

## The Minutes of the 16<sup>th</sup> Multi-Stakeholder Group (MSG) Meeting

### I. Introduction

1. The 16<sup>th</sup> MSG meeting of Myanmar Extractive Industries Transparency Initiative (MEITI) was held in Sule Shangri-la Hotel, Yangon from 09:00 AM to 04:00 PM on 2<sup>nd</sup> October 2018. The meeting agenda is enclosed as Annex (1). The meeting was held to cover the following issues:

- (a) Updating about the implementations of the 15<sup>th</sup> MSG meeting decisions,
- (b) Updating about Validation, Sub-national Coordination Units (SNU), the Independent Administrator (IA) for the 2016-2017 fiscal year MEITI report, Beneficial Ownership (BO), the Forestry report, Pre-cadaster Working Group and Mineral and Gemstone Cadaster,
- (c) Presenting the revised MEITI Work Plan,
- (d) Presenting the outlines for the report launch ceremony for the 2014 – 2015 & 2015 – 2016 fiscal years MEITI reports, public debate and dinner,
- (e) Reporting about Zambia Trip and
- (f) General Discussion

2. The MSG Chair, Vice-chair, National Coordinator, MSG members, alternates, the representatives of Mandalay, Tanintharyi, Sagaing SNUs, MOBD, National Coordination Secretariat (NCS) and other observers, altogether 56 (M – 40, F – 16) attended the meeting. The meeting attendance list is presented in Annex (2).

### II. Opening Remark by the MSG Chair

1. MSG Chair U Maung Maung Win, the Deputy Minister of Ministry of Planning and Finance (MOPF) mention in his opening speech that he, on the behalf of MSG, would like to extend warm welcome to the newly appointed the Vice Chair of MSG U Khin Latt Gyi, Director General from Department of Mines (DOM). He also shared that the 15<sup>th</sup> MSG was held on 3-8-2018 and NCS would later update the decision implementations and appreciated the participation in the discussion of the International Secretariat's Initial Assessment Mission.

2. He then updated briefly about the capacity building training of MSG by Oil for Development, the MSG representatives' trip to Zambia to study about small and artisanal mining licensing process, the selection of the 4th Report IA, the BO capacity building by Adam Smith International, Sagaing SNU Orientation and Formation workshops, the Sagaing SNU Formation Notification from the Sagaing Regional Government and the Pre-cadastre consultant's first mission. He then expressed that the transparency, accountability, financial management and procurement procedures are important in the project implementation as EITI is based on transparency and accountability, and hence it is important for MOBD and NCS to follow the financial regulations set by MSG.

3. The MSG Chair stated that the funding period would be over at December, 2019 and if needed, it needed to be extended. The fact that how long it could be extended would depend on whether the budget under the current period has been spent as proposed. During the meeting

with the World Bank Mission, Mr. Morten expressed that it should be consider after Validation and encouraged MSG to discuss the future implementations after reading the World Bank Mission report which would be shared later. That report covers the dissemination of the report and public awareness should be increased, the MSG and the developed partners should work together for EITI work plan, procurement, financial manager and planning, the planning to develop MGCS Software after Mineral and Gemstone Cadastre process, the acknowledgement to National Coordinator and NCS for their work, the request to postpone the retirement of National Coordinator to the time when the Validation is finished, the need to review NCS institutional structure and the fact that only 35% of funding being spent.

4. He shared that the mission report also mentioned about the 4<sup>th</sup> MEITI report needed to be published by March, 2019, the lesson learnt from the previous reports translation experience which caused the report launch to be delayed, NCS processes, the activities requiring advanced budget and financial management consultant being hired by MOBD. It also suggested to present the next 1-4 month work activities in advance. MSG Chair summed up his opening speech by encouraging MSG to collaborate in the preparation of the 4<sup>th</sup> MEITI report and the Validation process, to review mission recommendations and to cooperate positively to make the process success.

