



TL - EITI

ANNUAL PROGRESS REPORT

Content

2023

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I. General assessment of year's performance

1.1 2022 EITI Standard Third Validation

In July 2022, the International Secretariat Validation Committee conducted a desk review to evaluate the MSWG's implementation of the 2019 Standard requirements.


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The validation report issued on 25 April 2023 shows that Timor-Leste has fully met 11 EITI Requirements, mostly met nine and partly met six requirements, with six requirements assessed as not applicable. all the objectives of the EITI requirements, particularly on those related to requirements: 1.5. *Work Plan* 7.1. *Public debate*, 7.2. *Data accessibility and open data*, 7.3. *Recommendations from EITI*, 7.4. *Outcomes and Impact*, and 2.5. *Beneficial Ownership*. These requirements were progressed from satisfactory classification to fairly low score following the publication of 2019 (12th) and 2020 (13th) EITI reports.

The MSGW addressed requirement 7.3 by including the analysis of the outcomes and impacts from the EITI implementation in the 2019 Annual Progress Report. A narrative statement on the efforts to strengthen the MSGW engagement was also included and it is expected that these achievements would be continuously monitored and improved in the future.

1.2 Preparation of 14th (2021) EITI Report and beyond

Timor-Leste was scheduled to publish its 14th and 15th EITI Reconciliation report (FY 2021 and 2022) by the end of 2023. However, due to the political standoff an extension was granted and allowed Timor – Leste to delay the publication of the report. Understanding the political situation in the country, MSGW took the initiative to send a request for extension to EITI Board. The Board then granted an extension of the report publication until 31st March 2024.

During this period, the MSGW had extensive discussion to improve and finalize the Terms of Reference to engage the Independent Administrator for the preparation of EITI reconciliation report which covers two fiscal years (2021 and 2022). The selected IA will also undertake a Capacity Building on the New EITI 2023 Standard and consulting MSGW Work Plan in Timor- Leste.

In 2023 MSGW approved a roadmap for implementation EITI 2023 Standard and consulting of MSGW Work plan to help to identify the best approach/practice in implementing 2023 standard in accordance with the legal regime of Timor-Leste.

It is expected that the publication of the reports would enable readers to access information about extractive industries governance in the country and enhance public debate among the community.

1.3 Dissemination of EITI Reports

Following the publications of the 12th (2019) and 13th (2020) TL-EITI Reports, the National Secretariat and the MSGW organized an outreach activity to disseminate the information contained in these reports in Lautem Municipality 21st September 2023 and Manufahi Municipality 05 October 2023.



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There were around two hundred (200) participants in each Municipality from the community leaders, students and villagers took part in the event. Apart from the information contained in the reports, the presentation material also covered the extractive industry revenues management under the petroleum fund management and utilization of the revenues through state budget. Speakers were from the Central Bank (PF Management), Ministry of Finance (Tax Authority), TIMOR GAP EP, ANPM and EITI National Secretariat (EITI standards, reports, and update) and Civil Society organizations (how the information can be used to hold Government accountable and benefits the people).

The audiences expressed their gratitude to the organizer as that was the first time for communities in Lospalos and Same Town and surrounding areas to access such presentation, which would help them to oversee the use of the money in their villages. The dissemination programs in Timor-Leste were designed to reach the maximum participation at geographic levels.

In 2024, similar events are expected to undertake in other localities.


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II. Assessment performance against EITI Requirements

