
<p>Engagement of stakeholders to effectively address issues affecting PNG's extractive industries</p>	<ul style="list-style-type: none"> <li>• Progressive work is being undertaken to strengthen the capacity of CSOs, Industries and Government to participate and contribute effectively in the Multi-Stakeholder Group (MSG) through international development partners through the World Bank.</li> <li>• The PNGEITI is conducting quarterly and monthly meetings with the MSG, Technical Working Group (TWG), constituency members consistently with the requirements of PNGEITI MSG MoU.</li> <li>• The Secretariat had attended in-country conferences, seminars and workshops and conducted regular contact with the PNG media.</li> </ul>
<p>Endeavour to fully implement PNGEITI report recommendations as directed by cabinet</p>	<ul style="list-style-type: none"> <li>• The Policy and Legislative TWG of the National Secretariat conducts regular follow up meetings with government entities to ensure these recommendations are being implemented. If there any implementation issues or any agencies not making efforts to implement respective recommendations, the Secretariat will need to understand the reasons and challenges preventing them from doing so and will report to MSG accordingly.</li> </ul>

Table 15 Assessment of performance against targets and activities set out in the work.

## 7. ASSESSMENT OF PERFORMANCE AGAINST EITI REQUIREMENTS

**Papua New Guinea 2018 Post-Validation Self-Assessment Workshop, 28 February, 2020.** Following the conclusion of Papua New Guinea's Validation, the EITI Board decided that Papua New Guinea has made meaningful progress overall in implementing the EITI Standard. The EITI Board agreed for the following corrective actions to be undertaken by Papua New Guinea (PNG). Progress in addressing these corrective actions will be assessed in a second Validation commencing on **30 April 2020**. These post-Validation workshops attempts to track progress in addressing corrective actions and to develop concrete steps in doing so.

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
<p><b>License Allocations (#2.2)</b></p> <p><i>*Concerned Agencies: (MRA/DPE/JICA/EY)</i></p>	Inadequate	<ul style="list-style-type: none"> <li>✓ PNG is required to publicly disclose information related to the award or transfer of mining tenements and oil and gas licenses pertaining to companies covered in the EITI Report.</li> <li>✓ This information should include the number of mining tenements and oil and gas licenses awarded and transferred in the year under review, a description of the award and transfer procedures, including specific technical and financial criteria assessed, and any</li> </ul>	<ul style="list-style-type: none"> <li>✓ The non-financial data request templates for MRA and DPE were updated specifically to request, for each tenement/licence awarded, extended, or transferred, extended, surrendered or cancelled during the reporting period: ID, ownership and date of award/transfer/extension.</li> </ul> <p><i>Remaining data (not available to the time when report was finalised) will be made available on the PNG EITI website.</i></p> <ul style="list-style-type: none"> <li>✓ JICA to provide update on DPE and MRA on the progress.</li> </ul>	<ul style="list-style-type: none"> <li>✓ MRA and DPE to provide comprehensive information about licence awarded, extended, or transferred, extended, surrendered or cancelled during the reporting period.</li> </ul> <p><b>Timeline – Prior to Submission of Scoping Study</b></p>	<ul style="list-style-type: none"> <li>✓ <i>Missing data identified from 2017 report – Gas licence transfers and awards</i></li> <li>✓ <i>Initial data provided by DPE and MRA is under review.</i></li> <li>✓ <i>MRA has provided license allocation data to IA for the 2018 report.</i></li> <li>✓ <i>Data processing/review is in progress for providing full disclosure – full compliance ('satisfactory') status likely to be</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>Improved reporting in the 2018 PNGEITI FY report. Disclosure of licence allocation – Appendix B (mining tenements awards/extended 2018). <a href="https://portal.mra.gov.pg">https://portal.mra.gov.pg</a></i></li> <li>✓ <i>Appendix C &amp; D includes disclosure of petroleum licences as reported by DPE. Full disclosure of licences (awards/extension) is required. Petroleum license</i></li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		non-trivial deviations from statutory procedures in practice.	✓ <i>It is one of the five (5) focus areas of the JICA project.</i>		<p><i>met in the 2018 report.</i></p> <p>✓ <i>IA identified gap in 2016 report and have updated the data templates to address this inadequacy. The gap will be addressed in the 2018 report as indicated by IA.</i></p>	<p><i>information also captured in Chp8 of the report.</i></p> <p>✓ <i>Non-existence of online database with DPE continues to be a hurdle.</i></p> <p>✓ <i>As a follow-on from the last TWG workshop (24<sup>th</sup> Oct, 2019)) MRA &amp; DPE are in discussion regarding this. That is, for MRA technical experts to assist DPE in publicly disclosing petroleum licences on MRA data portal.</i></p> <p>✓ <i>MRA &amp; DPE met recently and agreed that DPE to meet with the Secretary to fast track internal process (memo) for line branch/divisions to have the</i></p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
						<p>necessary data ready to be offloaded to MRA for disclosure.</p> <ul style="list-style-type: none"> <li>✓ Positive feedback on meet with new Secretary for Department of Petroleum &amp; Energy (DPE). DPE officials to follow-up and continue dialogue with Secretary.</li> <li>✓ On a positive note, DPE officials advised that their website now up and running <a href="http://www.petroleum.gov.pg">www.petroleum.gov.pg</a></li> <li>✓ JICA, through the JICA-PNGEITI project, will continue to work with DPE on this.</li> <li>✓ DPE advised that JICA will be assisting DPE with purchase of hardware system</li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
						<p><i>required to establish a central database system.</i></p> <ul style="list-style-type: none"> <li>✓ <i>DPE is hoping to have its own database system similar to that of MRA in the near future.</i></li> <li>✓ <i>At the moment, DPE database – revenue, production and licencing, are still standalone.</i></li> <li>✓ <i>Timing is an issue in terms of meeting the EITI requirement (public disclosure) in time for the second validation. However, DPE is still optimistic in meeting this deadline.</i></li> <li>✓ <i>As an alternate approach, MRA stands ready to assist DPE in disclosing the</i></li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
						<p>licence data on its data portal.</p> <p>✓ MRA is hopeful to have the data, especially petroleum tenements (licence mapping) uploaded prior to validation.</p> <p>✓ Improved rating is expected in the coming validation.</p>
<p><b>License Register (#2.3)</b></p> <p>*Concerned Agencies: (MRA/DPE/JICA/EY)</p>	<p><b>Meaningful</b></p>	<p>✓ PNG should maintain a publicly accessible register or cadastre system(s), including comprehensive information on licenses for all oil, gas and mining companies.</p> <p>✓ In the interim, PNG should ensure that information set out under <b>EITI Requirement 2.3.b</b> is publicly accessible</p>	<p>✓ JICA to provide update on DPE progress.</p> <p>✓ It is one of the five (5) focus areas of the JICA project.</p>	<p>✓ JICA to provide update on DPE progress.</p>	<p>✓ DPE – need for electronic system. IA indicated that hard files to be provided by DPE – no central database at this time. DPE data are separately managed by respective branches within DPE in stand-alone databases (revenue, production, licencing).</p>	<p>*Discussions same as above.</p> <p>✓ Non-existence of online database with DPE continues to be a hurdle</p> <p>✓ As a follow-on from the last TWG workshop (24<sup>th</sup> Oct, 2019)) MRA &amp; DPE are in discussion regarding this. That is, for MRA technical experts</p>



Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		for all mining, oil and gas companies.			<p>✓ JICA is currently working with DPE to establish a network (a central database and a website) where all relevant datasets will be stored and/or accessed on one central pointe.</p> <p><b>Way Froward/Resolution:</b></p> <p>✓ To meet requirement of public disclosure, MRA indicated the possibility of having DPE data (pdf/excel) uploaded on CCOP GSi portal, which is managed by MRA.</p> <p>✓ DPE and MRA to initiate some discussions on how best MRA can assist DPE. Both MRA and DPE (Arnold &amp;</p>	<p>to assist DPE in publicly disclosing petroleum licences on MRA data portal.</p> <p>✓ Positive feedback on meet with new Secretary for Department of Petroleum &amp; Energy. DPE officials to follow-up and continue dialogue with Secretary.</p> <p>✓ On a positive note, DPE officials advised that their website now up and running <a href="http://www.petroleum.gov.pg">www.petroleum.gov.pg</a></p> <p>✓ JICA, through the JICA-PNGEITI project, will continue to work with DPE on this.</p> <p>✓ DPE advised that JICA will be assisting DPE</p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
					<p><i>Kumalau) agreed to meet this week (weekending 1<sup>st</sup> Nov) to come up with the way forward on how MRA can assist DPE to upload its data onto the MRA cadastre online register.</i></p> <p>✓ <i>JICA to continue work with DPE in the background to get the database and website up and running. Once a website is up &amp; running, the standalone registers can be easily uploaded onto the central database and website, which can then be publicly accessible.</i></p> <p>✓ <i>JICA indicated that procurement of the ITC materials by JICA for the set-up of the DPE website will begin</i></p>	<p><i>with purchase of hardware system required to establish a central database system.</i></p> <p>✓ <i>DPE is hoping to have its own database system, similar to that of MRA in the near future.</i></p> <p>✓ <i>At the moment DPE database – revenue, production and licencing, are still standalone.</i></p> <p>✓ <i>Timing is an issue in terms of meeting the EITI requirement (public disclosure) in time for the second validation. However, DPE is still optimistic in meeting this deadline</i></p> <p>✓ <i>As an alternate approach, MRA</i></p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
					<p>soon and installation of the technology at DPE will follow afterwards. JICA will try to complete the website set up before the second validation in 2020.</p> <p>✓ Comprehensive description of what is available and what can be done in the subsequent period –document process in the 2018 report</p>	<p>stands ready to assist DPE.</p> <p>✓ MRA is hopeful to have the data, especially petroleum tenements (licence mapping) uploaded prior to validation.</p>
<p><b>State Participation (#2.6)</b></p> <p><i>*Concerned Agencies: (KPHL/OTML/EY)</i></p>	<p><b>Meaningful</b></p>	<p>✓ PNG should clearly establish its definition of SOEs to delineate the SOEs within the scope of EITI reporting and ensure that a comprehensive list of state participation in the extractive industries, including terms associated with state equity and any changes in the year</p>	<p>✓ The EITI Report has been updated to include comprehensive disclosure about SOE.</p>	<p>✓ SOE timely collaboration with Independent administrator is important to provide comprehensive disclosure and update in the report.</p> <p><b>Timeline – During Submission of EITI Templates</b></p>	<p>✓ The 2017 EITI report updated to include comprehensive disclosure about SOE/State participation.</p> <p>✓ SOE's (KPHL/OTML/KMHL) are requested to provide additional information such as existing loans,</p>	<p>✓ More detailed information included in 2018 report.</p> <p>✓ IA requests for more detailed information, especially on quasi-fiscal expenditures.</p> <p>✓ Timeliness and disclosure of audited financial</p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		<p>under review, be publicly accessible.</p> <p>✓ PNG must also clarify the rules and practices governing financial relations between all SOEs, including their subsidiaries, and the state, including the existence of any loans or guarantees extended by the state, or SOEs, to extractives companies or projects.</p>			<p><i>guarantees extended by the State (where necessary) in the draft 2018 report to be circulated by IA.</i></p> <p>✓ <i>The main issue here is compliance from SOEs in reporting the data requested/required on time.</i></p> <p>✓ <i>SOEs are to review the draft report to ensure what is reflected in the draft report is correct and consistent with the data they submitted to IA. Where necessary, SOEs are also required to provide additional narratives on the draft report to ensure their sections are updated and is comprehensive.</i></p>	<p><i>statement for SOEs and govt. agencies continue to affect comprehensiveness and disclosure in reporting.</i></p> <p>✓ <i>As a follow-on from the last TWG workshop (24<sup>th</sup> Oct, 2019) the National Secretariat is embarking on a scoping study for SOE operations (as agreed by MSG).</i></p> <p>✓ <i>Advert calling for Expression of Interest (EOI) for the SOE Scoping Study has already gone out in media (newspapers) and also posted on the PNGEITI website <a href="http://www.pngeiti.org.pg/jobs/expression-of-interest-soe-study/">http://www.pngeiti.org.pg/jobs/expression-of-interest-soe-study/</a>. NS to start processing</i></p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
					<ul style="list-style-type: none"> <li>✓ IA anticipates 'satisfactory' rating for this requirement in the 2018 report.</li> <li>✓ Reporting entities to document EITI reporting as part of their annual operational activities.</li> <li>✓ MSG resolved in 2018 for a TOR for Scoping Study for SOEs. Consultants to be engaged in January 2020. The tendering processes will be included in the 2018 report as mention by the IA representative (Leonard)</li> </ul>	<ul style="list-style-type: none"> <li><i>the applications in the coming weeks.</i></li> <li>✓ Study is expected to take about 5-6 months to complete (starting in April 2020).</li> <li>✓ Implementation is expected in 2021.</li> </ul>
<p><b>Production Data (#3.2</b></p> <p><i>*Concerned Agencies:</i></p>	<p><b>Inadequate</b></p>	<ul style="list-style-type: none"> <li>✓ PNG should ensure that the complete production volume for oil and gas, and production values for each of the</li> </ul>	<ul style="list-style-type: none"> <li>✓ IA has again requested this information in the reporting templates.</li> <li>✓ Estimates of these values based on</li> </ul>	<ul style="list-style-type: none"> <li>✓ Require all reporting entities to provide information as</li> </ul>	<p><i>Mining:</i></p> <ul style="list-style-type: none"> <li>✓ Data reported by MRA for 2018 report.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Some information included in the 2018 report as reported by DPE and MRA, as well</li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
(MRA/DPE/JICA/EY)		extractives commodities produced during the year under review be publicly accessible, disaggregated by commodity.	<p>available information have been included in this report, where actual production values were not supplied by the reporting entities.</p> <p>✓ <i>It is one of the five (5) focus areas of the JICA project.</i></p>	<p>required by EITI standard</p> <p><b>Timeline – During Submission of EITI Templates</b></p>	<p>✓ <i>Companies are complying in reporting required data.</i></p> <p>✓ <i>Some data from company reports not captured by MRA. MRA to work with companies to rectify that.</i></p> <p>Oil &amp; Gas:</p> <p>✓ <i>Oil Search and DPE have provided some information (produced qty, not produced value).</i></p> <p>✓ <i>Exxon also provided some data but not provided production/export values.</i></p> <p>✓ <i>Project agreements need to factor clauses that counter confidentiality</i></p>	<p>as other reporting entities.</p> <p>✓ <i>For improvement – production data should be part of the reporting entity's internal process (reconciliation). By year-end or early following year, everything is reconciled.</i></p> <p>✓ <i>MRA indicated that reconciliation process is very difficult and lengthy process and needs a bit more time to complete. The reason being that currently they normally do their reconciliation towards the end of year and it's always a difficult task as most employees are on break by then. Thus, affecting the quality of data</i></p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
					<p><i>clauses to allow companies/operat or/JV to report to state/EITI.</i></p> <ul style="list-style-type: none"> <li>✓ <i>Call for State, if possible, to audit the project partners' books to establish facts about data reported for EITI purposes.</i></li> <li>✓ <i>IA emphasised again on the need for actual production value to be included in the 2018 report. IA to work closely with all reporting entities to confirm whether this information are disclose in the reporting templates provided.</i></li> </ul>	<p><i>submitted for EITI reporting purposes..</i></p> <ul style="list-style-type: none"> <li>✓ <i>Also, MRA indicated that extractive companies normally uses FIFO approach for its employees hence resulting in communication breakdown between MRA and the companies.</i></li> <li>✓ <i>There exists a variance in volumes produced and volumes exported- the data varies – needs disclosure.</i></li> <li>✓ <i>Time left for data reconciliation by reporting entities is very limited. MRA made suggestions to start collating data earlier than usual,</i></li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
						<p>as more time is needed to fully reconcile.</p> <p>Way Forward:</p> <ul style="list-style-type: none"> <li>✓ MRA suggested that NS to circulate template for reporting agencies to report/reconcile instead of waiting for IA to come in.</li> <li>✓ TWG agreed for NS to engage IA early for the coming FY report.</li> <li>✓ IA/NS to conduct more training for officials (reporting entities) on how to populate templates.</li> </ul>
<p><b>Export Data (#3.3)</b></p> <p><i>*Concerned Agencies: (MRA/DPE/EY)</i></p>	<p>Meaningful</p>	<ul style="list-style-type: none"> <li>✓ PNG should ensure that export volumes and values are disclosed publicly for each mineral commodity (including oil, condensate and</li> </ul>	<ul style="list-style-type: none"> <li>✓ Complied included in the report.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Reporting entities should provide this information as required by EITI standard.</li> </ul>	<ul style="list-style-type: none"> <li>✓ IA indicated that estimated values were used (in part) in 2017 to avoid 'inadequate' reporting.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Data reported in the 2018 report. There are still some variances, which can be reconciled and</li> </ul>



Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		gas) exported in the year under review.		<b>Timeline – During Submission of EITI Templates</b>	<ul style="list-style-type: none"> <li>✓ IA indicated that already some data were provided for the 2018 report.</li> <li>✓ ‘Satisfactory’ rating expected for this requirement.</li> <li>✓ Call for possibility of IA to estimate 2018 data, especially PNG LNG data (for Exxon and other JV partners), based on data reported by KPH for 2018 report.</li> <li>✓ IA needed to include export value in the 2018 report – all reporting entities must disclose this export value in their reporting templates - same as above.</li> </ul>	<ul style="list-style-type: none"> <li>updated prior to validation</li> <li>✓ Timing issue with reporting by entities and MRA. Need time to fully reconcile.</li> <li>✓ Suggestion by TWG members for policy to be amended for companies to report production value for mineral commodities to MRA.</li> <li>✓ However, this will require amendments to Mining Act – a lengthy process.</li> <li>✓ Table 60 of the 2018 FY Report is missing data from some mining companies/data in table 60 of the 2018 PNGEITI report – OTML (Mt. Fubilan Mine), Simberi</li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
						<p><i>Gold Ltd (Simberi Mine), Niuminco Edie Creek Ltd (Edie Creek Mine), and Morobe Consolidated Goldfields (Hidden Valley). IA to update table and include as appendix.</i></p> <p><i>Way Forward</i></p> <ul style="list-style-type: none"> <li>✓ <i>TWG proposed for MSG to explore options where regulatory bodies like DPE and MRA can request the necessary data like production values where there would be no restrictions for companies to report.</i></li> <li>✓ <i>MRA suggested that NS to circulate template for reporting agencies to</i></li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
						<p><i>report/reconcile instead of waiting till the later part of the year to engage the IA.</i></p> <ul style="list-style-type: none"> <li>✓ <i>TWG agreed for National Secretariat to engage IA early for the coming FY report.</i></li> <li>✓ <i>IA anticipates consistent/improved rating.</i></li> </ul>
<p><b>Comprehensiveness (#4.1)</b></p> <p><i>*Concerned Agencies: (IRC/JICA/EY)</i></p>	Inadequate	<ul style="list-style-type: none"> <li>✓ PNG should ensure that the materiality threshold for selecting companies ensures that all payments that could affect the comprehensiveness of EITI reporting be included in the scope of reconciliation.</li> <li>✓ The MSG should ensure that PNG's next EITI Report includes the IA's assessment of the</li> </ul>	<ul style="list-style-type: none"> <li>✓ IRC reporting template was updated to clarify that total revenue stream value is requested and the IA have been working to confirm full unilateral disclosure of all government extractive revenue streams.</li> <li>✓ Specifically, concerning the revenue streams from projects that are not yet in production.</li> </ul>	<ul style="list-style-type: none"> <li>✓ IA to collaborate with IRC to obtain early in the process all extractive companies in calculating materiality.</li> </ul> <p><b>Timeline – Prior to submission of Scoping Study</b></p>	<ul style="list-style-type: none"> <li>✓ <i>Lack of capacity by AGO or internal audit teams from entities to have their annual reports audited in time for purposes of EITI reporting.</i></li> <li>✓ <i>State entities have to be audited before April 2020 to ensure there is credibility/confidence in figure reported. Copy of audited reports to</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>Improvement in compliance and reporting entities for 2018 report</i></li> <li>✓ <i>'Known' removed in the definition of revenue. This removes the perception that there are certain revenue streams not reported/considered in the EITI reports.</i></li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		<p>materiality of omissions from non-reporting entities, an assessment of the comprehensiveness of the EITI Report and that full unilateral government disclosure of total revenues are provided, and including from non-material companies is provided for each of the material revenue streams.</p> <p>✓ In accordance with <b>Requirement 8.3.c.i</b>, the MSG should develop and disclose an action plan for addressing the deficiencies in comprehensiveness of reporting documented in the initial assessment.</p>	<p>✓ <i>It is one of the five (5) focus areas of the JICA project.</i></p>		<p><i>be provided (when available) to IA and PNGEITI website.</i></p> <p>✓ <i>MSG to engage more closely with AGO.</i></p> <p>✓ <i>Possibility for MSG/PNGEITI to get some directive for State Agencies to be audited on time for the purposes of EITI reporting.</i></p> <p>✓ <i>MSG to agree on a TOR for a consultant/IA to scope out the work to be done to assist the AGO office with non-audited books for government agencies and SOEs soon. The MSG to agree and endorse this assignment soon so IA will document and include the</i></p>	<p>✓ <i>Suggestion by IRC to amend the reporting template to include requirement for reporting entities to include their Tax Identification Number (TIN). This will enable IRC to retrieve correct company information from their system to ensure correct reporting by IRC.</i></p> <p>✓ <i>CEPA to consult Deloitte's to further clarify variances as well the data reported in 2018 report. Updates to be provided to IA for inclusion in the appendix.</i></p> <p>✓ <i>Mine closure bond fees not collected by CEPA at the moment due to internal administration issues</i></p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
					<i>endorsement in the 2018 report.</i>	<i>(instruments not in place). CEPA to provide update to IA.</i>  ✓ <i>Need further discussion with CEPA on what fees they are collecting at the moment as well as those that they are not collecting. This is to ensure improved reporting in the coming report.</i>
<b>SOE Transactions (#4.5)</b>  <i>*Concerned Agencies: (KPHL/OTML/EY)</i>	<b>Meaningful</b>	✓ PNG should undertake a comprehensive assessment of transactions between extractives SOEs (and their subsidiaries) and mining, oil and gas companies, as well as between the extractives SOEs (including their subsidiaries) and government in its	✓ The EITI Report has been updated to include comprehensive disclosure about SOE.	✓ SOE timely collaboration with Independent administrator is important to provide comprehensive disclosure and update in the report.  <b>Timeline – During Submission of EITI Templates</b>	✓ <i>Discussion and issues identified are in line with discussions/notes highlighted in requirement #2.6.</i>  ✓ <i>MSG to finalise the TOR soon for Scoping Study for SOEs. Tendering processes and timeline will be included in the 2018 report.</i>	✓ <i>Discussion and issues identified are in line with discussions/notes highlighted in requirement #2.6 'State Participation'.</i>  ✓ <i>NS to process the applications received in the coming weeks.</i>  ✓ <i>Study expected to start in April and</i>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		<p>scoping for future EITI Reports.</p> <ul style="list-style-type: none"> <li>✓ All SOEs collecting material revenues or making material payments to government should be included in future EITI reporting.</li> </ul>			<ul style="list-style-type: none"> <li>✓ 'Satisfactory' rating expected for 2018 report.</li> </ul>	<p>will take about 5-6 months to complete with the implementation to commence in 2021.</p>
<p><b>Direct Sub-national Payments (#4.6)</b></p> <p>*Concerned Agencies: (MRDC/DoT/EY)</p>	Inadequate	<ul style="list-style-type: none"> <li>✓ PNG should establish whether direct subnational payments (to government entities) by extractives companies are material.</li> <li>✓ Where material, PNG is required to ensure that direct subnational payments are reconciled between company payments and subnational government entities' receipts.</li> <li>✓ Given widespread confusion, yet vivid interest among</li> </ul>	<ul style="list-style-type: none"> <li>✓ A scoping study of sub-national payments and transfers are being undertaken.</li> <li>✓ EY has met with this consultant to compare approach and confirm timeframes.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Results or status of Sub-national study to be disclosed in the report.</li> </ul> <p><b>Timeline – Prior to submission of Inception Report.</b></p>	<ul style="list-style-type: none"> <li>✓ First Validation took place while Scoping study and the 2017 report were being worked on.</li> <li>✓ Recommended to be included in the 2018 report. 2018-report data template amended to capture 'unilateral disclosure' of subnational payments in 2018 report.</li> <li>✓ Improvement made in 2017 to include in the 2018 report.</li> </ul>	<ul style="list-style-type: none"> <li>✓ 2018 template and the report included unilateral reporting by reporting entities.</li> <li>✓ 'Reconciliation' part of the subnational transfer to be included in 2019 report onwards (Provincial &amp; Local Level Govts. and LO groups).</li> <li>✓ Phase II – National Secretariat to meet with Australian High Commission for possible funding as well as</li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		stakeholders from all constituencies over extractives revenue flows accruing to subnational governments, PNG should consider mapping out subnational revenue flows associated with each individual extractive project, drawing on results from the scoping study on subnational revenue flows being prepared in 2018.			✓ 'Reconciliation' of subnational payments to be included in 2019 report onwards, including implementation of recommendations from the scoping study report.	assisting with the piloting with interest provincial govts.
<b>Data quality (#4.9)</b>  *Concerned Agencies: (AGO/JICA/EY)	Inadequate	<ul style="list-style-type: none"> <li>✓ The EITI requires an assessment of whether the payments and revenues are subject to credible, independent audit, applying international auditing standards. In accordance with <b>Requirement 4.9.b.iii</b> and the standard <b>Terms of Reference</b> for the Independent Administrator agreed</li> </ul>	<ul style="list-style-type: none"> <li>✓ Engagement with the PNG Auditor General's Office was undertaken to establish the status of the audit of Government and SOE accounts.</li> <li>✓ The information has been incorporated into the assessment of data quality in the reconciliation chapter of the report.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Continue coordinating with AGO to provide update regarding status of audit of Government and SOE accounts.</li> </ul> <p><b>Timeline – During Submission of EITI Templates</b></p>	<ul style="list-style-type: none"> <li>✓ IA to include comments on this requirement in the 2018 report.</li> <li>✓ Some government entities are still dragging behind in terms of auditing resulting in lack of credibility of financial data provided.</li> </ul> <p>Way Forward:</p>	<ul style="list-style-type: none"> <li>✓ This continue to be an issue.</li> <li>✓ Although there has been an improvement in compliance in submitting signed templates (91%), not all data included are audited.</li> </ul> <p>Way Forward</p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		<p>by the EITI Board, the MSG and Independent Administrator should:</p> <ul style="list-style-type: none"> <li>✓ <i>Ensure that the Independent Administrator (IA) provides a clear and categorical assessment of 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.</i></li> <li>✓ <i>Ensure that the Independent Administrator provides an assessment of whether all companies and government</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>It is one of the five (5) focus areas of the JICA project.</i></li> </ul>		<ul style="list-style-type: none"> <li>✓ <i>IA to undertake verification for certain government entities (while awaiting formal audits to be completed) to ensure their data are reliable to be included in the report (2018), prior to the validation in April. IA to document this procedure in the 2018 report.</i></li> <li>✓ <i>For EITI reporting purposes, PNGEITI and IA, to explore possibility of engaging with reporting government entities and AGO to ensure they are audited on time.</i></li> <li>✓ <i>TWG to submit a recommendation to the MSG for MSG to task the</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>For future EITI reporting purposes, NS and IA to engage with AGO to look into areas of revenue testing by AGO for govt. agencies in the extractive sector.</i></li> <li>✓ <i>MSG and NS (in consultation with JICA expert team) to look into possibility of including AGO within the scope of the JICA support project to PNGEITI (second phase).</i></li> </ul>



Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		<p><i>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 and reliability of the report.</i></p> <p>✓ In accordance with <b>Requirement 8.3.c.i</b>, the MSG should develop and disclose an action plan for addressing the deficiencies in the</p>			<p><i>National Secretariat to look at scoping out a way on how we can have more engagement with AGO – possibility of engaging with external auditing firms to improve auditing processes and procedures for reporting entities going forward.</i></p> <p>✓ Possible engagement with IFMS to capture certain aspects of revenue reporting (receipts/payments), especially for reporting entities (Govt. entities).</p> <p>✓ IA expects improvement in rating for 2018 report.</p> <p>✓ Validation TWG resolve to engage an independent consultant to scope or do a</p>	

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		reliability of reporting documented in the initial assessment.			<i>feasibility study on how to assist AGO on updated audits reports for government agencies and SOEs.</i>	
<b>Distribution of Extractive Industry Revenues (#5.1)</b>  <i>*Concerned Agencies: (MRDC/DoT/IR/RC/EY)</i>	Inadequate	<ul style="list-style-type: none"> <li>✓ PNG should clarify which extractive revenues are recorded in the national budget.</li> <li>✓ Where revenues are not recorded in the national budget, the allocation of revenues should be explained, with links provided to relevant financial reports.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Information relating the distribution of revenues has been updated in this report and additional information is provided relating to the distribution of funds managed by MRDC.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Provide more information as required, in coordination with IRC.</li> </ul> <p><b>Timeline – During Submission of EITI Templates</b></p>	<ul style="list-style-type: none"> <li>✓ <i>Disclosed in 2017 report (section 5.5, pg. 48)</i></li> <li>✓ <i>IA indicates no major actions required for 2018 report. Additional information (narratives) to be included in the 2018 report.</i></li> <li>✓ <i>With IRC financial data submitted, IA will update the gaps identified in 2017 report and address the corrective actions in this 2018 report.</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>Suggestion by IRC to amend the reporting template to include requirement for reporting entities to include their Tax Identification Number (TIN). This will enable IRC to retrieve correct company information from their system to ensure correct reporting by IRC.</i></li> <li>✓ <i>IA has commended MRDC for its involvement in the 2018 report, especially in disclosing information</i></li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
						relating to funds it manages.
<b>Subnational Transfers (#5.2)</b>  *Concerned Agencies: (MRDC/EY)	Inadequate	<ul style="list-style-type: none"> <li>✓ PNG is required to ensure that material subnational transfers of extractives revenues are publicly disclosed, when such transfers are mandated by a national constitution, statute or other revenue sharing mechanism such as benefit-sharing agreements.</li> <li>✓ The MSG should also disclose any discrepancies between the transfer amount calculated in accordance with the relevant revenue sharing formula and the actual amount transferred between the central government and each relevant subnational entity on an annual basis.</li> </ul>	<ul style="list-style-type: none"> <li>✓ A scoping study of sub-national payments and transfers is being undertaken.</li> <li>✓ EY has met with this consultant to compare approach and confirm timeframes.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Results or status of Subnational study should be disclosed in the report.</li> </ul> <p><b>Timeline – During Submission of EITI Templates</b></p>	<ul style="list-style-type: none"> <li>✓ Discussed together with 'Direct Subnational Payments #4.6'</li> <li>✓ Unilateral disclosure for 2018 report.</li> <li>✓ Scoping study report and recommendations are to be documented in the 2018 report.</li> <li>✓ 'Reconciliation' of subnational payments to be included for 2019 report onwards.</li> <li>✓ Leonard inform that IA will include in the 2018 report but unilateral reporting. Reconciliation of sub-national will</li> </ul>	<ul style="list-style-type: none"> <li>*Discussions are similar as outlined for requirement #4.6, direct subnational payments.</li> <li>✓ Improved disclosure in the 2018 report</li> <li>✓ Ongoing action plan for 2019 and 2020 reports.</li> <li>✓ 2018 template and the report included unilateral reporting by reporting entities.</li> <li>✓ 'Reconciliation' part of the subnational transfer to be included in 2019 report onwards (Provincial &amp; Local Level Govts. and LO groups).</li> <li>✓ Phase II – NS to meet with</li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
					<i>be included in the FY2019 report.</i>	<i>Australian High Commission for possible funding as well as assisting with the piloting with interest provincial govts.</i>
<b>Mandatory social expenditures (#6.1)</b>  <i>*Concerned Agencies: (NS/EY)</i>	<b>Meaningful</b>	<ul style="list-style-type: none"> <li>✓ PNG should ensure that reporting of mandatory social expenditures be disaggregated by type of payment and beneficiary, clarifying the name and function of any non-government (third-party) beneficiaries of mandatory social expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Mandatory social expenditure disaggregated by beneficiary has been included in the report.</li> <li>✓ EITI template has been updated to reflect the requirements.</li> <li>✓ More comprehensive disclosure is required in compliance with the EITI Standard.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Require all reporting entities to provide more comprehensive information about mandatory social expenditures.</li> </ul> <p><b>Timeline – During Submission of EITI Templates</b></p>	<ul style="list-style-type: none"> <li>✓ <i>This was not included in 2017 report, but will be included in the 2018 report.</i></li> <li>✓ <i>Included in 2018 report template for reporting entities to report on (disaggregated). IA anticipates Improvements in the 2018 report.</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>Included in report – per reporting entity. The report is now in sectors as amended in the template.</i></li> <li>✓ <i>Improvement made in the 2018 report.</i></li> </ul>
<b>SOE quasi-fiscal expenditures (#6.2)</b>  <i>*Concerned Agencies:</i>	<b>Inadequate</b>	<ul style="list-style-type: none"> <li>✓ PNG should undertake a comprehensive review of all expenditures undertaken by extractives SOEs (and their subsidiaries) that</li> </ul>	<ul style="list-style-type: none"> <li>✓ IA requested contextual and financial information from each SOE subsidiary (including Ok Tedi Power and Ok Tedi Foundation) and KPH to assist with addressing this requirement in this</li> </ul>	<ul style="list-style-type: none"> <li>✓ To address in the next report. Reporting entities covered should provide more information about quasi-fiscal expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>To be included in SOE scoping study. IA to ensure this is documented in the 2018 report</i></li> <li>✓ <i>IA to chase up reporting entities for additional information on</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ <i>Should be part of the SOE scoping study</i></li> <li>✓ <i>Discussion and issues identified are in line with discussions/notes highlighted in requirement #2.6</i></li> </ul>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
(KPHL/OTML/EY)		<p>could be considered quasi-fiscal.</p> <p>✓ PNG should develop a reporting process with a view to achieving a level of transparency commensurate with other payments and revenue streams and should include SOE subsidiaries and joint ventures.</p>	<p>report. At the time this report was finalised, IA has not yet received this information.</p>	<b>Timeline – During Submission of EITI Templates</b>	<p><i>quasi-fiscal activities and other information.</i></p> <p>✓ <i>Not reported by OTML and KPHL.</i></p> <p>✓ <i>TOR for a scoping study into SOEs operations in the extractive sector in progress and will include findings on quasi-fiscal expenditures and recommend a way forward for MSGs deliberations. IA will include the tendering process in the 2018 report.</i></p>	<p><i>‘State Participation’ and requirement #4.5 ‘SOE Transactions’.</i></p> <p>✓ <i>NS to process the applications received in the coming weeks.</i></p> <p>✓ <i>Study expected to start in April and will take about 5-6 months to complete with the implementation to commence in 2021</i></p>
<p><b>Outcomes and impact of implementation (#7.4)</b></p> <p><i>*Concerned Agencies: (NS)</i></p>	<b>Meaningful</b>	<p>✓ MSG is required to review the outcomes and impact of EITI implementation on natural resource governance in PNG by ensuring that all the prescribed details of the annual progress reports are mentioned in the next report.</p>	✓	✓	<p>✓ <i>Refers to the PNGEITI Annual Report documenting the National Secretariat’s work plan and progress on certain reforms/policy agendas.</i></p>	<p>✓ <i>Recommendations included in the report.</i></p> <p>✓ <i>MSG, TWG and NS take note of the recommendations.</i></p> <p>✓ <i>NS and IA to look into ways to assist MSG, TWG and</i></p>

Requirement	Validation Results	Corrective Actions	Status (22/02/19)	Next steps (Timeline=before 30 April 2020)	Comments: (24/10/19)	Comments (28/2/20)
		<p>✓ The MSG should ensure that all stakeholders, including those outside of the MSG, are given an opportunity to participate in the production of, and have their view reflected in, the annual progress report.</p>				<p><i>reporting entities adapt in reporting for the 2019 report using the 2019 EITI Standard.</i></p>

Table 16 Assessment of performance against EITI requirements

## 8. PROGRESSIVE RECOMMENDATIONS FROM RECONCILIATION

The First PNGEITI Report for the Financial Year 2013, identified a number of findings and provided a set of recommendations regarding areas that could benefit process improvements and better procedures in conforming to the EITI Standard. The set of recommendations were translated into a National Executive Council (NEC) or Cabinet Submission, and conveyed to NEC for their information, deliberation and further direction. An ensuing NEC Decision (Decision #91/2017) followed, containing about 11 Cabinet Directives to various reporting entities within the EITI process to implement on the recommendations as outlined from the 1<sup>st</sup> PNGEITI Annual Report.

Tabulated below is a progressive assessment of these Cabinet directives and an update on what the responsible agencies or stakeholders have done and are doing in relation to the implementation of these directives. This table basically illustrates the progress on the implementation of the report recommendations, in few cases into policy reforms.

Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
Minister for Petroleum and Energy to immediately implement a reliable electronic registry system to supersede the current paper ledger system	DPE	<ul style="list-style-type: none"> <li>DPE has undertaken to transition from its current paper ledger registry to an electronic registry system. This project will be done with technical assistance from JICA under its support program to the PNGEITI National Secretariat.</li> <li>The technical assistance program will commence in 2018.</li> </ul>	<ul style="list-style-type: none"> <li>The Secretariat will liaise with DPE on implementation process of this project.</li> </ul>
Minister responsible for MRDC to ensure that the MRDC engages fully with the PNGEITI MSG and reports through the EITI process on the equity distribution and all other funds	DPE/MRDC	<ul style="list-style-type: none"> <li>The formal letter to MRDC was sent in relation to this directive. MRDC is now engaged</li> </ul>	<ul style="list-style-type: none"> <li>The Secretariat will work with MRDC to iron out any issues, to ensure MRDC continues its</li> </ul>

Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
it holds in trust and invests for the landowners and for future generation		<p>within the EITI reporting process.</p> <ul style="list-style-type: none"> <li>- There are still some areas that both the MRDC and the Secretariat will work through to sustain MRDC's engagement in this EITI process.</li> </ul>	engagement in the EITI process.
Minister responsible for Kumul Consolidated Holdings Limited to ensure KCH participates in the EITI process and regularly reports through the EITI process the State's share/interest in the mining and petroleum sectors that it manages under the General Business Trust (GBT)	KCH	<ul style="list-style-type: none"> <li>- KCH doesn't necessary engage directly in the PNGEITI reporting process due to its organizational structure and mandate. There are subsidiary entities under KCH that deal directly with its interest in the Mining and Petroleum Sectors.</li> </ul>	
Minister responsible for Kumul Mineral Holdings Limited and Kumul Petroleum Holdings Limited to ensure these enterprises are fully engaged in the EITI process and to report as required under the EITI Standard	KMHL/KPHL	<ul style="list-style-type: none"> <li>- These two entities, now coordinate the government's interest in the Mining, Oil and Gas sectors.</li> <li>- Preliminary engagement has been sought by the Secretariat with these entities to ensure that they too are aligned to the reporting processes and requirements of PNGEITI.</li> </ul>	<ul style="list-style-type: none"> <li>- Secretariat to continue its consultation with both KMHL &amp; KPHL to identify areas which both entities can be able to engage effectively in the reporting process.</li> </ul>



Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
		<ul style="list-style-type: none"> <li>- At this stage, it still needs to be ascertained as what type of reporting, information collection and areas of engagement of KMHL &amp; KPHL in the EITI process.</li> </ul>	
<p>Minister for Treasury to ensure the National Economic and Fiscal Commission (NEFC) amend its Budget and Fiscal Reports to collect information on subnational payments and transfers consistent with the EITI Requirements</p>	<p>Treasury/NEFC</p>	<ul style="list-style-type: none"> <li>- The National Secretariat has consulted with NEFC on this issue.</li> <li>- This consultation outlined NEFC's current information collection and reporting procedures, and also discussed avenues in which this process can also incorporate and/align to the EITI process, particularly in the area of sub-national payments information.</li> <li>- It was ascertained that the NEFC's current reporting on sub-national payments and transfers is provisioned under the Inter Government Relations (Functions &amp; Funding) Act, which governs the mandate of NEFC's operations.</li> </ul>	<ul style="list-style-type: none"> <li>- NEFC and the Secretariat will engage in more frequent consultation to ensure that reporting mechanisms are aligned in regard to not only sub-national payments but all other payments for the various levels of governments.</li> </ul>

Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
		<ul style="list-style-type: none"> <li>- Hence, it was discussed that NEFC along with the Secretariat work together to identify mechanisms that can align both NEFC reporting to that of the PNGEITI requirements.</li> </ul>	
<p>Minister responsible for Mineral Resources Authority (MRA) and the Minister responsible for the State Solicitor to ensure these entities make publicly available Memorandum of Agreements (MOAs) for EITI purposes and for the benefit of the general public</p>	<p>Mining/MRA/State Solicitor</p>	<ul style="list-style-type: none"> <li>- The Secretariat has conveyed the official letter to the two concerned agencies outlining this directive. A follow up via official email correspondence has been sent to the relevant contacts within MRA to gauge the progress of this directive but are yet to receive any further feedback.</li> <li>- It is the Secretariat's understanding that MRA will to consult and clarify from State Solicitor the legality of making public the MOAs, however feedback on this consultation is yet to be received and cannot be reported on at this stage.</li> </ul>	<ul style="list-style-type: none"> <li>- The Secretariat to work with the relevant agencies to ensure that the directive is implemented.</li> </ul>
<p>The Minister for Treasury to implement the recommendation of the EITI report in relation to:</p>	<p>Treasury</p>	<ul style="list-style-type: none"> <li>- The Secretariat has sent the official letter outlining the said directives to</li> </ul>	<ul style="list-style-type: none"> <li>- The Secretariat will communicate with Treasury in ensuring the</li> </ul>

Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
<ul style="list-style-type: none"> <li>1) Publication of budget preparation process on its website;</li> <li>2) Clearly and comprehensively list relevant assumptions and basis for calculation for budget document tables; and</li> <li>3) Ensure units of measurement are standardized between government departments, particularly with respect to production data in budget documents</li> </ul>		<p>Treasury, for its noting and implementation. The directives were also conveyed in the</p> <ul style="list-style-type: none"> <li>- This has been reviewed by the relevant team within Treasury and the outcome of its analysis yet to be received.</li> </ul>	<p>directives are included as part of Treasury's budget review/process and considered for implementation in coming budgets.</p>
<p>Minister for Treasury to legislate the EITI reporting requirements into the Government reporting process (in lieu of current practice of using waiver letter) and report back with draft legislation for NEC's consideration before the FY 2015 EITI Report</p>	<p>Treasury/IRC</p>	<ul style="list-style-type: none"> <li>- The Secretariat has been in consultation with the legal team from the IRC to get clarification on this issue. The advice from the IRC indicated that there needs to be a legislative amendment to cater the proposed changes. The specific and relevant provision within the Income Tax Act was identified, and it was ascertained that this would require a minor technical amendment.</li> <li>- The relevant Secrecy provisions were amended and incorporated as part of</li> </ul>	<ul style="list-style-type: none"> <li>- The Secretariat will follow up to obtain the certified copy of the amendment.</li> </ul>

Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
		the 2018 Budget Amendments.	
Minister for Finance to undertake assessment of all monies received from mining and petroleum projects that are held in trust accounts, which include future generation trust and set up data base to effectively monitor the trust accounts in accordance with Section 15 of the Public Finance (Management) Act 1995	Finance	<ul style="list-style-type: none"> <li>- This directive has been incorporated as part of the Department's work with the Financial Framework Review (FFR) which triggered current amendments to the PFMA 1995 to review Trust Accounts. Part of the reforms to the new PFMA 2016 included financial instructions to review all Trust Accounts and incorporate onto the IFMS for effective monitoring and compliance purposes.</li> <li>- There are still areas which need to be clarified especially with regard to monies held in mining and petroleum trust accounts and others, but the relevant team within Finance Department is continuing work to ensure this is achieved.</li> </ul>	<ul style="list-style-type: none"> <li>- The Secretariat will continue its consultation with the Department of Finance to ensure any issues relating to these directives are ironed out, hence the full implementation of the said directives.</li> </ul>
Minister for Finance to take action to ensure payments currently being done manually via cash or cheque by some government agencies are improved and modernized to	Finance	<ul style="list-style-type: none"> <li>- The Department of Finance provided feedback that, part of the amendments to the</li> </ul>	

Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
<p>electronic systems such as the use of EFTPOS because the absence of a robust system for managing resource payments leaves the system vulnerable to fraud, corruption and human error</p>		<p>PFMA also directed to the transition from cash based payments into electronic transactions. There were specific financial instructions from the Finance Minister for government agencies to heed this change and transition into electronic payments system. Currently, all previous cash based transactions have now been converted in electronic transactions as per the financial instructions.</p>	
<p>That Government Agencies ensure to submit their books to the Auditor General's Office in a timely manner for audit purposes; that the capacity at the Auditor General's Office be improved to undertake audits as highlighted under the heading of "Way Forward" of the submission; and that this would be one of the Government's key agendas to improve transparency and accountability in the public service.</p>	<p>Auditor General</p>	<ul style="list-style-type: none"> <li>- The formal letter of notification on this directive had been conveyed to the AG's office. To date no formal response has been received on their implementation progress and/or strategy.</li> <li>- The Auditor General has undertaken active audit program on relevant government agencies. Recently the AG has come out in the media identifying and outlining</li> </ul>	<ul style="list-style-type: none"> <li>- The Secretariat to continue its follow with the AG's office to gauge an update and ensure progress is been made to implement this directive.</li> </ul>

Directive	Agency/Department Responsible	Progress/Actions taken	Next Steps
		issues surrounding the non-reporting of agencies or the deficiencies and the reports submitted to the AG.	

*Table 17 Progressive recommendations from reconciliation*

The 2<sup>nd</sup> PNGEITI Annual Report covering the financial year 2014 provided an update on certain areas brought out within the 1<sup>st</sup> Report, and focused more on reiterating the need for recommendations from the First PNGEITI Report to be implemented. The 2014 Report outlined the importance of continued stakeholder engagement, particularly with reporting entities and encouraged more timely participation in the reporting process. More importantly, the FY 2014 report stressed the need for the Government to address the recommendations set out in the FY 2013 Report. No new recommendations were put out, but rather a reassurance on the need to act upon the recommendations of the 2013 Report.

A NEC Information Paper had been formulated on the outcome of the 2014 EITI Annual Report and registered with the NEC on the 21<sup>st</sup> of November 2017, we now await feedback on the deliberation and further advice from NEC.