### **III. Introduction by the MSG Vice-chair**

The MSG Vice-chair, the Director General of Department of Mines (DOM), Ministry of Natural Resources and Environmental Conservation (MONREC), said that he appreciated of being appointed of the MSG Vice-chair and that he is also member of MEITI Working Committee. He mentioned that DOM is acting as the focal agency for the mineral sector and the officials of DOM have been participating in the MEITI process as MSG, Beneficial Ownership Task Force members and even as SNU members. He concluded his speech by expressing that he looked forward to working together with MSG and all related stakeholders.

### **IV. Remarks by the National Coordinator**

1. The National Coordinator mentioned that brief implementation after the 15<sup>th</sup> MSG meeting covering about the International Secretariat visitation and meetings with Working Committee, MSG representatives, relevant government agencies, CSOs, developed partners, and media, about the MEITI Orientation to Sagaing Region stakeholders and Sagaing SNU Formation workshop and about the very first Beneficial Ownership Task Force Meeting held in Nay Pyi Taw and the capacity building training by Adam Smith International (ASI) in Yangon.

2. He also stated about the final version of the Forestry Sector reports being shared with MSG, about the first mission of Pre-cadastre Working Group consultant and his collaboration with the Pre-cadastre working group for the Mining Cadastre, about the study tour to Zambia. He encouraged MSG to discuss with the 4<sup>th</sup> MEITI report IA, and discuss about final version of the Forestry Sector report, Report Launch plan, and the work plan in this meeting. He also updated that NCS office has been moved to a new place and requested MSG to cooperate in the 4<sup>th</sup> MEITI report preparation process.

## V. Implementation of the 15<sup>th</sup> MSG Meeting Decisions

1. The Programme Manager of NCS first let the SNU representatives, the 4<sup>th</sup> Report IA, and the developed partners introduced themselves. He then shared that out of a total of eighteen decisions, sixteen decisions has been implemented, one decision was being implemented and one decisions had not been implemented as follows:

No	Decisions	Implementation Status
1	To review the MSG TOR and MSG governane structure for a better and more sustainable MEITI process implementation	Not Implemented <ul style="list-style-type: none"> <li>It was discussed at the Technical and Reporting Sub-committee meeting. NCS suggested to assigned the task team instead of the sub-committee for more effective implementation.</li> </ul>
2	To discuss and explore the improved strategies for MEITI process including financial and procurement polices between MOBD, NCS and Donors  To find strategies for more independent implementation of MEITI process	Implementing <ul style="list-style-type: none"> <li>The relationship had been improved among the three related parties except from the fact that there was still a gap of communication. The Team meeting between the three parties had been held three times to discuss how to better support the implementation.</li> <li>At the same time, NCS would like to suggest MSG to consider having only one secretariat body to avoid complication and to accelerate the MEITI process.</li> </ul>
3	<ul style="list-style-type: none"> <li>To nominate MSG Vice-Chairman</li> <li>To recommend MEITI National Coordinator to continue being in his position</li> </ul>	Implemented
4	To discuss in details for conducting EITI Conference in Technical and Reporting Sub-Committee meeting and to discuss with International Secretariat for that conference	Implemented
5	To allocate the deficient amount US\$ 5,500 from Work Plan Budget Line 3.1.7 Mineral and Gemstone Cadaster (activity - Development and Installation of Cadaster - US\$ 458,000) to meet the	Implemented

	proposed budget amount by Pre-Cadaster Working Group Consultant and the planned budget amount in the Work Plan	
6	<ul style="list-style-type: none"> <li>(1) To include the explanation for the difference % in Forestry Report (2014-2015 fiscal year)</li> <li>(2) To correct the statement “No Stock Exchange” in Forestry Report (2015-2016 fiscal year)</li> <li>(3) To correct the usage of “annual summary report” from page 81 of the Forestry reports with the usage from official translation of the 2014-2015 fiscal year report of the Office of the Auditor General of the Union</li> </ul>	Implemented
7	To send a letter to the respective Ministry to implement the recommendation of the Mining Cadastre Consultant Enrique Ortega	Implemented
8	To send the required MSG representative selection records (meeting minute, notification, etc) for Validation to NCS by Aug 6, 2018	Implemented
9	<ul style="list-style-type: none"> <li>(1) To include the statement of “renting office to NCS as long as Myanmar EITI process exists” in the rent contract</li> <li>(2) To contract the NCS office renting agreement annually</li> <li>(3) To discuss the renovation budget of NCS office in details at the Work Plan and Governance Sub-Committee</li> </ul>	Implemented

