

## **Meeting Minutes of 9th Myanmar EITI Multi-Stakeholder Group held at the Ballroom, Inya Lake Hotel, Yangon on December 19, 2017**

### **Objectives**

This 9th MSG meeting was conducted in order to present the following points to MSG members: the situations of pending in submission of templates, Audit report cover sheet & Auditor's certification sheet of the Gems and Jade companies; updates of Validation process to MSG and to discuss for preparation of pre-validation workshops for Validation guidelines and Procedures; the follow-ups of the decision of MGS 8th MEITI-MSGs meeting, the updates of preliminary study report presented by the mining cadaster consultant; the updates of adjustments on the Technical and Financial proposal submitted by the preliminarily hired BO consultant, the forestry scoping study report sent by the Independent Administrator (IA) for Forestry sector. Besides, during the meeting, it is also to seek confirmation on the decisions of MGS sub-committees meetings, to have discussions on the matters regarding forming of Sub-national Coordination Unit-SNU) at regions and states, to have discussion about the comments sent from International EITI with regards MSG ToR according to 2016 EITI standard. Finally, the meeting aims to have clear timeline for forthcoming MSG meeting and meetings for sub-committees of MSG and during January.

### **Participants**

A total of 54 participants such as MSG-members: 9 from government sector, 5 from private sector and 9 from civil society, 2 from World Bank, 6 from donor agencies, 4 from MOBD, 10 from NCS and other participants and observers attended the meeting. Please see Annex 1 for details.

### **1. Opening Speech of U Maung Maung Win, Chairman of MEITI-MSG and Deputy Minister of Ministry of Planning and Finance (MOPF) during 9th MEITI-MSG meeting**

In the speech of the chair of MSG, he addresses the following points:

- Welcoming all the participants of 9th MSG meeting and thanking notes to the vice-chair U Win Stein and the National Coordinator U Soe Win for representing him in the 7th and 8th meetings. Explained about the coordination and decision carried out in timely manner despite absence.
- The MOU amendment between NCS and MOPF in the MEITI 4th Working Committee meeting between 7th and 8th MEITI-MSG meetings,
- Coordination for Myanmar Economic Cooperation (MEC) which does not have the reporting template yet and reporting to the Union Minister for the quick formation of Subnational Coordination Unit (SNU),
- Discussion regarding the pending in submission of reporting templates and received the templates on time with the support of the responsible persons from MEC
- In response to the proposal from Daw Thet Thet Khine (MP from Pyithu Hluttaw, Dagon Township constituency) concerning the flow of revenue gained from the extractives to the national budget in line with EITI standard and 'Other Accounts'

from departments, explanation about the current MEITI activities through formation of MSG.

- Conducting of newly hired a national consultant for Financial Management on 6 December at MOPF,
- The No Objection Letter for the updated implementation manual, which was discussed in the work plan and governance meeting held on 8 November, from World Bank has been received and it is to take the confirmation at this MSG meeting.
- His acknowledgement to the news on validation process workshop from the International EITI Secretariat
- It is became to know that due to negotiating with IA, the reporting templates, Audit report cover sheet and Auditor's certification sheet can be sent to IA 10 days later than the deadline
- With regards formation of SNU, the permission has been granted by the President Office and already ordered to the state and regional governments together with the SNU committee structure and ToR. This is to follow up by the MoBD and NCS.
- In conclusion, this is to request to all MSG members to participate effectively and actively in further meetings.

Then the Programme Manager from NCS takes the approval for the updated agenda.

## **2. Update on MEITI implementation by the Programme Manager from NCS (Recap on 8th MSG decisions)**

- Field Visit: Cho Cho Toe & Associates, the local partner of IA (Moore Stephens), some responsible persons from NCS and staff from MGE have paid a visit to 3 companies; Great Genesis Gems (2015-16), Wai Aung Gabar Gems Co; Ltd (2015-16), and 1-1-1 Gems and Jewelry. The findings are reported to IA and waiting for the comments/ feedbacks.
- It is planned to go to Pyidaungsu Hluttaw in order to 1) present and discuss about the EITI process so as to implement it within the EITI laws which would be enable environment allowing the participation from the private sector along the process and 2) even if the EITI law is not enacted yet, it is to incorporate EITI concepts in the existing laws 3) in carrying out those activities, according to the decision in the Communication and Outreach sub-committee meeting, it is planned to go to the Pyidaungsu Hluttaw and to bring EITI newsletter and EITI standards (Myanmar version) 4) it is also planned to meet with EAOs, especially 8 EAOs signed in NCA, for EITI awareness among them during third week of January.
- The general comments and the hard copy were received on the implementation of recommendations of the first MEITI report. Besides, it is also necessary to provide the documents and information on the on-reforms so that recommendation can be linked with the reform process. The reform related documents were received from the Forest Department and Internal Revenue Department.
- The scoping study report (draft) on forestry sector was received on 11th December from IA, and already disseminated to the relevant departments and MSG members. Then, the comments and recommendation will be discussed and

decided in coming Technical and Reporting Sub-committee on 22nd and it will be sent to Forestry IA.

- The main scoping study report from IA was received on 16 December and now in process for translation.
- Relating the case of CSOs in Pha-an, the reflection of MSG is to be discussed during this meeting according to the decision from Communication and Outreach Sub-committees on 20th November.
- With regards the SNU formation, the letter has been delivered to the respective states and regional chief ministers by the MOPF according to the order letter from the President Office
- The 2016 EITI standard documents have been translated into Myanmar language and will be shared after proofreading.