EITI Requirements	Progress
<p>1.1 Effective oversight by MSG multi-stakeholder group</p>	<p>In regards to the publication of recent TL-EITI reports, and corrective action plans delivered to the International Secretariat, there were improvements with engagements from the companies (Req. 1.2) and CSO (Req. 1.3.) constituents which lead to a meaningful MSGW governance (Req. 1.4) of extractive sector.</p> <p>Between January and December 2023, the MSWG convened nine (9) regular meetings where some key decisions were made as the following:</p> <ul style="list-style-type: none"> a) MSWG approved the 2023 work plan which captures activities adhering the EITI standard, including activities aligning with national priorities, achieving targets and deadlines; b) MSGW Approved the MSGW TOR 2023 which outlining the National Secretariat's roles, functions and responsibilities based on MPRM Decree law No. 62/2020. Article 13th. c) MSWG approved the allocation budget for the National Secretariat and any EITI activities purely funded through the National State Budget (Ministry of Petroleum and Minerals Resources/MPRM) d) MSWG Continued Discussed and identified other members to involve as member of TL-EITI such as CMTL(Companhia de Mineira de Timor Leste), Sunda Gas (Industry) and CSO such as Mata Dalan Institute, Luta Hamutuk and Sharis Haburas Comunidade. e) MSWG approved the nominates of each Constituencies to participated EITI 9th Global Conference in Senegal – Dakar. f) MSWG discussed the evaluation performance of the previous IA and proposed changes for the upcoming procurement processes such as: IA personnel identification in the service contract to be aligned with the proposed structure within ToR, extension of service contract up to three fiscal years and the inclusion of additional services (e.g. feasibility studies); g) MSWG Provided First Meeting with new Minister of MPRM to actualized TL-EITI Implementations. h) MSWG discussed on the preparation of Terms of Reference for IA which included the preparation of EITI Reports fiscal years 2021 and 2022; i) MSWG agreed to implement the template of ToR for Dissemination; j) MSWG agreed to prepare a request letter to the Board for the extension on the publication of 2021 EITI Report;


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<p>1.2 Government Commitment</p> <p>Government of Timor-Leste through Ministry of Petroleum and Minerals Resources continue to be in charge of EITI implementation process, as already outline in programme of the IX Government constitutional section (4.3.4), in the other hand will cover issues related to the renewable energy 3.4.3.</p> <p>SERVE, Trade Invest & Timor-Resources are also become new members in MSG, MSG continue to identified other members to involve in future (such as Mining companies, Murak Rai Timor and Autoridade Nacional dos Minerais), MSG are operated under Term of Reference, it's have been reviewed and update.</p> <p>Timor-Leste continue promote transparency through EITI, this can be seen in certain New National legislation have Introduction provisions such as law Nu 12/2021 Mining Code (article 54 & 150), Decree law Nu 18/2020 Operation Petroleum Onshore (article 98) and decree law Nu 43/2022 Companhia Mineira de Timor-Leste, S.A (article 9) this company no longer exist and have replace to Murak Rai Timor E.P.</p> <p>Most of the government engage actively in the EITI including, Attended MSG meetings (minutes), outreach & dissemination of the report (Lospalos Rarahana September 21, 2023, Manufahi Betano October 5 3023), following-up on recommendations particularly related to the overview ANPM-employment (TL-EITI Report Page 32) and contribute to build up disclose information to the public.</p> <p>The allocation of the budget for the national secretariat and any related EITI activities purely funded through the national state budget (Minister of Petroleum and Mineral Resources).</p>	<p>1.3 Company Engagement</p> <p>Extractive companies' performance in term of disclosure and participate showing very robust, and also firmly participate actively and fully in the EITI.</p> <p>Extractive companies consistently giving an input and continue engage in the appointment of new Independent Administrator (IA), constantly provide data and relevant information to meet EITI reporting requirements. And also actively involved in MSG meeting and Dissemination of the report (Covalima in October 2021, Manufahi, Betano October 5, 2023).</p> <p>The industries representative in MSG consist of: Santos, ENI, Timor Resources, TIMOR GAP and Woodside.</p>
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<p>1.4 Civil Society Engagement</p>	<p>New nomination of CSO from NGO FONGTIL to MSG member consist of: Mata Dalan Institute, Luta Hamutuk and Sharis Haburas Comunidade, they do have also include three alternates.</p> <p>CSO have actively and fully participated in the EITI process, include involve actively in Capacity-building for law Mining Code which have included CSO members from Core Group Transparency (CGT). Outreach & Dissemination (Covalima in October 2021, NGO FONGTIL, Lospalos, Rarahana September 21, 2023, Manufahi, Betano October 5, 2023).</p> <p>CSO take part in MSG work had not experienced any barrier and follow the protocol participation of Civil Society related to 2.1 expression, 2.2 operation, 2.3 association, 2.4 engagement 2.5 access to public decision-making and Available documentation from the MSG and CSO.</p> <p>civil society have publicly express their opinions about natural resource governance that include issue related to the LNG Plant, Petroleum fund. Local content, drilling of petroleum in covalima as well as cover some issues related to state budget allocation and expenditure.</p> <p>Partly of CSO admitted that they need to strengthening their capacity to analyze data from oil gas and mining sector, to understand more further to any change to new EITI Standard, and also have limited availability of funding.</p> <p>Fully active participation by civil society can ensuring the government and companies are promote transparency and improved governance of oil, gas and mineral resources in accordance to the EITI requirements.</p>
<p>1.5 Legal Frame Work and Fiscal Regime</p>	<p>Majority of the laws governing the oil gas and mining sectors are completed and comprehensive published through ANPM website. In addition to that the role of each government entity is well established and defined.</p> <p>2020 TL EITI report present brief description of the legal framework, fiscal regime and key government entities with oversight of the extractive industries.</p>
<p>1.6 Contract and License Allocation</p>	<p>Some of information on the award of mining licenses and oil and gas PSCs are systematically disclose. In addition to that the Procedure for extractive rights awards and transfers partly available in ANPM website (such as public tender Decree law No.7/2005)</p> <p>four oil and gas licenses transferred occurred in 2019, The transfer of rights under the Maritime Boundary Treaty (MBT) was between Timor-Leste and Australia as the owner of resources.</p> <p>Second license round for Oil & Gas was initiated in October 2019, Technical and financial criteria for this second licenses round are clearly stated</p> <p>A government entity (ANPM) explains that assessments of applications for new licenses were considered confidential and thus not disclosed to the public.</p>