10	To hold the Report Launch with the executive summary <ul style="list-style-type: none"> <li>To propose the Report Launch event details to MSG</li> <li>To create Infographic, Booklets, IEC materials and brief statement on policy, and to submit to MSG for approval before the report launch</li> </ul>	Implemented <ul style="list-style-type: none"> <li>The plan would be discussed in a later agenda</li> </ul>
11	MSG To review the full Report (2015-2016) in one-month time	Implemented
12	To send the draft TOR for the Hydro Sector IA TOR to MSG	Implemented
13	To send “Statement of Sources and Uses of Fund” PowerPoint by MOBD to MSG	Implemented
14	<ul style="list-style-type: none"> <li>To allow alternates and observers at the Beneficial Ownership Taskforce meeting</li> <li>To extend the contract period of Beneficial Owner Pilot Project-Consulting Period to October 31, 2018</li> </ul>	Implemented <ul style="list-style-type: none"> <li>1<sup>st</sup> BO Task Force Meeting held in Nay Pyi Taw</li> <li>The capacity building was held on Sep 27-28, 2018</li> </ul>
15	To allow to buy the required materials (furniture, computer related materials, etc) for Pre-cadastre Working Group	Implemented
16	To send a letter to Sagaing Region Government for SNU trip during 18 <sup>th</sup> to 24 <sup>th</sup> of Aug, 2018	Implemented
17	To set the Sub-Committee meeting date <ul style="list-style-type: none"> <li>To hold the Selection Sub-Committee meeting on August 23, 2018</li> <li>To hold the Technical and Reporting Sub-Committee meeting on August 30, 2018</li> <li>To hold the Work Plan and Governance Sub-Committee meeting on August 30, 2018</li> <li>To hold the Mining Cadastre Sub-Committee meeting on August 31, 2018</li> </ul>	Implemented

18	To hold the first Beneficial Ownership Task Force meeting on August 20, 2018	Implemented
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**VII. Update on Validation, the Independent Administrator (IA) for the 4<sup>th</sup> MEITI report, Sub-national Coordination Units (SNU), Beneficial Ownership (BO), the Forestry report, Precadaster Working Group and Mineral and Gemstone Cadaster**

**1. Validation**

The Technical Specialist presented the Validation process and timeline as follows: the Initial Assessment Team visited to Myanmar from Aug 8-17, 2018, they were now writing the Initial Assessment Report, the Independent Validator would be appointed in October and would prepare the Validation Report, MSG would need to give comment on the draft Validation Report, and then the Validation report would be submitted to the EITI Board.

**2. The Independent Administrator (IA) for the 4<sup>th</sup> MEITI report**

(a) The Technical Officer shared about the selected IA for the 4<sup>th</sup> MEITI report: the PwC’s EOI was accepted by the Selection Committee on July 30, 2018 and selected on September 17, the contract was signed on September 28 after discussing the Technical requirements between the Selection Committee and IA, the IA would discuss with MSG for Project Level Reporting issue. She also mentioned that PwC Core Team consisted of six persons and the other members would contribute as necessary. The report preparation would be carried out in five phases (Scoping, Preliminary Stage, Initial Reconciliation, Reconciliation of Discrepancies and Reporting) with the detailed twenty-nine steps. The Technical Officer presented that the IA, PwC, would process as per the materiality threshold decided by MSG and report based on the information provided by the government agencies and companies, they would not assure for those data accuracy, they would need MSG to prepare for the permission and security issue if the field visit outside Yangon and Nay Pyi Taw were required, their financial proposal mentioned only six trainings/ workshops with the current budget with two trainings/ workshops per day and NCS would need to support in the room arrangement.