### **3. Update of Reconciliation Process of Main Report (Communication Assistant, NCS)**

The updated information on the submission of reporting templates by the companies from Gems and Jade sector, mining sector and oil & gas sector are:

- The update information are as of 15 December registered at NCS office;
- There are 12 companies remained to send the soft and hard copy for the year of 2014-15 and 2015-16, 6 companies remained to send the hard copy from oil & gas sector, 3 companies remained to send the hard copy for the year of 2014 -15 and 2015-16 and 11 companies remained to send the audit report cover sheet & auditor's certification sheet from mining sector, 1 company remained to send the hard copy for the year of 2014-15 from gem and jade sector. There are altogether 20 companies remained to send the audit report cover sheet and Auditor General Office's certification sheet for the year of 2014-15, and 17 companies remained for the year of 2015-16.

The program manager from NCS also added the following points:

- In most of the companies, which are delay to send the documents, it is found that only the audit report cover sheet and auditor's certification sheet are left to submit. According to the meeting decision of the Work plan and Governance sub-committee meeting held on 8th December, it is not necessary to send the whole audit report, and only the auditor report cover and auditor's findings and certification are to send. IA also accepted that decision. For the time being, the soft copy and hard copy are not received yet from SEAGP and MSG are supposed to discuss on that matter; and most of the other oil and gas companies did not have income in those years, as now on the validation stage, IA ask them to fill the form for general information. However, it is difficult to contact them as there is no branch in Myanmar. In the sub-committee meetings, those issues were discussed and now to get the confirmation from MSG. Once getting the confirmation, MOGE will issue the letter to those companies and NCS will translate it and send to IA with the decision from MSG.
- The one MSG representative from government side explained that 39 Oil and Gas companies counted due to bidding round (2); all those 39 are under the Material Threshold decided at the 7th MSG meeting; among them as there are 4

Onshore, 4 Pipeline and 2 Offshore companies (10 in total) in the production stage but the other companies are just in the study period and exploration period, they cannot send the required document and information. Besides, only those 10 companies can provide the audited report and other companies do not have base in Myanmar. They also do not have the audit report as they do not have income or subsidies from the government; the signature bonus gained from those companies have been filled in the templates from MOGE side; although SEAGP were invited for the trainings, they did not attend among those 10 companies; although there are 6 letters sent to SEAGP, no reply from SEAGP, although they have branches in Yangon and Mandalay, the President of that company is in China; although they are contacted in December, they replied that they are just the transportation company according to MIC law and not related with extractive industries; those concerns are already reported to the Managing Director and the Union Minister, MOGE remarked that SEAGP is related to pipeline for the year of 2014-15 and 2015-16 and the reporting templates were sent to them before December 15, no reply received yet from them and explained that MOGE had already made the best effort.

- Programme Manager from NCS facilitated MSG members to discuss on how to deal with that issue; National Coordinator said he had already contacted to the China embassy, and if this issue is mentioned in the recommendation, it will effect on the investing company as well as the relations between Myanmar and China.
- The chairperson of MSG also discussed to send the letter to the Chinese Embassy by collecting the information by MOPF or NCS.
- One representative from MOPF also shared that- the situation had been reported to the Union Minister; they paid a visit to SEAGP branch office on December 6; SEAGP replied that they are the transportation company legally; and it is urged to follow up on this issue by coordinating among MOBD, MOGE and NCS.
- One of the representative from CSO side said that SEAGP is included in the extractive industry according to the 2016 EITI standard.
- One of the government representatives said that except SEAGP, the companies which haven't send the soft and hard copy are the ones which do not have income yet. It is also necessary to confirm that fact by MSG and IA will only accept the MSG decision.
- There are only 8 signature bonuses for the year 2015-16, and the Auditor General Office has already assessed and already sent to IA. For the rest of the companies, the time of making contract and license process is part of the template from MOGE.

One representative from CSO recommended, as MSG, to have Plan A, B and C regarding the SEAGP case: Plan (A) is to hold the bilateral meeting with Economic Counsellor from the Embassy of PR China; Plan (B) is leading committee to send the

letter to Chinese Ambassador (technical input is necessary); Plan (C) is to decide what to do by asking IA what if we do not get data from SEAGP for some reasons and it is suggested that the other companies also should fill the data in the reporting templates if they pay for signature bonus despite no income yet. Though due diligence, while deciding what to do if we do not get the data from SEAG, two technical inputs are required: To take the suggestion from the Attorney General Office and to adjust how IA would identify that case.

This is MSG to decide when to send the letter, and decide to send on 29<sup>th</sup> December as latest to SEAGP for sending the reporting template. And to write a letter and send through NCS to IA to inform why the companies cannot send the data.

The Programme Manager from NCS shares that 'Phanteeyar' will voluntarily help on the task for Open Data Format according to EITI 2016 standard after the EITI report is issued. CSO representatives appreciate the willingness and support of Phanteeyar and suggested to look for other IT organizations, which can support technically as well. One CSO member appreciates Phanteeyar's collaboration with MATA for a project with regards Hluttaw.

#### **4. Presentation about the letter from Embassy of the United States of America regarding with US withdrawal from EITI (Official from MoPF)**

The Official from Ministry of Planning and Finance gave a presentation about the letter from Embassy of the United States of America to the meeting attendees. In the letter, it stated that the EITI standard is not compatible with its domestic laws and thus it has to cease its EITI process. However, the country will continue to support the international EITI initiative and country level implementation. And the personnel from MoPF opened the floor for the discussion of the topic.

Q: How is EITI process not compatible with the domestic laws of America?

A: It is not fitting in the United States' legal framework.

Q: Is there any EITI law in the United States of America?

A: We have transparency law, other company law but I don't believe we have EITI law.

Continued to general discussions, one of the MSG representatives from Private Sector requested that the report should be named as "No Audit Report", instead "Not Auditor's report" and also the complete auditor report should be provided by the companies and only the cover page of Auditor's verified status should be provided and nobody should modify after the decision is made in any place.

Then, Programme Manager from NCS discussed that the drafted meeting minutes are sent to the MSG members and advised that the members should comment or feedback the suggestions if there is any. If the team was doing wrong, she would like to apologize for the wrong-doings.