	<p>First license round (Mineral Tender) for mineral exploration was announced in March 2023, offering 49 concession areas that divided into 7 Zone. Technical and financial criteria already define in pre-qualification guideline, in addition to that information related to the concession area, legislation, and model of contact are also provided.</p> <p>In December 1st 2023, ANM have grant license to 4 Mining companies consist of: Beacon Mineral Pty.Ltd, Estrella Resoruces Pty.Ltd, Iron Fortune R.P no Peak Everest Mining. Ltd.</p> <p>Refer to 2020 TL-EITI report (Page 145) Unilateral disclose by Government entity (ANPM) related to mining license fee there are three individual mining companies that make payments above the USD 100,000</p> <p>Normally all mining license activities in Timor-Leste related to construction material extractions with intention to support government project such as roads bridges and ports infrastructures. The evaluation criteria were based on the technical work program and financial documents submitted, including the project related document which has been approved by the Government.</p> <p>Government Entity (ANPM) will continue strive working towards improving the accessibility of license data, some information is already available in ANPM website. ANPM is also having planning reforms to ensure that comprehensive updated license information regularly from the ANPM website in future.</p> <p>a full list of all 12 active oil and gas PSCs, have indicated dates of expiry for certain PSCs, provides dates of application and coordinates for all active petroleum rights.</p> <p>That information is also can access in 2020 TL- EITI Report and ANPM website.</p>
<p>1.7 Register of Licenses</p>	
<p>1.8 Exploration</p>	<p>Timor Gap EP is working with Timor Resources Pty Ltd as a Production Sharing Partner, carrying out Development Activities in Blocs A and C. https://www.timorgap.com/our-business/upstream/onshore-blocks/</p> <p>http://www.anpm.tl/karau-lfeto-kmaus-l-and-lafaek-l-weda-l-exploration-wells-discoveries-announcement/</p> <p>On 07-12-2021 the Timor Gap E.P through its Timor Gap Subsidi Pualaca block Unipessoal Lda, conducted an exploration at Bloc D in Pualaca. https://www.timorgap.com/our-business/upstream/onshore-blocks/</p> <p>On 30-11-2023 ANPM through the MPRM announced the win-winner of the Petroleum Sector Tendering which will be explored in. https://en.tatoli.tl/2023/11/30/govt-announces-four-mining-companies-as-bid-winners-of-tl-minerals-tender-2023/19/</p> <p>Friday 10 November 2023, timor resource as the operator for PSC TL-OT-17-08 and TL-OT-17-09, together with timor gap onshore drilled their second onshore exploration well, kumbili -1 or liurai – 1 as cultural name in covalima municipality on 26th december 2021, throughout kumbili -1/liurai -1 exploration well drilling campaign, the operator managed to carry out pressure test and fluid sample by means of dual packer MDT pressure test/mini DST test with aims to obtain formation pressure as well as to collect hydrocarbon sample</p> <p>Monday 27, November 2023. The Karau-1 exploration well (with its local cultural name known as Feto-Kmaus-1 well) is the first onshore exploration well drilled in the PSC TL-OT-17-08 and the Lafaek-1 exploration well (with its local</p>