(b) The Technical Officer continue sharing the technical and financial proposals by IA that it had been requested to IA to discuss about including the downstream sector after the scoping study since it was not included their financial proposal, IA planned to use the online survey method, for those companies not having capacity to use the online survey, they would do it via email, if discrepancies found, IA would invite relevant parties and discuss and they could do it for six times maximum, it could be found that the previous reports only required three times. She then shared the reporting timeline as follows: the draft report would be submitted at the first week of February, 2019, the initial final report at the end of February and the final report at the second week of March.

**3. Sub-national Coordination Units (SNU)**

The Programme Manager updated that the MSG representatives and NCS officials went to Sagaing Region to form Sagaing SNU on Aug 20-23, the Orientation was conducted on Aug 22, the Formation Workshop was held and Sagaing SNU was formed on Aug 23 and CSO

representatives joined and supported at the 1st Sagaing SNU meeting on Oct 1. He then shared that Tanintharyi SNU held public debate in the morning and its 2<sup>nd</sup> SNU meeting in the afternoon on Aug 28. Two of MSG representatives participated in those events. It was mentioned that there was tentative plan to conduct public debate in other states and regions during the fourth quarter of the year. The National Coordinator requested MSG to approve the estimated budget required for SNU. One MSG member discussed that it was planned to form six SNUs in respective states and regions by December, 2018 according to the work plan and hence he would like to know Magway Region and Shan State SNU formation plans. The national coordinator replied that it had discussed with MSG chair to form the remaining respective MSG by December. The programmer manager also ensured that further SNU formations would be included in the work plan for timely implementation in 2019.

#### **4. Beneficial Ownership (BO)**

- (a) The Technical Specialist presented the updates on the BO process by sharing that the 1<sup>st</sup> BO Task Force Meeting was held in Nay Pyi Taw on Aug 20 and its decisions had been implemented that Dr. Juliana from Adam Smith International (ASI) gave the capacity building training for the task force members, their alternate members, MOBD and other observers in Yangon on Sep 27-28. He then requested MSG to approve to include more members such as forestry, gems and jade for government sector and oil and gas, mineral for private sector in the BO task force, and to have alternate members for the task force members. Besides, he said that the scope of BO process should be decided. He shared that although the legal ownership information were included in the 2014-2015 FY and 2015-2016 FY reports, BO information were not covered, that the BO information are required to be disclosed by Jan 1, 2020 and to do so, the legal support is required and hence, the release of Presidential notification was discussed and decided to proceed for the sustainability at the previous capacity building training, that it was decided to disclose BO information of the companies currently cooperating by 31 Oct, 2019, that the details were mentioned in the BO workplan. He then shared the proposed date of the 2<sup>nd</sup> BO Task Force meeting and requested to include the data collection and reconciliation in BO Task Force's TOR, to set the data maintaining department, the scope and information of the disclosure, to choose the focal agency. It was shared that there were 17 companies participated in the initial project and the acknowledgement of their cooperation should follow accordingly. He said that the EITI Secretariat had invited Myanmar to share about the initial project/ case study at one of their conference.
- (b) The National Coordinator shared the task force decision to reinforce the legal purpose by release the Presidential notification before the law, to proceed accordingly after reporting to MSG, Working Committee and Leading Committee. The Technical Specialist added BO Work Plan was approved at the capacity building training. MGE shared that they had already sent the name list and submitted to the Ministry and the Technical Specialist commented that the required name list meant for the permanent member.
- (c) One of the representative suggested to have the name list before the 2<sup>nd</sup> BO Task Force meeting so that new members could catch up easily and avoid any delay and asked the

companies would involve actively due to the presidential notification and hence, when the initial report would be received. Technical Specialist shared the initial report was already shared with MSG. One of the private representative shared that he shared EITI updates within his private sector network timely and since he is from gems and jade sector, one mining representative should be included as well. There is a rumor among companies that they would be award the extension instead of certificate when they participated in the initial project especially for foreign companies, he said, and thus it should be discussed thoroughly before the release of presidential notification, that the companies should be informed priorly and the BO process should have their agreement.