MSG representative from Private Sector also pointed out that IA should keep the data/ information confidentially and they should be warned if the data is exposed. Programme Manager discussed that MEITI has simplified ToR and contract with existing IA and if there is any discrepancy data with the companies that they would like to re-confirm, the individual email should be sent out to the respective company and copy to NCS in-charge. From NCS, the warning email has been already sent out to avoid same mistake again to IA and asked whether MSG would like to issue the official letter to IA.

#### **5. Presentation about the summary report of Forestry Scoping Study (Technical Specialist, NCS)**

Technical Specialist from NCS presented about the drafted forestry scoping study report. He explained that the purpose of this report is to define the EITI scope of the corresponding area, the process of the data collection and the timeline of the process while following the EITI Standard 2016. Moreover, as for the scoping study report, the cash flow has to be reconciled, and the report will include the materiality threshold of resource production companies, the related government agencies and materiality threshold, data reliability of the reporting entities and the existence of the aggregated data in the report.

And then, he explained the approach and the way of publishing the forestry scoping study report and as for the disturbance to do so, Forest Department has delivered the exports for the year of 2015-2016 and the list has not submitted to IA yet and the labor list is requested to the Forest Department for the years of 2014-2015 and 2015-2016 but has not received yet. As for the Myanmar Timber Enterprise, although they can provide the labor list, the list of sub-contractors cannot be provided. Also, IRD stated that they couldn't provide 15 companies for the year of 2014-2015 and 11 companies for the year of 2015-2016. And then, the specialist discussed that the forestry scoping study report has been received from IA on 11<sup>th</sup> December 2017, from then, the report was delivered to respective departments and MSG as well. The contribution for the comments or feedback upon the report should be returned latest by 20<sup>th</sup> December 2017. These comments and feedback will be discussed in the upcoming Technical and Reporting Sub-committee meeting and the outcome will be delivered to IA latest by 26<sup>th</sup> December 2017.

Forest Joint Venture is operated with 10 percent of Forestry Department, 45 percent of Myanmar Timber Enterprise and 45 percent of Private Sector.

MSG representative from Private Sector discussed that not only the tax revenue, other processes should be reported for the purpose of transparency in forestry sector.

Other Account from MTE is checked by OAG and all the revenue is transferred to the country. MSG representative from Civil Society also discussed that IA should include below discussion points according to descriptive analysis in the forestry scoping study report.

1. IA should be provided the procurement process of licenses to sub-contractors for transparency in EITI requirement and if there is no such process, IA should take note of that and include in the report. This case will go into reform agenda later.
2. The reconciliation difference rose to 25 percent for the fiscal year of 2014-2015 and IA should present how to precede this situation.
3. IA should essentially propose the cash flow process regarding with Other Accounts for the current Government
4. MTE should deliver Production Data (Inventory Data including the production, sales and leftovers) in aggregated or disaggregated data and Forestry balance should be revealed according to depots.
5. Confiscation revenue should also be reported and export permits are currently granted to the confiscated property, so it is unclear that the property is for local or export to foreign. The leftover amount should also include as reform agenda from forestry department.
6. Forest Joint Venture should also describe annual deposit of dividends in the scoping study report.

Technical Specialist from NCS will distribute the above discussions to the respective departments and let them know MSG will include the discussion points in the scoping study report. MSG representative from Government discussed that as for Forestry Department, starting from 2016, the confiscated timber, conversion timber and timber from conflict sector are not allowed to export and is permitted only for local consumption. Forest Department has issued the official statement to international.

MSG representative from Civil Society discussed that the reconciliation is to check the compliance of the governance and IA was not alerted this information and hence this was not included in the report.

Regarding with forestry scoping study report, U Win Myo Thu offered to make a Skype call and will help comment or feedback in the upcoming Technical and Reporting sub-committee meeting which will be held on 22<sup>nd</sup> December 2017.

## **6. Mining Cadaster (Technical Coordinator, NCS)**

Updates of preliminary report from Mining Cadaster Consultant and Technical and Financial Proposal from BO Consultant (Dr. Kyaw Nyunt Maung-Technical Coordinator)

Technical Coordinator from NCS explained Mr. Enrique Ortega, Mineral Right Cadaster Expert, visited Myanmar from 30<sup>th</sup> October to 11<sup>th</sup> November 2017 to undertake the consultancy for the conceptual design for the Myanmar Mineral and Gemstones Cadaster System. In the Mining Cadaster Sub-committee meeting on 17 November, 2107, He presented outcomes of meeting with concerned departments and enterprises, recommendations and together with his international experiences in other countries. On 25 November 2017, Mr. Enrique Ortega submitted preliminary report to MEITI.

Regarding preliminary report, comments from members of Mining Cadaster Sub-committee had been requested by 5 December 2017 in first time and for the second time, the deadline for comments on preliminary report has been extended to the date 15 December 2017. The executive summary of preliminary report has been distributed to the members of MSG in Myanmar language. Team from World Bank has been proposed to present power-point on overview of preliminary report in the Mining Cadaster Sub-committee.

Then, Dr. Kyaw Nyunt Maung also explained about updates of Beneficial Ownership Consultant. The combined Technical and Financial report has been received on 8 November 2017. To review the proposal, Selection Committee was held on 17 November 2017 and according to decisions of Selection Committee, NCS should have Skype meeting with Beneficial Ownership (ASI) to discuss about three factors (relevant documents, work schedule and formation of BO Taskforce).

Under the relevant documents, Anti-Money Laundering Law (14/2014), The Foreign Exchange Management Law, Any ASEAN related laws should be prepared. In Formation of BO taskforce, Civil Service Organizations, private companies and government should be included. BO work schedule were also presented. Contract with ASI is being prepared in draft stage.

In addition, Program manager of NCS explained ASI team would work in Myanmar for 5 working days. They will meet relevant stakeholders. NCS is planning to have Skype meeting with BO Consultant and EITI International Secretariat.