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	<p>cultural name known as Weda-1 well) is the third onshore exploration well drilled in PSC TL-OT-17-08. The PSC TL-OT-17-08 and TL-OT-17-09 are held by Timor Resources Pty.Ltd as the Operator and in Joint Venture with Timor Gap Onshore Blocks Unip. Lda. The Karau1/Feto-Kmaus-1 was spudded on 25th October 2021 whereas the Lafaek-1/Weda-1 was spudded on</p> <p>TL-EITI also always covers Petroleum Prudence Information in the Bayu Undang field through the ANPM website page, which is always published Production and Production Volumes (BOE) in USD per month.. http://web01.anpm.tl/webs/anptlweb.nsf/pgLafaekDataGasListHTML http://web01.anpm.tl/webs/anptlweb.nsf/pgLafaekReport https://tleiti.mprm.gov.tl/report/</p>
<p>1.9 Production</p>	<p>The last published TL-EITI reports clearly defined taxes and revenues which are disclosed based on agreed materiality threshold (Req. 4.1). So far, there are no payments in Timor-Leste covered revenue collections in-kind (Req. 4.2), infrastructure provisions and barter arrangements (Req. 4.3), transportation revenues (Req. 4.4) and sub-national payments.</p> <ul style="list-style-type: none">• The government has continued to maintain the solid basis of systematic disclosures on the oil and gas sector that were highlighted in previous Validations. Routine disclosures by the National Petroleum and Mineral Authority (ANPM), the Statistics Directorate of the Ministry of Finance and the Central Bank provide a robust foundation for restructuring EITI reporting to build on these systematic disclosures and for invigorating data use. The MSG is encouraged to continue strengthening systematic disclosures in the extractive sector, including through disclosing data in machine-readable and interoperable formats.• Timor-Leste has expanded EITI implementation to cover sub-contractors in the oil and gas industry, a topic of significant public interest given national priorities around developing local content in the extractive industries. Extending the scope of both financial and contextual disclosures to sub-contractors is a welcome initiative to improve the relevance of EITI disclosures to national circumstances.•
<p>1.10 Revenue Collection</p>	<p>More than 85% of government's annual budget depended on revenues generated from the oil & gas sector. The information on how much revenues collected and transferred to the Petroleum Fund are captured in the Central Bank of Timor-Leste (BCTL) website⁵, whereas expenditures-distribution information can be observed in Ministry of Finance website⁶, under the budget and Petroleum Fund sections. The related information can also be seen in Timor-Leste Transparency Portal⁷ which covers Budget, Aids from International Development Partners (Donors), e-Procurement and Government results portal. TL-EITI Reports also provided summary on the development of Petroleum Fund and revenue</p>
<p>1.11 Revenue Allocations</p>	

management in the country (Req. 5.1 and 5.3). The information on sub-national transfer (Req. 5.1) is not applicable to Timor Leste.

III. Assessment performance against targets and activities set out in the work plan

The following table provides achievement details on activities identified in Work plan 2023, include the list of outcomes and impacts from the implementation of each objective.

TL-EITI WORK PLAN 2023

1st OBJECTIVE: To implement the recommendation from the last Validation in enhancing EITI principles in Timor-Leste.