- (d) Technical Specialist said the detail would be discussed at the coming October 18-19 and the BO Coordinator would be assigned as well. The MSG Chair stated that the first decision of requesting name list from Gems and Forestry Government sector should be agreed and anyone from the private sector would not want to nominate was welcome to discuss. Regarding the focal agency, he advised MSG decision should be reported back to Working Committee and Leading Committee with supporting case study and example and
- (e) also for the Presidential notification along with examples. He suggested that since it was related to legal, the office of attorney general should be discussed and encouraged the BO Task Force to prepare the comprehensive information to submit to the President. One of the CSO representative suggested to receive the companies' feedback and to submit to the President after that.

## 5. Forestry Reports

- (a) Technical Specialist shared that the IA (Moore Stephen) submitted the first draft of forestry report at 30 Apr, the report was shared to MSG and Development Partners, it was discussed at the Technical and Reporting sub-committee at 18 May and at the 14<sup>th</sup> MSG meeting, the requirements were shared to IA, the IA sent back pre-final forestry report (2014-2015 FY and 2015-2016 FY), it was discussed at the Technical and Reporting sub-committee at 31 June, the discussion and the improvement were updated at the MSG meeting 3 Aug, 2018, and the IA submitted the final reports on 26 Sep which was shared with MSG and Development Partners, the translation would be processed as well.
- (b) The CSO representative shared that the foreign sales were less than the local sales regarding timber sales, the prices were varied due to the grade difference, hence it was requested to mention which grade was sold with what price, it was requested for the explanation for the difference between MTE and GD, however they were not shown in this report, and hence IA should come explain about them. Government representative the log sales decreased starting from 2014 and the export was stopped in 2016, the local log sales were conducted by tender system, when the highest bidder was chosen, it caused the price to be unstable, there were 9 grades in 2014-2015 and 2015-2016 FYs, all relevant information could be shared. The Deputy General Manager of MTE explained the sales process, relevant expenses, the production contracts and the auditing, and shared that now it was proceeded with tender system for transparency. The CSO representative



the timber loan list was requested from MTE, the list was shown in cubic feet and MTE and FD production list were shown in Hoppus Ton, when the units were converted, there would be difference. When the difference measurement methods were asked, The MTE representative shared there were no loan remained, MTE being SOE responsible to submit the list only, there is a difference ratio of 1.802 metric ton between metric ton and international used Hoppus Ton, and then explained about difference in nature in the reconciled data. Technical Specialist added it was also explained by MTE Directors, GMs and FD Directors at the 18-8-2018 Technical and Reporting sub-committee meeting. The CSO representative then shared that the different units usage found in the report.

- (c) A government representative discussed about their effort in changing to use the international measurement system and the difficulties of the ground-level staffs using the usual measurement, the private companies using different measurement system. A CSO representative also discussed about the different measurements causing the loss to the country, IA not being able to reconcile between different measurement system, the relevant departments requiring a system to monitor the differences. When a government representative questioned about the royalty being 1.6% in the report when it should have been 2.5% to 8%, Technical Specialist explained about the updated adjustment between relevant departments and the Ministry. A CSO representative supported the discussion by stating the explanation behind royalty being 1.6% should be mentioned in the report. A private representative shared his knowledge regarding the measurement unit comparing the international operation and the local operation.
- (d) Regarding the AAC, it was discussed that IA had compared the list in technical way while it did not apply the actual operation, and a system should be established for the future. A private sector representative shared the nature of the timber production, relevant reports and data and how they could be disclosed. A CSO representative discussed the need to clean the data from the previous government regime, how it caused the discrepancies in the forestry reports since FD gave the tax data to IA, MTE gave production volume to IA and IA reconciled those data. The government representatives replied that they had already explained to IA, there were no discrepancies in reality, MTE and FD always check and compare their data and lists and how some lists were carried over to the next year. A civil society representative discussed there could be loss from carrying the list over to the next year and the log listed in there could be burnt for example, and hence encouraged to make sure the data were correct. A government representative discussed that the timber were sold in Hoppus Ton and the data were given to IA in metric ton and agreed with the encouragement of changing the unit to Hoppus Ton officially. A private representative shared that although there were many buyers, in final the sales went to only one who procured from bigger trader and other small businesses. A government representative also discussed that procurement policy was very important and the parliament members had to discuss the criteria/ norms, and so far there were no instruction for how much could be sold to who and accordance EITI standards, procurement policy should be decided in forestry sector as well. Then, the CSO and government representatives discussed about the timber grade and its data inclusiveness in the report. A private representative stated that the forestry report IA should know