Regarding to Mining Cadaster, One representative of civil service organization would like to know how to overcome technical obstacles and whether Myanmar datum or Global datum of UTM was used. If Myanmar datum were used, request letter should be sent to Ministry of Defense through the Leading Committee. It is impossible for Ministry of National Resources and Environmental Conservation to overcome administrative and technical obstacles itself.

One preventative of government constituency explained UTM would be used and it has been submitted to the Minister. For example, Minister of MONREC agreed to negotiate with Ministry of Defense to allow us to use map in the eastern part of Shan State. Mining Consultant pointed out that in addition to computers and software, there is legislative issue also and regulations of mining law are still in draft stage. In the report, the number of exploration license is just 24 but the reality the number is 800 and production license is 600. And the structure of MONREC is not correct. Regarding to feedbacks on preliminary report, request letter has been distributed to the Myanmar Gems Enterprise, Mining Enterprise 1 and Mining Enterprise 2. After receiving from them, DOM will send them to the NCS.

Regarding to Mining Cadaster Sub-committee meeting proposed by WB, one representative of CSOs suggested that NCS would need to issue invitation letters.

In the coming Mining Cadaster Sub-committee, in addition to its members, other experts from mining enterprises should be invited.



Then, in the BO workshop, the list of participant to invite should be discussed in MSG (or) Sub-committee meeting to include all stakeholders. Based experience in Indonesia, political commitment plays a key role.

#### **7. Presentation about current situation of MoU Amendment and getting confirmation on amendments of Implementation Manual (Programme Manager, NCS)**

This is updated to MSG that MOU between NCS and MOBD were presented and granted to proceed by the working committee, and then it was signed on 1<sup>st</sup> December 2017.

There are some points that make the difficulties in operation in the Implementation Manual. Those were discussed with MOBD and World Bank too. For instance, whenever the meeting is held in Nay Pyi Taw, the No Objection Letter is requested from World Bank to hold the meeting at a neutral place (according to the MSG decision). It was also decided in the Work Plan and Governance Sub-committee meeting that to use the amount of USD 25000 in Nay Pyi Taw, and if it is not enough, the supports from the external donors are accepted. MOBD was also requested to allow the use of petty cash as advance, and to use Miscellaneous instead of using Travelling Cost (Travel cost is included in Miscellaneous). MSG members also confirm Implementation manual amendment.

#### **8. Discussion on Validation Process, Validation Guide & Procedure and preparation for pre-validation (Programme Manager, NCS)**

With regards the discussion for the validation process, although most of the points were covered in the sub-committee meeting, there are still many things left to discuss.

The scores gain in the other countries similar to Myanmar situation are presented to the MSG members, and highlight the following points: There are three reason for carrying out the validation process 1) Governance 2) EITI reporting & results and 3) Impacts. There are four steps in the validation process.

- 1) For Pre-validation step, NCS starts collecting and collating the MSG meeting minutes and Sub-committee Meeting Minutes. Besides, it is suggested MSG members can do self-assessment as trial for validation. For that purpose, the pre-validation workshop will be held.
- 2) As Step 2, International Secretariat will conduct desk review and stakeholder consultation.
- 3) The initial assessment done by the EITI Internaional Secretariate is accessed again by the ndependent validator carrying out the consultation and issuing validation report. It can then be given comments by the MSG.
- 4) In the last stage, the report will be evaluated and submitted to the EITI board. Then, EITI board will decide if the country can become compliance country. It is also added that there are participating individuals and action in each steps.

Depending on when the (draft) main report is issued, the International secretariat will visit to the country during mid January/ February for pre-validation, and the possible time taken and the in-charge and what the actions are for each step are shared with

the MSG members. It is also highlighted the importance of initial assessment report, validation report and MSG comments.

The contents included in the EITI assessment card and the list of participants for Pre-validation workshop and the documents to send to the international secretariat are explained. Besides, it is also explained that there is only one satisfactory country- that is Philippine- according to validation **schedule**. Myanmar is listed as one of the 33 countries for upcoming validation in (2018-19), and the state and results of the assessment card of the country where the validation process is carried out.

Then, when forming MSG, it is necessary to amend the ToR, which will be in line with 2016 EITI standards. Besides, this is also suggested to provide the situation reports/ documents on the follow-ups on the first EITI report and reform documents, and the ideas are invited on how to link the progress on comments with the reforms.

It is also highlighted the importance of 6 scoring categories of EITI score card and if we are fail to meet those criteria, there is the high possibility of resulting 'No' or 'Inadequate'. Besides, as overall assessment, if one point shows inadequate despite the rest got meaningful, the result can be inadequate. Therefore, it can effect on the validation process. This is also reminded that in Myanmar, the validation process will be started in 1<sup>st</sup> July 2018. Then, the questions and discussions are invited with regards the validation process. One of the government representatives concerned missing the point that some departments in the gems and jade sector are carrying out reforms.

As well from one of the CSO representatives pointed that according to civil society engagement, the order letter from ME 2 with regards MATA, and it is necessary to cancel it according to CSO engagement requirement. As the letter from Kayin State Judicial Office cited the letter from MATA is not official, it is necessary to cancel not only with the order from ME but also from the order from the Judicial Office as the whole process. The National Coordinator from NCS replied that that issues was asked to the concerned State and became to know that they are coordinating with the Judicial Office to issue the letter.

Then, the national coordinator from NCS proposed to have discussion for SNU (sub-national unit) formation and informed to the participants that the notification has been issued to carry out the necessary process to form SNUs in six states/ regions.

Moreover, one of the representatives from CSOs suggested that it is important to start working for enacting EITI law with the involvement from NCS and MSG members. In response on that suggestion, the national coordinator U Soe Win said he will coordinate to have meetings with Hluttaw and MSG on the available date for both sides.

The programme manager from NCS also urged to provide the more specific rather than general description on the follow-ups of the recommendations from the first report, and to stress how the reforms link with the report recommendations.