Rationale: Based on the 2019 Standard's third Validation report on 27 April 2023, EITI board concluded that Timor Leste Achieved a Fairly Low over all Score (58 Points) in EITI Implementation. Disaggregated information by Outcomes and Impact, Stakeholders Engagement (1.1), (1.3), (1.4) Transparency (Beneficial Ownership (2.5)). This result was obtained through the collective performance from MSG members, particularly with improving engagements from the industry sectors (1.3) and civil society (1.3) which contribute to the good governance of EITI Timor-Leste (1.5) Efforts were made by MSG to continuously support EITI activities, includes responding to recommendation(s) from the EITI Board.

ACTIVITIES	EXPECTED OUTCOME	TIMEFRAME	ESTIMATED COST	SOURCE OF FUNDING	RESPONSIBLE	COMMENT /STATUS
Discussion and consultation on the recommendation(s)	To improve implementation of Validation					


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from the current Validation in 2022 and from the IA on the last published TL-EITI Report, among TL –	recommendations & EITI Standard Requirements.				TL-EITI Secretariat and MSWG	
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<p>EITI Secretariat, MSWG, Regional and IS.</p>	<p>Workshop Preparation for the Validation recommendation 2022 the MSWG EITI disclosures, including Systematic disclosures, Contract transparency and Beneficial Ownership.</p> <p>To improve implementation of Req. #2.4, 2.5 and 6.1#</p>						<p>TL-EITI Secretariat and MSWG</p>		
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2nd OBJECTIVE: To ensure the publication of EITI Report in timely manner and in aligned with EITI Standard 2019 and (upcoming new Standard 2023).

Tender process for IA commenced in 2023, selection of the IA performance evaluation by TL-MSWG In April 2023, to hire IA to assist with the preparation of the referred reports of MSWG implementation of 2019 Standard.

Improvement of TL-EITI reports means considering the disclosure of contextual information of the extractive industry activities (e.g. oil and gas and mining) in the country, attempting to close out the validation recommendations. Following the completion of the requirement #2.4, 2.5 and EITI Requirement Section 3 # (Contract Transparency, BO and systematically disclosure) continued investigation on the previous Mainstreaming study, the MSWG decided to include the recommendations TL-EITI report (FY 2020). Furthermore, MSWG acknowledged the recommendations from Validation and Independent Administrator (IA) on investigation study report in 2022.

In 2023, the 2nd objective could not be entirely implemented by the MSWG members and TL-EITI Secretariat due to parliamentary election period. Hence, MSWG state budget was approved for this year's expenditure and the funding allocation for TL-EITI could cover the preparation of FY2021 and 2022 TL-EITI report. Also, this section still includes the Annual Progress Report and the MSWG review the impacts of EITI implementation for activities that were carried out between 2021 and 2022. With the flexibility on the deadline as per 2019 Standard.

<p>Selection of new IA to reconcile the upcoming EITI report (Fiscal Year(s) 2021 and 2022).</p>	<p>To enhance transparency in extractive industry (EI) governance and relevant EITI activities as well as producing Comprehensive TL-EITI report that covered validation and conciliation recommendations.</p>	<p>July- November 2023</p>		<p>TL-EITI Secretariat and MSWG</p>	
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<p>Contract Award to IA.</p>	<p>To assist and producing TL-EITI report FY 2021 and 2022, and to covered validation and conciliation recommendations.</p>	<p>November 2023</p>	<p>USD 152,332</p>			
<p>Preparation of scoping analysis report and data reporting templates for 2021 and 2022 TL-EITI Report. This includes approval of data templates. Scoping study and Inception Report by reporting entities and data collection.</p>	<p>To cover and to capture the recommendation from current validation and EITI conciliation report.</p>	<p>November- December 2023</p>				
<p>Reconciliation Process</p>	<p>The Government and</p>					






<p>for the 2021 and 2022 TL-EITI Report. This includes reconciliation of the submitted data templates, consultation with reporting entities and draft report consultation with reporting entities and MSWG reviews, comments and final publication.</p>	<p>EI Transparently published the revenue collection to the public.</p>					
<p>Preparation of Data Summary in xls file of the published 2021 and 2022 TL-EITI Report. MSWG to review and approve. Preparation of scoping analysis report and data reporting</p>	<p>The Government and EI Transparently published the revenue collection to the public.</p>					