In Summary of the 11 NEC Directives given as per NEC Decision 91/2017 for the 2013 Report Recommendations, a total of 8 recommendations have been acted upon and implemented by the respective implementing agencies. The National Secretariat continues to carry out follow ups with respective agencies to ensure that the directives are fully implemented and to also work through any issues arising from the implementation of these recommendations.

### **2015 & 2016 EITI Annual Report Recommendations – Assessment Matrix**

Following the 2<sup>nd</sup> PNGEITI Annual Report, the 3<sup>rd</sup> and 4<sup>th</sup> Reports for the financial years 2015 & 2016 respectively, were compiled and published in line with the requirements of the EITI Standard on annual reporting. These reports were compiled and collated concurrently, hence both reports presented and reinforced on a number new recommendations, 8 in total. The recommendations are listed in the matrix below, with a brief progress update on each recommendation. It is envisaged that these recommendations will be informed onto the NEC for their information and further direction, similar to those of the first report. It is however important to note that, one particular recommendation from the 2015 & 2016 Reports in relation to the Infrastructure Tax Credits Scheme, was acted upon recently with an official statement from Honourable Prime Minister of Papua New Guinea, Hon. Peter O’Neil announcing an indefinite suspension to the scheme until a comprehensive review is undertaken, supporting the sentiments of various commentaries and recommendations on this scheme, such as that also outlined in the PNGEITI 2015 & 2016 Report Recommendations.

Report Recommendation	Observation	Recommendation
Reconciliation differences	<p>It was recommended on the need to continue to drive improvement in the reconciliation process In particular, it was observed the following key challenges:</p> <ul style="list-style-type: none"> <li>○ Failure of some reporting entities to attend training</li> <li>○ Delayed completion, or partial completion of reporting templates</li> <li>○ Failure to respond to follow-up queries from the IA</li> <li>○ Inconsistent application of the reporting guidelines provided by the IA, including time period, basis of accounting, and definition of revenue streams</li> </ul> <p>Despite significant investment of time and resources, at the time of finalising this report, some differences were unable to be explained.</p>	<p>To continue to drive improvement in the reconciliation process, we recommend that the MSG:</p> <ul style="list-style-type: none"> <li>▪ Continues to engage with reporting entities throughout the year, to assist in building an understanding of the importance of the EITI process</li> <li>▪ Engages the IA for the 2017 PNG EITI Report early in 2018, to enable additional lead time, in acknowledgement of the challenges collecting data</li> <li>▪ Investigates options for mainstreaming EITI reporting within existing regulatory frameworks, to reduce duplication of effort</li> </ul>
Material revenue streams	<p>The scale of known revenue streams reported by the IRC for the reporting period has identified that the following revenue streams account for greater than 2% of known revenue:</p> <ul style="list-style-type: none"> <li>▪ Group tax</li> <li>▪ Foreign contractor withholding tax</li> </ul> <p>Group tax was not originally reconciled for previous reports based on an earlier decision by the MSG Where information was available, these amounts were reconciled in this report and 90% of the revenue stream was reconciled.</p>	<p>Group tax and Foreign contractor withholding tax are material revenue streams that should be reconciled in future EITI reports.</p> <p>The MSG should also investigate options to expand the definition of material reporting entities in respect of specific revenue streams (such as group tax and social payments) to include companies in advanced exploration or pre-production phases.</p>



	<p>The data collected through the 2016 reporting process identified that foreign contractor withholding tax was now also a material revenue stream accounting for 4% of the total revenue.</p>	
Engagement with government stakeholders	<p>The IA sought input and data from a range of government stakeholders for the 2016 EITI report. Whilst the majority of stakeholders provided most or all of the requested information, input from the following entities was either not received or received well outside the requested submission deadline:</p> <ul style="list-style-type: none"> <li>▶ DNPM (ITC)</li> <li>▶ DPE (not reporting ExxonMobil revenue, and delayed submission of requested contextual information)</li> <li>▶ BPNG</li> </ul> <p>Conversely, it was noted that there was a significant increase in engagement and participation from the MRDC.</p>	<p>Building on Recommendation 1, conduct targeted stakeholder engagement and education in relation to the reporting entities that failed to report, or reported information incorrectly for the 2016 reporting period.</p> <p>It is recommended that this stakeholder engagement be carried out prior to the April Validation of the 2016 report so that any remaining data required can be supplied and made available on the PNG EITI website.</p> <p>In particular, DPE should seek visibility over royalty and development levy payments made by electronic transfer and be prepared to provide this information for reporting purposes.</p>
Sub-national payments	<p>During the reporting process for the 2016 PNG EITI report, a scoping study for the inclusion of subnational payments in the EITI reporting process was initiated. This work is being undertaken by the Australian government Department of Foreign Affairs and Trade. At the time of finalising this report, the National Secretariat informed the IA that consultation with subnational entities had commenced.</p> <p>Developing a greater understanding of these payments, including benefit sharing for oil and gas projects, and communicating this to key stakeholders, will go some way to addressing the concerns held by landholders impacted by extractive industries projects.</p>	<p>Build on the progress made in understanding subnational payments, through expansion of the PNG EITI report scope to incorporate these payments for the 2017 reporting period.</p> <p>Acknowledging that this may be challenging, it is recommended that the MSG considers including a sample of subnational payments and considers unilateral reporting by subnational governments, in the first instance.</p> <p>It is recommended that any preliminary information made available through the scoping study into subnational reporting be made available on the PNG EITI website prior to the validation process occurring in April 2018.</p>

Reporting of quasi-fiscal expenditure	<p>The EITI Standard requires that quasi-fiscal expenditure is reported. Little or no information on quasi-fiscal expenditure had been provided to the IA as at the date of publication. Treasury noted that they were aware of quasi-fiscal expenditures by SOEs. Treasury commented that work on updating the reporting of government finance to the International Monetary Fund, Government Finance Statistics Manual 2014 is progressing well, and will be extended to cover transactions of extra-budgetary units and the SOEs in the medium to long term.</p>	<p>The MSG should continue to engage with Treasury in relation to understanding quasi-fiscal expenditure. For the 2017 reporting period, it is recommended that the MSG:</p> <ul style="list-style-type: none"> <li>▶ Works with Treasury to understand the nature of payments made by SOEs</li> <li>▶ Continues progress towards Mainstreaming the reporting of extractive industry revenue through government reporting processes.</li> </ul>
Value of infrastructure tax credit (ITC) scheme	<p>Previous PNG EITI reports have found discrepancies and inconsistencies in the reporting of the value of tax forgone as a result of funds spent on infrastructure development.</p> <p>Reporting templates for the 2016 report were updated in an attempt to clarify the value of funds spent on ITC projects within the reporting period as well as the value of the tax forgone as a result of ITC project spending. Due partially to the lack of response from DNPM, during the validation process, the IA was unable to verify the value of approved ITC project spending by reporting entities. There were also significant discrepancies between the ITC offset reported by companies and the IRC that in some cases could not be clarified due to differences in methodologies for reporting the value of the tax credit.</p> <p>The recommendations of the Taxation Review Report the PNG government has announced that the scheme will not be abolished but will be reviewed to improve administration. The government has also noted that the process needs to be more transparent regarding guidelines and criteria involved in the approval process. And that the ITC expenditure should be included in the</p>	<p>Increase transparency and accountability regarding the approval process by DNPM, funds administered on projects by companies and resulting tax offset by the IRC.</p> <p>Evaluate the method currently being used to reconcile this information for EITI purposes through cash basis reporting.</p>

	annual national budget books and DNPM should be able to show this information on its website.	
<b>Status Update:</b> A Ministerial Directive from the Prime Minister, Hon. Peter O'Neil was given to suspend the Infrastructure Tax Credit (ITC) Scheme for an indefinite period, until a comprehensive review is undertaken on the overall implementation, monitoring and administration of the ITC Scheme.		
Oil & Gas licence transfers	The transfer process for oil and gas licences is outlined in the Oil & Gas Act (OGA), but there was no evidence of criteria being applied by DPE.	DPE should establish criteria for the transferring of oil and gas licences. These criteria should be published in an updated version of the 'Petroleum Policy Handbook' with content made easily available to the public.
Reporting of Social expenditure	Inconsistencies have been observed in what companies classify as 'social' expenditure, and in which expenditures are classified as 'mandatory' or 'discretionary'.	The MSG should consult with EITI and provide more detailed guidance on these categories. It is expected that through the finalisation of the scoping study for subnational payments, there will be an opportunity to clarify this guidance.  It is also expected that as further progress is made against the NEC directive to make MOAs publicly available, mandatory and discretionary expenditure will become easier to delineate.

Table 18: 2015 & 2015 PNGEITI report recommendations – assessment matrix

The Recommendations from the 2015 and 2016 EITI Annual Reports are been reviewed and a comprehensive NEC Information Paper will be prepared and submitted to the National Executive Council for their information and further direction.