One of the CSO representatives also proposed that it is important how much the relevant heads of the government departments take it serious, and it is also necessary to have capacity for technical inputs and sustainable engagement. The discussion on the issue of providing licenses to all registered companies, and if we keep on making efforts, we can gain satisfactory progress. And it is also highlighted the importance of MSG efforts for EITI law, but there are some limitations, for instance, the ability to issue a particular statement for extractive industry is beyond ability of Tax department and the senior officials should do engagement; it is also necessary for the private companies not only filling the reporting templates but also to provide the tax booklet; and it is also necessary to be able to include the improvement in that area in the validation process.

The programme manager from NCS also stressed that in the reform of Public Financial Management from Internal Revenue Department, the improvement in developing Tax Identification Number and on-line payment for tax are included as the long-term plan, and it will be included while linking reforms with the validation. In addition, it is also necessary to provide the documents with regards reforms from the other departments, and the improvements in the tax identification reforms are described in the IA forestry report and it is the supporting factor for EITI validation.

#### **9. Preparation on EITI introduction for formation of Sub-National Units (Technical Coordinator, NCS)**

Technical Coordinator (NCS) explained about Region and the State Level Sub-National Coordination Unit (SNU) formation with the permission of the President, Planning and Finance Department had been released and the Notification Letter and SNU ToRs to the relevant region and state ministers and the government on December 13, 2017. NCS office has already prepared an appointment request letter to explain EITI process to the minister and the government, we can submit when we got approval from MSG.

Regarding to the Communication & Outreach meeting held on 15 December 2017,

- First SNU formation to start with Shan, Saging, Tanintharyi, Magwe and Mandalay State/Region after that proceed in Rakhine State.
- In orientation of Sub-National Coordination Unit formation and EITI awareness for Regional Government and Parliament, National Coordinator (NCS) have to collaborate with MSG member. And also, MSG member need to represent each constituency.
- Regarding to the SNU formation, will be same or separate visit orientation and workshop respective regions and state? How to implement? Who will go? Need to discuss and get approval from MSG member.

Regarding the discussion of representative of Civil Society Sector, the timeline is most important for the EITI and a need to have the specific timeline for remain the state and region.

According to the representative of the Civil Society Sector discussion, there are many problems regarding to the natural resources at the bottom that's why, need to

form SNU quickly. They knew from reference letter that President officially permitted to form SNU on 27 September 2017 however, a notification letter is released in December. Why delay? And then, MSG member wants to see the permission letter from the President Office.

The Ministry of Planning and Finance Department responsible person, explained about regarding to the SNU formation, they got the permission letter on 27 September 2017 and then according to the directives, there are no approval to disclose a letter from the President's Office and they may tell that include text. Being set to be allowed to proceed with the President and SNU needs to present by each constituency (government, private and the civil society) that they need to submit a list of the people. Government is appointed and civil society is elected. And then they have a question how to elect in civil society sector that need to explain and submit. Concerning with time delay because of the government bureaucratic mechanisms and procedures for submitting multiple stages.

Representative member of the civil society sector, said that the President's Office and ordered released from U Soe Thein's letter distributed at the previous MSG Meeting.

The Ministry of Planning and Finance Department responsible person, explained about official permission regarding to the President's Office, EITI leading committee by the chairman was being released into the 4 states and regions in the first period of EITI Myanmar. Letters are not the same by the released leading committee and minister of the president's office. And then the letter is not released by the minister of the president's office in previous EITI.

Member of the civil society sector discussed about the letter should release by the present government and it shouldn't be confidential.

The responsible person of the Budget Department request MSG members to discuss disclosing the official letter and they may disclose if the MSG entire three sectors confirmed.

Program Manager from NCS request to discuss how to go and who will be the representative person to respective state and region. And then, NCS had been sent a notification letter from the Leading committee chairman of MOPF' minister.

Representatives of civil society sector said that according to the third MSG meeting, SNU formation need to held a conference and invited concern person from respective state and region. Main requirements are weak of understanding and flow of information. In December, if held SNU workshop together six states and region which had already got approved, it could be finished quickly. MSG ToRs need to be discussed before the formation of SNU and being sent to the International Secretariat to get comments. The Workplan & Governance sub-committee meeting will be made a delegate to discuss and need to decide.

According to the meeting decides, NCS has to send SNU formation notification letter to minister and speaker of the parliament from respective state and region for EITI awareness. And then, NCS has to release the letter to represent one or two people from each constituency and also need to get a representative list in advance.

**10. The situation of the allocated funds regarding with EITI process (One responsible people from the Planning and Finance Department)**

Responsible people from the Planning and Finance Department will present a list of the remaining balance of budget from the Myanmar Economic Bank till 30 November 2017. MP-MDTF granted US dollars 2500000 on 17 January 2017 and 1000000 US dollars on 30 June 2017. And then US dollars 95000 was transferred to Myanmar Economic Bank on 24 March 2017.

And then, MSG members confirmed that Statement of the sources and Uses of Fund.

**11. Sharing experiences during the study tour to Mongolia, Indonesia and Philippines Countries for EITI BO conference and Regional EITI MSG workshop (Member of civil society sector MSG (MATA))**

And then Representative of civil society sector attended that EITI BO conferences held in the city of Jakarta, Indonesia on October 23 and 24, The purpose of the conferences to share best practices, discuss the challenges, achieve peer learning and the exchange of experience. BO conference began on 3 April, 2016 and most relevant to Panama's documents. 52 countries participated to the positive changes regarding with the BO Map. BO purposes are tax collection, designed law, Company registration, control of oil and gas sector, Connected to the anti-corruption and BO roadmap implementation. The main message is on the Anti-corruption and to improve governance framework. BO will be implemented starting in January 2020. And then, 52 countries have already done BO roadmap and these countries will share their implementation.