about forestry sector well and all MSG agreed to recruit IA with forestry sector knowledge and background for the future forestry reports.

- (e) Technical Specialist then shared two parts for the Mineral and Gemstone Cadastre, one being pre-cadastre action plan for which the consultant was planned to visit for his second trip and other being Mineral and Gemstone Cadastre implementation, the main points to consider were to have a cadastre unit or department in MONREC which was the policy issue, to have a clear and accessible license data from the relevant departments, to hire consultancy for Phase 2 to plan the design, Mr. Enrique had prepared the TOR for the consultant including design planning, setting up the technical related items, digitalizing and he submitted a formal suggestion to the Union Minister and MSG, the procurement would be carried out during the 1<sup>st</sup> quarter of 2019, the training needed to be followed, the mineral and gemstone briefing and workshop to be held with Minister, director generals, managing directors and relevant officials from states and regions after the cadastre unit/ department had set up, and the workshop would be held in Nov during Mr. Chorn Nak's trip.
- (f) A CSO representative discussed that MSG needed to approve the forestry reports, IA was responsible to explain about them, MSG had already given feedbacks which IA had not mentioned and hence needed to explain to MSG. Technical Specialist shared that IA asked the timeline for forestry report approval and he would share MSG decisions with IA. A CSO representative suggested to review the points that IA had not taken action yet either to cancel or to continue and regarding the cadastre, the consultant needed to propose organo structure for the department and TORs to set up the cadastre unit. MSG chair welcomed the cadastre as the supplementary discussion of EITI by sharing that pre-cadastre unit with 10 representatives from DGSE, ME1, ME2, MPE had started 1<sup>st</sup> six months, mineral matters would be carried out by DOM, ME1, ME2 while the gemstone matters by MGE, the proposal to extend the ministry had been submitted due to insufficient staffs at head office and state/ regional offices. A CSO representative discussed that this matter should be submitted to Parliament and Economic Committee accordingly, a government representative discussed that two consultant had been hired for cadastre one worth over US\$ 250,000 and one worth around US\$ 35,000, a pre-cadastre working group was being set up under the guidance of Director General and the next consultant's TOR should include to write institutional guideline, when Mr. Chorn Nak visited, the issue of converting gems sector data in excel format needed to be discussed.
- (g) A CSO representative discussed to hire a local partner along with the next cadastre consultant and to include in the budget as well. A government representative discussed that it was included in the draft TOR. Then, regarding the forestry reports, MSG decided for IA to come explain at the 17<sup>th</sup> MSG meeting, NCS to inform IA and to do performance evaluation for the IA. Then Technical Specialist shared Mr. Chorn Nak report covering the activities, database development, data collection, preparing coordinates, trips and timeline.
- (h) Regarding Hydropower Report, it was shared that TOR was developed, the meeting with Department of Hydropower Implementation was held on 17-8-2020, the relevant

department officials shared their activities such as “collaboration with Norad, implementation of hydropower standard, electricity master plan with other organizations, although MoU and agreement were signed in the previous governance regime, they had not been implemented yet and needed to be reviewed, they welcomed to include hydropower in EITI and would do so, and to wait for one year as the review were needed to do first”. A CSO representative discussed that Myanmar had started EITI since 2013-2014 and MSG had been discussing about this matter since then and agreed to include, it would not be fair to other departments if agreed to wait for one year, since their usage of the union budget was critical and stated that it was not needed to wait for one year. Another CSO representative discussed that it was proposed by government representative to include hydropower, the consultant recommended to include for private and government sectors as well, it was requirement for the country, our country purpose of having electricity relied on hydropower, the foreign investment were invited and depended on transparency and accountability, and hence having EITI could be strength, EITI did not solely rely on one department, resource curse happened due to the lack of transparency, and this process could required financial support, that was a good time to start when having financial assistance and encouraged to continue as per MSG decision. The National Coordinator shared his concern on not having enough budget.