<p>templates for 2020 TL-EITI Report.</p>	<p>Develop consultancy/discussions on data disclosures incl. mainstreaming, energy transition & other EITI requirements that will be implemented in future. Document the progress and gaps of the discussion.</p>	<p>To measure the outcome and impact on EITI implementation in the country.</p>	
<p>Continue Investigate and discuss the EITI requirements & upcoming new requirement</p>	<p>To measure the outcome and impact on EITI implementation progress in the country</p>		
<p>3rd OBJECTIVE: To encourage discussions on transparency in public expenditures, including investment decisions focus on economic diversification Rationale: Enabling communication tools to the communities for accessing information about public expenditures and extractive activities in</p>			

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<p>Transparent manner. Through EITI, we expect local ONG's, Academic can use EITI data to emphasize public debate, preference for student to conduct research, advocacy and create discussions on extractive industry governance and on government activities in accordance to the relevant Laws in Timor-Leste. This objective particularly emphasized CSO active participation in EITI, thus sought the importance of CSO Contribution on EITI report and public debate.</p>				
Dissemination information of the published 2020 TL-EITI Report, specifically to relevant Audiences.	TL-EITI increase and improve outreach activities to spread awareness through public debate within stakeholders of Extractive resources.	August-November 2023	USD 16,463	
<p>4th OBJECTIVE: To encourage discussions on legal framework and effort contract transparency within extractive industries and other revenues generate in Timor-Leste.</p> <p>Rationale: MSWG acknowledge the importance of strengthening the EITI implementation within the country's legal framework. The ongoing negotiation on Greater Sunrise and the nation's extractive sector, changes within the relevant extractive laws, policies and legal reforms, implementing on Mining Code Law and new PSCs have been monitored by the MSWG.</p>				
Discussion on legal reform and relevant laws in stakeholders levels of Greater	To increase awareness among stakeholders to achieve the objective			

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Sunrise project development and onshore project in Country.	legal reforms.								
Discussions and implementing on mining disclosure threshold on EITI Publications.	To identified mining Companies revenues data.								
5th OBJECTIVE: To enhance EITI institutional development include capacity building for MSWG, CSO's Stakeholders and National Secretariat members									
Rationale: This objective is to continually emphasize capacity building programs in order to enable stakeholders' fully participation within EITI, particularly for CSO stakeholders, private sector and TL-National Secretariat Staffs. With the high demands concerning requirements from 2019 EITI Standard, it is required stakeholders are fully trained and prepared to implement the established requirements and enable to create advocacies. At the moment the National Secretariat is led by an National Coordinator whom also in charge as Technical Specialist for TL-EITI.									
Consultation and discussion TL-EITI Laws within stakeholders and governance members	To regulate the creation of an independent and autonomous Multi-Stakeholder Working Group								

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	<p>entrusted with ensuring the application of the present Extractive Industries Transparency Initiative ("EITI") Law</p>					
<p>Sharing knowledge between stakeholders on EITI Standard, TL-EITI Reports and extractive industry (EI).</p>	<p>To increase and strengthening knowledge and Compliance with the general principles and standards of the Extractive Industries Transparency Initiative in country.</p>					

Objective one: to implement the recommendation from the current validation and to implementing the Mainstreaming reflected in the final assessment of final validation In particular, the MSWG discussion of the definition of project for EITI reporting purposes is noted this MSWG discussion related to following up on a TL-EITI recommendation related to project-level reporting.