And then, there have award for transparent countries regarding to the BO. Kyrgyzstan for the new mining law, Indonesia has political commitment, Ukraine is the first countries to register in the BO and UK is the biggest country in BO and the existence of significant controls, covering all sectors, easy to search and using publics. And then, other countries share their experience and information regarding to the BO.

**12. Presenting by Technical Coordinator (NCS) about the Surveys condition in Phakant (Kachin State) with IA's local partner and MEITI Secretariat's responsible person**

And then, Technical Coordination explained summarize regarding with Phakant (Kachin) field visit IA local partners and MEITI Secretariat's responsible people survey during 7 to 10 December. IA have four purposes and visit to the three companies from Phakhant.

The MSG vice-chairman, said that IA should know regarding to the Myanmar gems and jade enterprise's contract disclose and see in sub national office.

And then Program Manager (NCS) explained before field visit, MGE have already told that some of the documents are not in sub national office. IA can see this

document in Yangon and Nay Pyi Taw head office and IA local partner have already known it clearly.

And then, Representative from Myanmar Gems and Jade Enterprise discussed regarding with a field visit that IA can't visit according to the security condition, however, their local partner could visit and MGE support as much as they can. And also, they have already requested to the Managing Director to disclose regarding to the confidential contract.

### 13. Closing Speech (MEITI-MSG Vice Chairman)

Regarding to the Myanmar EITI Vice Chairman of the MSG, Accordantly EITI report near to produce are very close, meeting and other activities will tight-corner nowadays. The forestry and pearl sector which will be include in this year EITI report completely and I would like to encourage to all of you that very important to release EITI report. And then, say Thanks to all that actively participation and collaboration.

#### Fifth MEITI-MSG Meeting Decisions (28<sup>th</sup> July 2017)

Sr. No.	Description	Action Taken By	Status
1	Agreed and decide to hire translator for the translation of Implementation Manual and EITI Standard 2016.	MEITI-NCS Team	On going

#### Sixth MEITI-MSG Meeting (11<sup>th</sup> September 2017)

Sr. No.	Description	Action Taken By	Status
3	For field visit for ground check, MSGs agree first priorities such as Jade & Gem stone, PhaKhant and Sharing To decide the name when material threshold is developed	NCS office	On going
31	A total of 6 MSGs members (2 participants in each sector) will participate in BO conference conducted at Jakarta, Indonesia with the Invitation of International Secretariat and NRGi will support all cost.	NRGI	Done

#### Seventh MEITI-MSG Meeting Decisions (2<sup>nd</sup> October 2017)

Sr. No.	Description	Action Taken By	Status
1	Unilateral disclosure by MGE/IRD/CD of revenues collected from companies not selected in the reconciliation scope		Ongoing
2	1. The completed template is signed by the head		Ongoing

	<p>of the agency/SEE;</p> <p>2. The template is stamped using the organization's official stamp</p> <p>3. Reporting entities will be required to submit the detail of payment date by date and payment receipt by payment receipt</p>		
3	<p>3. The Auditor General provides a signed declaration which confirms that the Government Agency's template (Only financial data) conforms to the data included in its Annual Report, and that this report itself has been audited, following international auditing standards.</p>		Ongoing
4	<p><b><u>For reporting companies:</u></b></p> <p>1. The completed templates (including BO declaration) are signed by the Chief Financial Officer or Chief Executive Officer/director</p> <p>2. The template is stamped using the company stamp</p> <p>3. Reporting entities will be required to submit the detail of payment date by date and payment receipt by payment receipt</p>		Ongoing
5	<p><b><u>If companies do actually carry out annual audits as per the auditing requirements</u></b></p> <p>4. Provide proof of Audited financial accounts</p> <p>5. The company's external auditors provide a signed declaration that the audit report was prepared on the accrual-basis and is consistent with the declarations made on the cash basis in the company's EITI template and that the audited report was prepared in accordance with international auditing standards.</p>		Ongoing
6	<p>IRD/CD will need to consider the completeness of data provided:</p> <ul style="list-style-type: none"> <li>•Get the database of extractive companies from MONREC and MOEE</li> <li>•Provide complete data on all payments received</li> </ul>	IRD/CD	Ongoing
7	<p>IRD has to engage the process to collect data on revenues collected from extractive sector based on the list of companies provided by the MONREC and MOPF</p> <p>MONREC has to also consider the submission of disaggregated data for revenues collected from small scale operators</p>		Ongoing
8	<p>Companies involved in EITI report should be given credits or MSG recognition</p>	MSG/NCS	Ongoing
9	<p>MSG decides MOGE to be disclosed other accounts information and total amount up to now.</p>	MOEE/MOGE	Ongoing

**8<sup>th</sup> MSG Meeting Decisions (6 November 2017)**

Sr. No.	Description	Action Taken By	Status
1.	Companies which have not reported to submit templates (both soft-copy and hard-copy) shall submit by 10 <sup>th</sup> Nov	Remaining companies, MGE, MOGE and DOM	Done
2.	The NCS coordinate with the MSG in order to send letters to line ministries in case some companies do not submit templates by 10 <sup>th</sup> Nov	MSG, NCS	Done
3.	MOGE shall send an official letter to submit data on the remaining 23 companies on 8 <sup>th</sup> Nov and to send a letter to the IA and NCS, explaining the status of companies which are in the study period and cannot provide data	MOGE	Done
4.	NCS assist companies which did not attend the reporting-template training, and plan a schedule for assistance	NCS	Done
5.	IRD reconcile companies that have changed address and which have foreign addresses, and send the information to the NCS. If the data is not available by 10 <sup>th</sup> Nov, IRD will make an announcement in newspapers	IRD and NCS	Done
6.	OGPD to submit a softcopy of reporting template to Moore Stephens on 7 <sup>th</sup> Nov and to include royalties in value	MOGE	Done
7.	Forest Department to send soft copy of reporting templates including land rental fees	Department of Forestry	Done
8.	For the central committee, to send necessary data from MGE to Moore Stephens	MGE	Done
9.	Officials from the Auditor General Office to have a meeting with the related personnel from the four departments under MOPF to discuss, in details, data certification, required data, and to agree a time when the departments can send data to the OAG	OAG, MOPF and NCS	Done
10.	<p>Since only one week is available for a field visit, the MSG decided to conduct field visits to only top 3 companies for 2014-2015 and 2015-2016.</p> <p>The IA has suggested the companies for field visit as mentioned below, however, 3 of them have been abolished. So the MSG assessed and has recommended the companies, which are operating.</p> <ol style="list-style-type: none"> <li>1. Myanmar Win Gate Gems and Jewellery Mining (2014-2015)</li> <li>2. Sein Lom Taung Tan Gems Ltd. (2014-2015)</li> <li>3. Ya Za Htar Ne Gems Co., Ltd (2014-2015)</li> <li>4. Great Genesis Gems (2015-2016)</li> </ol>		Ongoing