- (i) A government representative shared that he informed the relevant department that hydropower would include in 2016-2017 FY report and a working committee was formed with relevant officials including Director General level. Another government representative discussed that 1<sup>st</sup> report included mining, 2<sup>nd</sup> report included other minerals and gems/ jade, forestry report was also published as the supplementary 2<sup>nd</sup> report, pearl was decided to included at 2<sup>nd</sup> MSG meeting, then negotiated accordingly with the relevant department, and included as the unilateral, and suggested to review hydropower inclusion. A CSO representative stated that the extraction of hydropower was not same with other natural resources, the received budget from hydropower needed to be reviewed, most expense were listed as the highest foreign debt as OAG had officially published, the loss and impact of the country needed to be reviewed under EITI reports.
- (j) A private sector representative discussed that the upcoming EITI report needed to be published by Mar 2019, this timeline had to be included in the hydropower inclusion consideration and it would be best for the relevant departments and private companies to make the decision. A CSO representative responded that most were SOEs in hydropower sector, the SOEs reform have been recommended, electricity and energy sector was very critical in that reform, EITI report encouraged reform beneficial for public, only when hydropower report were published, the analysis and recommendation could be implemented, hydropower operations were mostly located in states and the local peace and development matters could not be supported without the report. Another CSO representative discussed that the reforms had many steps and MOPF might have more knowledge regarding the loans, the supreme grant usually signed for long-term, procurement process was very complicated and signed annually when working with MOEE, EITI nature leads to the reform and it would support for welcoming investments and it should follow the previous decision since there were objection. A private sector representative followed by sharing that it was not meant to object but only viewed as

financial difficulty which was encountered by a CSO representative’s response stating only 30% had been used so far and it was more critical to focus on the activities that should be prioritized. The Programme Manager shared that the budget for Hydropower was set aside in the work plan, MSG needed to decide since the proposed budget exceeds the budget US\$ 3.5 million, NCS would prepare draft Hydropower TOR and submit to MSG by end of Oct. A CSO representative discussed that the proposed budget could be discussed and amended and if there were not enough budget, MSG needed to be informed in advance.

- (k) MSG chair stated that he was informed of the budget exceeding matter only now, Leading Committee and Working Committee meetings would be held accordingly and this matter will be discussed with Leading Committee member MOEE Minister and will request to include in next year report if it could not be meet this year’s report timeline and the difficulty in relevant electric sector should be assessed as well. A CSO representative discussed that MSG reporting to Leading Committee was not in line with EITI standard, it became unclear whether MSG should follow Leading Committee’s decision or Leading Committee should support in implementation of MSG decision. MSG Chair clarified that Leading Committee consisted 3 Union Ministers, NCS already met with the relevant departments but did not know the Minister’s opinion, and what it meant was to coordinate in inquiring Minister’s opinion. A CSO representative shared that the decision maker accordance to EITI standard should be MSG to be clear of governance and line of communication. Another CSO representative discussed hydropower would cover as the separate supplementary report but not in report that would be released in Mar 2019. A NCS representative discussed that the draft TOR would be prepared and submitted to MSG which would require MSG’s input. A government representative stated that the scoping study for 4<sup>th</sup> report should not wait until the last week of Oct and need to start soon. Regarding the matter, MSG decided for PwC to meet with relevant departments/ organization to do the scoping study.