Rationale:

- In accordance with Requirement 1.5, Timor-Leste is required to maintain a current EITI work plan that reflects national priorities for extractive sector governance. Objectives should be updated to reflect consultations with key stakeholders beyond the MSWG who are working on national priorities. The MSWG is encouraged to discuss its desired short-term and long-term impact for EITI implementation beyond data disclosure while considering national priorities on ensuring economic benefits of the sector to citizens and greater understanding of state participation in the extractive sector. Work plan activities and outcomes should be tied to the objectives. They should be measurable and address the scope of EITI disclosures, including systematic disclosures, contract transparency and beneficial ownership. The MSWG is encouraged to use the work plan to track progress in achieving expected outcomes.
- In accordance with Requirement 7.1, Timor-Leste is required to ensure that EITI disclosures contribute to public debate. Information should be widely accessible and distributed, considering the needs of different subgroups of citizens. The MSWG should ensure that outreach activities are undertaken to spread awareness of and facilitate dialogue about governance of extractive resources.
- In accordance with Requirement 7.2, Timor-Leste should agree a policy on the access, release and reuse of EITI data. All EITI disclosures, including data disclosed through government websites, should be made available in open, machine-readable format.
- In accordance with Requirement 7.3, Timor-Leste should establish a mechanism for agreeing and following up on EITI recommendations. The MSWG is encouraged to work with government agencies and extractive companies to ensure that EITI implementation results in improved extractive sector governance and to document these efforts.

In accordance with Requirement 7.4, Timor-Leste is required to annually review and document the outcomes and impact of EITI implementation, reflecting consultations with stakeholders beyond the MSWG. This should include a review of progress in meeting each EITI Requirement and a narrative description of efforts to strengthen the impact of EITI implementation.



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IV. Overview of the multi stakeholder group's responses to the recommendations from reconciliation and validation.

A good progress has been made to meet most, if not all, of the recommendations from the reconciliation and validation. Please see Section I and II above.

V. Specific strengths or weakness identified in the EITI process

FUTURE PLAN – WHAT TO DO?

- To complete and publish the 2021 and 2022 TL-EITI reports.
- Development of the new block for the Mineral Licensing Round and promotion of the new block for mineral concession.
- To create a legal framework to support the energy transition and green initiatives with the goal of fulfilling the commitment made at COP 25, including carbon capture, utilization, and storage (CCUS),
- To improve systematic disclosure and the integration of mainstreaming into extractive industries.
- Development of petroleum exploration projects under existing contracts and upcoming Production Sharing Contracts (PSCs).
- To increase the effectiveness of MSG's participation by incorporating the government into the implementation of the EITI standard in 2023.
- To enhance the process of exchanging experiences among EITI-implementing countries in order to improve the implementation of the EITI in Timor-Leste.

AREAS OF DEVELOPMENT/ OBSTACLES BASED ON THE RESULT OF 2022 VALIDATION

- Weaknesses in coordination of the broader constituencies' engagement in the EITI process and capacity challenges.
- Lacks of alignment of EITI objectives with national priorities have constrained the quality of multi-stakeholder oversight of extractive industry governance.
- EITI data and findings do not appear to have made much impact on public debate about the mining, oil and gas sectors.
- EITI Reports appeared to provide very limited information on the issues relevant to recent debates in the extractive sector, including negotiations of new projects, state participation in these projects and management of the Petroleum Fund.



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- A slowdown in dissemination and Validation of Timor-Leste (2022) since the COVID-19 pandemic.
- Work on assessing the feasibility of mainstreaming EITI data through systematic disclosures since 2018 has not been followed up on to date

KEY ACHIEVEMENTS

- The government has continued to maintain the solid basis of systematic disclosures on the oil and gas sector that were highlighted in previous Validations.
- Routine disclosures by the National Petroleum and Mineral Authority (ANPM)
- The Statistics of the Ministry of Finance and the central bank provide a robust foundation for restructuring EITI reporting to build on these systematic disclosures and invigorating data use.
- The MSG is encouraged to continue strengthening systematic disclosures in the extractive sector. Timor-Leste has expanded EITI implementation to cover sub-contractors in the oil and gas industry.
- Despite political unrest in 2019-2020 and the COVID-19 pandemic, the Timor-Leste EITI MSG has continued to operate and provide a forum for multi-stakeholder discussions about the governance of the extractive industries.
- The MSG is encouraged to further work on aligning the EITI process with national priorities and using the EITI forum to support public debate and public policy reforms in the extractive industries.