## 9. SPECIFIC STRENGTHS OR WEAKNESSES IDENTIFIED IN THE EITI PROCESS

<b>Multi-Stakeholder Group oversight</b>				
<b>2016 Standard</b>	<b>EITI Provision</b>	<b>EITI Provision</b>	<b>Strengths</b>	<b>Weaknesses</b>
Government oversight of the EITI process	1.1		Government oversight in the EITI process has been satisfactory with the Department of Treasury along with core government entities and SoEs taking the lead in facilitating the EITI program.	Certain Government entity participation has been challenging due to staffing capacity and political or administrative constraints.
Company engagement	1.2		Industry participation in the EITI process has been satisfactory with the all material companies supportive of the EITI program.	Industry is reluctant to report on certain aspects of the EITI value chain such as contracts and agreements since these are bound by confidentiality clauses. Companies have also made their position explicit in terms of providing commercially sensitive information in the EITI process through full or partial disclosure
Civil society engagement	1.3		CSO participation is very high in the EITI process has seen key National CSOs activities integrated into the PNGEITI National Work plan.	CSO capacity audit, resourcing and capacity building activities are required to ensure CSOs remain independent of government funding. CSOs ability to source funding from international donors is required in the long term sustainability of their participation in the EITI process.
MSG governance and functioning	1.4		MSG Governance and function is operational.	Attendance by key reporting entities is required as well as scrutiny of contractor performances and data assurance in PNGEITI reports were lacking. It may be due to MSG capacity in comprehending EITI provisions
Work plan	1.5		The PNGEITI Secretariat has successfully accomplished three National Work plans	More Coordination must be considered for donor partner funding to avoid duplication of activities.
<b>Award of contracts and licenses</b>				
<b>2016 Standard</b>	<b>EITI Provision</b>	<b>EITI Provision</b>	<b>Strengths</b>	<b>Weaknesses</b>
Legal framework	2.1		Overall positive support towards the PNGEITI Policy and Legislative framework	Consequential amendments will have to be considered to allow EITI legislation to be fully realised.

<b>Exploration and production</b>			
<b>2016 Standard</b>	<b>EITI Provision</b>	<b>Strengths</b>	<b>Weaknesses</b>
Production data	3.2	The IA succeeded in gathering Production data	
Export Data	3.3	The IA succeeded in gathering Export data	
<b>Revenue Collection</b>			
<b>2016 Standard</b>	<b>EITI Provision</b>	<b>Strengths</b>	<b>Weaknesses</b>
Comprehensive disclosure of taxes and revenues	4.1.	Reporting Entities submitted data templates for reporting	<p>There has been questions on unilateral disclosures for group tax, mandatory and voluntary social expenditures, direct subnational payments, Quasi Fiscal Expenditures, transfers between SOEs and government agencies, license fees. There is no explanation why but the text seems to imply it is because companies did not disclose (p. 119). There is no assessment of the impact of omissions by company and government</p> <ul style="list-style-type: none"> <li>• It also appears that there is no full government disclosure (e.g. some data from government are missing) and there is no comprehensive disclosure by companies.</li> </ul>
Infrastructure provisions and barter arrangements	4.3	Treasury explains that infrastructure provisions exist in the form of infrastructure tax credits (p. 21). And Reconciled figures are disclosed on p. 122	The report does not disclose the terms of the ITC projects for each company (the report provides a general description of the % deduction given, but clearly the actual % depends on the type of project) which is central to understanding the resources pledged by the state, nor does it disclose the nature of the balancing benefit stream, i.e. the type of infrastructure provided.
Transactions between SOEs and government entities	4.5	The report states that KCH receives a monthly budget allocation, which is disclosed in the KCH operating budget (p.103). This amount is not available in the EITI Report, and the external reference needs to be checked.	The revenues collected by SOEs on behalf of government are not reconciled, e.g. sales proceeds derived from joint marketing of LNG project. Disclosure and reconciliation of SOE payments are incomplete. It is not clear which revenue streams apply to which SOEs and why not all SOEs disclose figures for all revenue streams.
Level of disaggregation	4.7		The following are not presented per company: MRA fees (p. 130), license fees (122). Other taxes are reported by

			company but not by revenue stream (p.127). Subnational payments are not disaggregated by local government.
Data quality	4.9 and the TOR	IA	There is a discussion on comprehensiveness and reliability. However, there was not a categorical assessment of whether the disclosures are comprehensive and reliable or not. Instead, it explains that only 58% of reporting entities provided signatures to comply with the agreed data quality assurance mechanism (p. 9).  The EITI Report does not clearly state which reporting entities provided the required quality assurances, and which did not. The Report does not provide an overall assessment of impact of the missing data. It is not clear to us whether figure 54 on p. 121 is meant to be an assessment of impact of omissions.
<b>Revenue management and distribution</b>			
2016 EITI Standard	EITI Provision	<b>Strengths</b>	<b>Weaknesses</b>
Sub-national transfers	5.2.	For petroleum, royalties are also paid to the state (DPE and DoF) and then apportioned to landowners, affected provincial and local level governments through MDRC. The report states that the formula is either determined by individual agreements or at the discretion of the Minister (p.58). However, it also states on p.115 that 30% of the royalty and equity dividend payments is allocated to a Future Generation Trust Fund (for landowners), 30% to the Community Investment Trust Fund (for landowners) and 40 % in cash directly to landowners.	The report does not contain data on actual transfers and information on discrepancies between actual transfer and calculated transfers. The information on formula is incomplete.
<b>Social and economic spending</b>			
2016 EITI Standard	EITI Provision	<b>Strengths</b>	<b>Weaknesses</b>
SOE quasi fiscal expenditures	6.2		The report states that no SOE reported QFEs for 2016 (p. 62). However, it also states that for MRDC, there are QFEs such as classrooms, health centres, and establishment of banks. Beneficiary areas are mentioned but no actual figures are provided (p. 94).

			The EITI Report does not seem to draw a clear distinction between QFEs and social expenditures undertaken by MRDC (citing classrooms, health centers, establishment of banks...). Ok Tedi's 2016 annual report refers to social programs and infrastructure projects for communities affected by its operations (pp.30, 69).
<b>Outcomes and impact</b>			
<b>2016 EITI Standard</b>	<b>EITI Provision</b>	<b>Strengths</b>	<b>Weaknesses</b>
Public debate	7.1	The PNGEITI Reports data and contents continue to be used selectively and indiscriminately by various audiences both domestically and internationally.	The use of the EITI report although stimulating debate and discussion would require fairness to prevail in the public domain in order to sustain good relations in the MSG as well keep consistent with Government priorities in the extractive sector. One such example is the Jubilee Report <a href="http://www.jubileeaustralia.org/LiteratureRetrieve.aspx?ID=162634">www.jubileeaustralia.org/LiteratureRetrieve.aspx?ID=162634</a>
Data accessibility	7.2	Data accessibility is a key strength of the PNGEITI and is consistent with the Secretariats Open Data Policy. The PNGEITI website is resourced with summary data sheets and updated records to ensure audiences can download information as and when required. Companies such as Oil Search Limited have also taken the lead to present open data of financial spending in their company website, as well as government entities such as the Mineral Resources Authority who own and operate their online tenements and mining cadastre.	The PNG website would require improvements to its data presentation to ensure user- friendly interaction to obtain and or interpret financial data. Most summary data are in downloadable PDF format, however, visual representation is also required.  Other reporting entities most notably in the Government sector are yet to have fully functional websites that can allow data accessibility to the general public. Other industry partners are yet to update their website to align with EITI Open Data Policy although most of their representation are represented by the PNG Chamber of Mining and Petroleum

Table 19: Specific strengths or weaknesses identified in the EITI process

## 10. TOTAL COST OF IMPLEMENTATION

<b>PNGEITI NATIONAL SECRETARIAT</b>				
<b>Statement of Financial Performance</b>				
<b>as at 31st December 2019</b>				
<b>Revenue</b>	<b>Quarter 4</b>	<b>Quarter 3</b>	<b>Quarter 2</b>	<b>Quarter 1</b>
Balance Brought Forward	2,077,351.57	2,877,504.08	2,696,159.81	2,929,985.71
GoPNG (DoT) Budget allocation	675,000.00	-	1,000,000.00	675,000.00
Deposits Cash/Cheques	0.45	40,061.77	59,104.95	6,523.32
Dishonoured Cheques	-	-	-	-
Rounded off toes	0.06	-	0.12	-
<b>Total Income</b>	<b>2,752,352.08</b>	<b>2,917,565.85</b>	<b>3,755,264.88</b>	<b>3,611,509.03</b>
<b>Cost of Goods Sold</b>				
Beginning inventory				
Goods purchased or manufactured		-		
Total Goods Available	-	-	-	-
(Less ending inventory)				
Cost of Goods Sold	-	-	-	-
<b>Gross Profit (Loss)</b>	<b>2,752,352.08</b>	<b>2,917,565.85</b>	<b>3,755,264.88</b>	<b>3,611,509.03</b>
[42]		Expenses		
Wages/Salary	111,417.28	114,578.19	80,247.54	90,313.88
Sundry Expenses	1,884.88	2,672.33	2,604.71	2,000.00
Administrative Costs	15,935.85	15,960.00	87,427.55	122,368.80
ITC Equipment	-	14,300.00	20,957.39	-
Conference/meeting Hire and Expenses	16,043.00	8,636.50	-	15,488.38
Printing & Stationery	1,884.15	18,283.20	3,226.00	64,105.20
Advertisement	8,843.12	3,069.44	43,737.32	47,341.75
Vehicle exp	4,000.00	2,000.00	4,000.00	2,100.00
Consultancy Services	214,520.00	523,419.00	254,638.20	495,642.00
Office Furniture	-	-	-	-
Travel	27,031.26	24,675.86	255,696.84	19,469.78
Group Tax (Payroll taxes)	54,607.86	92,894.84	106,841.80	35,655.60
Employee superannuation	20,220.41	19,434.02	17,955.60	20,326.93
Bank charges	292.10	290.90	427.85	536.90
Total Operating Expenses	476,679.91	840,214.28	877,760.80	915,349.22
<b>2,275,672.17</b>	<b>2,077,351.57</b>	<b>2,877,504.08</b>	<b>2,696,159.81</b>	<b>Operating Income (Loss)</b>
Non-operating revenues, expenses, gains, losses		-		
(Less interest expense)				
Income Before Taxes	2,275,672.17	2,077,351.57	2,877,504.08	2,696,159.81
(Less income tax expense)				
<b>2,275,672.17</b>	<b>2,077,351.57</b>	<b>2,877,504.08</b>	<b>2,696,159.81</b>	<b>Income From Continuing Operations</b>
{42}	[42]	[42]	[42]	
<b>Below-the-Line Items</b>				
Income from discontinued operations				
Extraordinary items				
Cumulative effect of accounting changes				
<b>2,275,672.17</b>	<b>2,077,351.57</b>	<b>2,877,504.08</b>	<b>2,696,159.81</b>	<b>Net Income</b>

**NOTE:**

Table 20 Total cost of implementation



## **11. ANY ADDITIONAL COMMENTS**

The level of commitment and expanded funding underscores the increased embedding of PNG EITI in key Government agencies and its profile in the broader good governance dialogue within PNG. The National Secretariat has approached external assistance in the subsequent reporting periods to support targeted outreach and awareness campaigns, capacity building for MSG members and the National Secretariat office, and most importantly to implement a number of priority recommendations from the first report.