	<p>5. Wai Aung Gabar Gems Co; Ltd (2015-16)</p> <ul style="list-style-type: none"> <li>To inform companies about the trip including the details at least 2 weeks in advance.</li> <li>NCS to prepare required documents for permission</li> <li>The MSG also discussed that respective officials will need to be informed about the trip details weeks prior to the field visit. The NCS would need to start preparing necessary documents for permission the field trip to Hpa-khant.</li> <li>The request letter should include advantages of field trips and consequence in case of no field trip. Security should be the reason for not permitting a field trip. The authority should be fully informed that if a field trip is cancelled due to security reasons, it will be become of the recommendations in the EITI report.</li> </ul>		
11.	U Zaw Bo Khant suggested that field visits should be negotiated with the MGE since foreigners are not allowed in Hpa-khant usually for security reasons, and to consider companies which are in possible locations		Ongoing
12.	OAG to verify data for reporting Departments under MOPF, IRD, Treasury, Budget Department and Custom Department	OAG	Ongoing
13.	To arrange a Technical and Reporting Sub-committee meeting with Mr. Nagbalee Warmer on 5 <sup>th</sup> December 2017.	NCC, and the Technical and Reporting Sub-committee	Done
14.	Approving the MEITI Main Scoping Study Report	MSG	Done
15.	To present financial and technical proposals by Adam Smith International which has been selected for beneficial ownership	Selection Committee	Done
16.	To draft EITI bill which all the stakeholders can involve so that EITI process can continue regardless of government transmission. Before EITI Bill can be passed, to include EITI process in the existing laws and to discuss EITI process at the Pyidaungsu Hluttaw	MSG	Ongoing
17.	To liaise with the 8 EAOs which have signed cease fire agreement to raise awareness Since EITI is included in the NCA,	MSG	Not yet
18.	NCS to follow up on the implementation of the recommendations from the first report	NCS	Done

	To discuss to build a database system of companies tax identification no./registration no: at the Leading Committee, and to get instructions on how and which department can initiate		
19.	To distribute the forestry scoping study report to the MSG members for comments within this week, and to approve the scoping report at the coming Technical and Reporting Sub-committee	MSG and NCS	Done
20	To summarize and translate the summary of the scoping study report. Will be funded under the operation cost of NCS	NCS	Done
21	The MSG decided to include the following in the forestry scoping report <ul style="list-style-type: none"> <li>• To disclose other accounts</li> <li>• To analyze whether sub-contracting process are in line with procurement policy or are transparent</li> <li>• To include confiscated teak and harwood (Form 8)</li> <li>• To include sub-national management on minor forestry products</li> <li>• To include cooperate income tax</li> </ul>	Forestry IA	Done
22	To complete and review the Action Plan and the Communications Plan	NCS	Ongoing
23.	For NCS to send an enquiry letter, with the information provided by MATA, to the GAD for the case of a MATA representative being restricting from making photocopies of documents and being taken to a police station in Hpa-an, Karen State		Done
24.	The Communications and Out-reach sub-committee to include grievance procedures in the Communications Plan/strategy	NCS and the communications and out-reach sub-committee	Ongoing
25.	NCS coordinate with State/Region in order to form sub-national coordination units (SNU_	NCS	Ongoing
26.	To hold the 9 <sup>th</sup> MSG meeting	MSG and NCS	Done
27.	To hold Technical and Reporting sub-committee meeting	NCS and Technical and Reporting sub-committee	Done
28.	To hold Communications and Outreach sub-committee meeting 20 <sup>th</sup> Nov	NCS and Communications and Outreach sub-committee meeting	Done
29.	To hold Selection Sub-committee meeting and the Mining Cadastre meeting 17 <sup>th</sup> Nov	NCS, Selection Sub-committee meeting and the Mining cadastre meeting	Done
30	To hold Working Committee meeting	Workplan and	Done

	23 <sup>rd</sup> Nov	Governance Committee	
31.	To distribute draft translation of the 2016 EITI Standards and other related documents to the stakeholders	NCS	Done

#### 9<sup>th</sup> MEITI-MSG meeting Decisions (19<sup>th</sup> December 2017)

Sr.	Description	Time	Action Taken By	Remark
1.	With regards the issue of not sending the reporting templates by SEAGP, Oil and Gas pipeline company, MOPF and NCS send the letter to the Embassy of PRC after collecting the information from MOGE. (First step of coordination)	December 29	MOPF NCS	
2.	There are three ways to sort out the issue of SEAGP company <ol style="list-style-type: none"> <li>1) To hold the bilateral meeting with the Economic Counsellor</li> <li>2) To issue the letter from the leading committee</li> <li>3) To ask IA what if the data can be sent later than December 29, and to find out the technical answer why there is delay from the company</li> </ol> MOGE to issue the letters to 21 companies, which haven't filled and sent the reporting template, and NCS to translate for IA.	December 29	Leading Committee NCS and MOGE	
3.	Phanteeyar will voluntarily support the development of Open Data Format according to EITI 2016 standard, and NCS also to look for and contact with other organizations which can support on that work		NCS	
4.	U Win Myo Thu suggested to add the following points in the Forestry Scoping Study report <ol style="list-style-type: none"> <li>1) The criteria for selection and procurement process for having transparency in licensing for sub-contractors</li> <li>2) As it is found that 25% variance in reconciliation for year 2015-16, and unilateral disclosure will be carried out, this is to describe how that process will be carried out</li> <li>3) To add how the money flow for 'Other Account' is managed in the report</li> <li>4) It is also necessary for MTE to disclose</li> </ol>	December 22		