VI. Total cost of implementation

TL-EITI Secretariat is fully funded by the government through the annual budget allocated to Ministry of Petroleum and Minerals Resources, In 2023, a total amount of US\$ **324.914.00** was allocated to finance the EITI activities in that year. From this budget, around Three (3) activities in TL-EITI implementation. They were allocated to 1. Produce and develop TL-EITI 2021 Report, with total amount **\$233.566.00**, 2. Sharing Experience International and National level, with total amount **\$ 76.498.00**, 3. Capacity Building to CSO, MSWG (Private Sector) and TL-EITI Staffs, with amount **\$ 14.850.00**.

The image shows four handwritten signatures in blue ink, arranged horizontally from left to right. The first signature is a cursive 'CWE'. The second signature is 'Alegnz' with '19' written below it. The third signature is a stylized 'S/K'. The fourth signature is a stylized 'D'.

VII. Membership of the MSG during the period of progress report

(including details of numbers of meetings held and attendance record).

No	Name	Institution	Total Meetings held	Attendance	Remarks
Government Representatives					
1	Filipe Nery Bernardo	PFAU- MoF	9	1	Core member
2	Cosme de. C. Araujo	PFAU- MoF	9	2	Alternate
3	Agostinho G. Ramos	DNPMPR-MoF	9	4	Core member
4	Sandra Maria Fatima da Cruz	DNPMPR-MoF	9	9	Alternate
5	Agus Maradona Tilman	ANPM	9	3	Alternate
6	Honesia Araujo	ANPM	9	6	Alternate
7	Fernando Carvalho	BCTL	9	2	Core Member
8	Florencio Sanches	SERVE	9	3	Core Member
Company Representatives					
9	Angelina Branco	Eni	9	0	Core member
10	Flavio Ximenes	Eni	9	3	Alternate
11	Antonio dos Santos	Woodside	9	4	Core member
12	Jenete Carvalho	Woodside	9	3	Alternate
13	Jose M.Lobato	Santos	9	0	Core member
14	Reinalda Pires	Santos	9	2	Alternate
15	Januario Carvalho	SundaGas Banda	9	3	Core Member
16	Dino Gandara	SundaGas Banda	9	3	Alternate
17	Angelo Lay	CTML	9	0	Core Member
18	Henrique Ximenes	CMTL	9	3	Alternate
19	Feliciano Soares	Timor Resources	9	3	Core Member
20	Jacinto Soares	Timor Resources	9	1	Alternate
SOE Representatives					
21	Deolinda de Sousa	TIMOR GAP E.P	9	1	Core Member
22	Francisco Pinto	TIMOR GAP E.P	9	0	Core Member

23	Luis Martins	TIMOR GAP E.P	9	2	Alternate
24	Francisco Alegria	TIMOR GAP E.P	9	7	Observer
CSO Representatives					
25	Estevanus Coli	FONGTIL/ MDI	9	4	Core Member
26	Silveira Soares Moniz	FONGTIL/ Luta Hamutuk	9	0	Core Member
27	Sabina Fernandes Seac	FONGTIL/ SHC	9	5	Core Member
28	Roberto Soares	FONGTIL/ KBH	9	0	Alternate
29	Janurio Amaral de Jesus	FONGTIL/ PNB	9	2	Alternate
30	Carlito da Costa	FONGTIL/ HAK	9	0	Alternate

 *v. Alegria*
Tq.

 

National Secretariat Staffs

No	Name	Institution	# of meeting held	Attendance	Remarks
1	Emilia dos Santos de Jesus	MPRM-TL-EITI	9	9	National Coordinator
2	Trifonio Flor Sarmiento	MPRM-TL-EITI	9	9	Outreach Officer
3	Abelina Emilia do Rosario	MPRM-TL-EITI	9	9	Database Officer
4	Agostinho Carvalho Ximenes	MPRM-TL-EITI	9	9	Technical Officer
5	Crismina C. G. M. Sarmiento	MPRM-TL-EITI	9	9	Technical Officer
6	Jimmy Brem Soares	MPRM-TL-EITI	9	1	Technical Officer



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Four handwritten signatures in blue ink are located at the bottom of the page. The first signature is a cursive 'C'. The second signature is 'Alegria Tq.'. The third signature is 'S'. The fourth signature is 'R'.