## **12. DISCUSSION BEYOND MSG**

This report was circulated among the MSG members and the members had shared and discussed the report with their constituents before it was finalized. The report will be posted on the PNGEITI website. It is also intended that the progress report will be released in the local newspapers by the Chairman of the PNGEITI MSG (Minister for Treasury).

### 13. MULTI-STAKEHOLDER GROUP 2019 MEETING RECORDS

Meeting	Meeting 01/2019	Meeting 02/2019	Meeting 03/2019	Meeting 04/2019
Date	Friday 29 March 2019	Friday 19 July 2019	Friday 11 October 2019	Friday 20 <sup>th</sup> December 2019
Meeting Duration	10:00 AM-12:00 PM	10:15 AM- 12:50 PM	10:20 AM- 12:25 PM	10:00 AM- 1:00 PM
Location	Treasury Building Level 5 Conference Room	Treasury Building Level 5 Conference Room	Treasury Building Level 5 Conference Room	Lamana Hotel Conference Room
Chair	Acting Chair; Ms Ketty Masu (Internal Revenue Commission)	Acting Chair; Mr Arnold Lakamanga (Mineral Resources Authority)	Mr Arnold Lakamanga-Manager GIS Mineral Resources Authority	Mr Chanan Kumalau-Department of Petroleum
Government	Mr Penewa Andrew (Department of Mineral Policy & Geohazards Management) Mr Michael Awi (Department of Petroleum and Energy) Ketty Masu (Internal Revenue Commission) Albert Kenny (Internal Revenue Commission)	Mr Albert Kenny- ( Internal Revenue Commission ) Ms Jennifer Jonathan- Internal Revenue Commission Mr Arnold Lakamanga- Mineral Resources Authority Ms Bridgitte Turalir (Department of Treasury)	Mr Albert Kenny and Ms Maggy Buf- Internal Revenue Commission Mr Arnold Lakamanga- Mineral Resources Authority Ms Bridgitte Turalir- Department of Treasury, Mr Chanan Kumalau, Mr Cletus Bomai, Mr Samuel Tobung, Ms Jomentha Waisa- Department of Petroleum	Mr Chanan Kumalau, Mr Gregory Baluve, Mr Samuel Tobung, Mrs Vicky Coleman- Department of Petroleum, MS Eileen Saiyomina- Department of Planning, Ms Freda Duma -Department of National Planning and Monitoring, Ms Ketty Masu & Ms Maggy Buf (IRC) Ms Bridgitte Turalir (Department of Treasury)
Industry	Mr Stanley Yarka- Exxon Mobil PNG Mrs Sally Dawkins- Newcrest Mining Ltd Ms Sheryl Peter - PNG Chamber of Mines and Petroleum	Ms Anna Madgwick - Newcrest Mining Limited, Mrs Susil Nelson- Kongoi, Exxon Mobil PNG	Prof Albert Mellam, Leah Morlin Warupi -PNG Chamber of Mines and Petroleum	Mr Robert Aisi- Exxon Mobil PNG Chamber of Mines and Petroleum

	Mr Cornelius Soagai (Total E&P PNG Ltd)	Mr Cornelius Soagai- Oil Search Limited,	Mr Kepas Wali- Harmony Gold Ltd, Mr Robert Aisi- Kongoi-Exxon Mobil PNG.	Leah Warupi- Morlin -PNG Chamber of Mines and Petroleum
CSO	Ms Wallis Yakam- CIMC Mr Lawrence Stephen Transparency International PNG Mr Paul Barker- Institute of National Affairs Mrs Marjorie Andrew- Institute of National Affairs Mr Patrick Lombaiya- PNG Mining Watch	Ms Wallis Yakam- Institute of National Affairs Mrs Marjorie Andrew- Institute of National Affairs Ms Arianne Kassman Transparency International Mr Yuambari Haihuie- Transparency International PNG	Mr Paul Barker- Institute of National Affairs Mr Yuambari Haihuie- Transparency International PNG Mr Henry Yamo- CIMC Mr Patrick Lombaiya- PNG Mine Watch Group	Ms Elizabeth Avaisa- CIMC Mr Hercules Jim- CIMC Mrs Marjorie Andrew- Institute of National Affairs Mr Yuambari Haihuie- Transparency International PNG  Mr Alois Sinen- Transparency International PNG Ms Melvia Lyandenge- Transparency International PNG Ms Rhonda Tevlone- Transparency International PNG
National Secretariat	Mr Lucas Alkan- Head of PNGEITI National Secretariat Mr Christopher Tabel- Communications Specialist Mr Vaieke Vani – Policy and Technical officer Mr Francis Diakon – Procurement Officer Mrs Delka Kemba – Finance officer Ms Liyasi Numaralai – Administration officer	Mr Lucas Alkan- Head of PNGEITI National Secretariat Mr Christopher Tabel- Communications Specialist Mr Vaieke Vani – Policy and Technical officer Mr Swartz Buf – Research and Analysis officer Mr Francis Diakon – Procurement Officer Ms Liyasi Numaralai- Administration Officer	Mr Lucas Alkan- Head of PNGEITI National Secretariat Mr Christopher Tabel- Communications Specialist Mr Vaieke Vani – Policy and Technical officer Oliver Maingu- Stakeholder Coordinator Mrs Sonia Kenu-Becks; Ms Delka Kemba – Finance officer	Mr Lucas Alkan- Head of PNGEITI National Secretariat, Mr Christopher Tabel- Communications Specialist Mr Vaieke Vani – Policy and Technical officer Mr Francis Diakon – Procurement Officer Oliver Maingu- Stakeholder Coordinator Mr Swartz Buf – Research and Analysis Officer Mrs Sonia Kenu-Becks; Media Content Writer

		Oliver Maingu- Stakeholder Coordinator Mrs Sonia Kenu-Becks; Media Content Writer Ms Delka Kemba – Finance officer		Mrs Delka Kemba – Finance officer. Mr Steven Tai - Driver
Observer	<p><b><u>KPMNG (BO RIM)</u></b> Mr Cayllan Boeha Mr Shimar Saxena Mr Shane Kennedy</p> <p><b><u>JICA</u></b> Ryusuke Watanabe (JICA), Ms Margaret George (JICA), Ms Fiona Silo (JICA),</p> <p><b><u>Ernst and Young (IA)</u></b> James Gore</p> <p><b><u>Australian High Commission - PLGP (Pacific Leadership and Governance Precinct)</u></b> Tim Grice- Subnational payment project consultant Moses David- Australian High Commission Jonah Simet- Abt Karla Wheeler- Abt Deborah Knight Abt Justice Gua- Abt</p> <p><b><u>World Bank</u></b> Wilfred Lus- World Bank PNG Office</p>	Mr Cayllan Boeha (KPMG) Mr Bradly Sunico (EY) Mr Deogracias Fabora (EY) Mr Steven Vavine (Brian Hart Consulting) Ms Fiona Silo (JICA), Ms Koinumo Masato (JICA), Mr Shiro Otomo (JICA), Mr Wilfred Lus (World Bank),	Mr Mathew Savage (EY) Mr Leonard Catalon (EY) Mr Cayllan Boeha (KPMG) Toyohiko Yogo (JICA), Ms Fiona Silo (JICA), Yoshio Chikamatsu (JICA) Toyohiko Yogo	Mr Ryusuke Watanabe (JICA) Ms Fiona Silo (JICA), Mr Leonard Catalon (IA),

Apologies	Mr Manu Momo- Department of Treasury Mr Donald Hehona- Department of Treasury Mr Richard Kassman- Total E&P Limited,	Mr Manu Momo- Department of Treasury Mr Donald Hehona- Department of Treasury Mr Paul Barker- Institute of National Affairs	Mr Manu Momo- Department of Treasury Mr Donald Hehona- Department of Treasury	Mr Manu Momo- Department of Treasury Mr Donald Hehona- Department of Treasury
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Table 21 Multi-Stakeholder Group 2019 meeting records

Provisional Version Approved by the PNG Extractive industries transparency Initiative  
Multi-Stakeholder Group.  
Date: Friday 18 December 2020 during MSG 04/2020 in Port Moresby, Papua New  
Guinea