	<p>the production data (amount of production, sold and remaining), and if possible to provide the remaining balance stock of teak per deposit</p> <p>5) To disclose the confiscation revenue information (revenue gained from confiscation, amount of domestic use and export from the confiscated teak and to mention those in the reform agenda by the Forestry department)</p> <p>6) To describe the profit share of forest joint venture and annual deposit in the scoping study report</p>			
5.	<p>To hold the Mining Cadaster Sub-committee meeting inviting the other stakeholders to discuss the comments/ feedback on the report before arrival of mining Cadaster consultant. NCS will send the invitation adjusting with the time of receiving the feedback from the relevant departments</p>			
6.	<p>The implementation manual is confirmed</p>	<p>December 19, 2017</p>	<p>MSG representatives</p>	
7.	<p>The MSG representatives (1-2 each from each constituencies) will come along the trip for EITI awareness/ orientation session of SNU formation in 6 States/Regions. NCS to send the letter to the 6 States/Regions Chief Ministers and to inform about the awareness/ orientation session to the Parliament committees through the state ministers.</p>		<p>Participating MSG representatives, NCS</p>	
8.	<p>To discuss the possible dates for EITI workshop during the orientation session</p>		<p>Participating MSG representatives, NCS</p>	
9.	<p>To send the workshop invitation letter for SNU to the head office/ national level office of private sector and CSOs (MATA), and they are to take the responsibility for disseminate that invitation to the relevant offices in state/ regions</p>			
10.	<p>Regarding the comments on the first draft report, those are very generic. And it is also necessary to provide the documents and information on the on-reforms so that recommendation can be linked with the reform process. Hence, it will</p>		<p>MSG, government entities and</p>	

	meet with one of the requirements for the validation process as described in the Assessment Card 7.3- Follow up on Recommendation.		private sector	
11.	To brainstorm on who should involve as stakeholders in BO taskforce		MSG NCS	
12.	10 <sup>th</sup> MSG meeting will be conducted on 29 January, Yangon.	29 January, Yangon	MSG	
13.	Communication and Outreach Sub-committee meeting	Second week of January		
14.	Work plan and Governance sub-committee meeting	December 29		
15.	Technical and Reporting Sub-committee meeting	Second week of January		
16.	Statement of Sources and Uses of Funds is confirmed	19 December 2017	MSG members	

## Annex 1 – Meeting Attendance List

### Annex 1- 9<sup>th</sup> MSG Meeting Attendance List

No	Name	Organization Name	Position	Email Address
1	U Maung Maung Win	MOPF	Deputy Minister	maungmaungwin58@gmail.com
2	U Win Htein	DOM	DG (Retd.)	uwinhstein58@gmail.com
3	U Than Htay Aung	MOGE	Advisor	Thanhtay3000@gmail.com
4	U Kyaw Thet	DOM	DDG	<a href="mailto:k.that2011@gmail.com">k.that2011@gmail.com</a>
5	U Myo Naing	MGE	Director	<a href="mailto:myonaingmge@gmail.com">myonaingmge@gmail.com</a>
6	U Nay Lin Soe	IRD (MOPF)	Director	<a href="mailto:naylinsoe.ird@gmail.com">naylinsoe.ird@gmail.com</a>
7	U Soe Yee	MTE	AGM	soeyee.mte@gmail.com
8	Daw Myat Phyu Pyar Kyi	OAG	Alternative	
9	Daw Mi Mi Win	GAD	Alternative	gad.office.gov@gmail.com
10	U Win Myo Thu	MATA	MSG	winmyothu@gmail.com
11	U Kyaw Thu	MATA	MSG	kyawthutiger@gmail.com
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15	U Saw Mi Bway Doh Tun	MATA	MSG	mebwaydoh@gmail.com
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17	Daw Moe Moe Tun	MATA	MSG	moe2tun@gmail.com
18	Daw Su Hlaing Myint	MATA	MSG	seinthwe.sgg@gmail.com
19	U Zaw Bo Khant	MGJEA	CEC	kobobo001@gmail.com
20	Dr Sein Win	MFPMPF	Chairman	drseinwin.sw@gmail.com

21	U Win Tin	Total	Alternative	u.win-tin@total.com
22	U Ye Lin Mon	Myanmar Yangtse Copper	Alternative	
23	U Thet Naing Win	MFMA	Alternative	
24	U Soe Win	NCS	National Coordinator	nationalcoordinator@myanmareiti.org
25	U Aung Khine	NCS	DNC	aungkhine.meiti@gmail.com
26	Daw Zin Mar Myaing	NCS	PM	programmemanager@myanmareiti.org
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35	Daw Ei Ni Tar	IRD	Staff Officer	einitar1989@gmail.com
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37	Daw Kay Thi Khine	US Embassy	Economic Specialist	khaingkt@state.gov
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50	Daw Taryar Maung		Observer	taryarmaung@gmail.com
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52	Daw Ei Ei Yi Mon		Observer	<a href="mailto:eieiyi@gmail.com">eieiyi@gmail.com</a>
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54	Daw Su Yee Aung	MPRL E & P Ltd.	Accountant	hsu.y.aung@mprlexp.com