## VII. MSG Approval on the Revised Work Plan

The Programme Manager presented that the proposed budget in work plan exceeded US\$ 3.5 M, there were some NCS operation cost changes, the proposed budget for Hydropower was set aside for US\$ 160,000, there was staff demand in technical and communication teams, the revised work plan was over US\$ 4M, there would be over US\$ 3.6 M if activities planned in 2020 were excluded and there were 22% for implementation, 38% for consultant and 40% for operation cost in work plan currently. A CSO representative asked if there were budget set aside for MEITI governance structure review and the way to overcome current challenging situation. The programme manager responded that the budget for the extractive sector SOEs reform had been allocated as per CSO representatives suggested, also for the EITI conference and US\$ 6,000 had been allocated for Review of M & E Work Plan. The CSO representative later discussed the need to do M&E and the budget required for it. It was discussed that MSG TOR and the current implementation structure needed to be reviewed, the recommendations needed to be linked with M&E budget. MSG also decided to find the required budget for further implementations from other donors.

### VIII. Statement of Sources and Uses of Fund

MOBD presented that US\$ 1,179,198.98 which was 66.31% of US\$ 3.5 M fund was spent, the payment for IA would be 40%-30%-30% with the agreement of settling the payment once Myanmar version of the report was published, that caused delayed in the payment process, the meeting cost was 11.7%, NCS cost was 29.55% up to September, the World Bank suggested that the advance was possible after having NOL, that it needed to be cleared within 2 weeks from the implemented date. The Programme Manager followed by sharing the communication had been improved despite the implementation limitation, the work plan would be planned for next 3 months in advance and do the review after 3 months. The MSG members also discussed about SNU relevant budget including the meeting cost, the training cost.

### IX. MSG Approval on 2014-2015 and 2015-2016 FYs MEITI Report Launch, Public Debate and Dinner

The Programme Manager presented the draft report launch agenda and shared that the report launch was tentatively planned to hold at Yangon on 17 Oct, 2018 along with the the public debate agreed by the sub-committee and to hold another launch and dinner at Nay Pyi Taw, around 300 people would be invited. MSG suggested to disseminate Myanmar version of the reports at the report launch, to hold the report launch at Yangon on 5 November, to have one of the Leading Committee member to deliver the speech and to hold another launch at Nay Pyi Taw in December.

### X. Sharing about Zambia Trip

The assistant director U Kyaw Zaw Htun of Department of Mines shared about the recent study trip to Zambia from 9 to 17 Sep, 2018 by presenting about Zambia, the visit to Zambia's Department of Mines, experiences on ASM Conference and EITI workshop.

### XI. Miscellaneous Discussion

- (a) Regarding the translation of 2014-2015 and 2015-2016 FYs MEITI reports, the programme manager shared about 2015-2016 FY report was being finalized, 2014-2015 FY report translation will come after that and they would be shared at the upcoming report launch. He also shared about MRTV talk show by updating about the pre-meeting among Oil and Gas Government representative, Gems and Jade Private representative and CSO representative held on Sep 26, about the upcoming talk show first episode shooting. After that, MSG discussed about the national conference based on the update of the relevant 15<sup>th</sup> MSG meeting decision and the Technical and Reporting sub-committee meeting discussion such as inviting representatives from states and regions and from other EITI countries, tentative event timeline. Then, the discussion moved onto awarding the acknowledgement certificates to the extractive companies that participated in the 2<sup>nd</sup> and 3<sup>rd</sup> MEITI reporting process. The programme manager shared that it was discussed and approved at the Work Plan and Governance sub-committee and asked for MSG approval. MSG also discussed to award to MSG members, sub-committee members, the main internal stakeholders who previously involved in the MEITI process, to request one of the Union Minister of the Leading Committee to sign the certificates and suggested to

add NCS under National Coordinator’s signature. The programme manager shared about the logistic policy and requested MSG to review the meeting decisions.

(b) A CSO representative shared about MATA registration being delayed than the usual procedure where the official register would be issued in two months after getting the temporary register, for MATA it had been since May, and when asked, it said the board was still holding a meeting over it, Myanmar was now being validated, and hence requested for NCS to follow up that issue. A private representative discussed that how this was only MSG meeting and the organization registration process was not related to it. A CSO representative responded that there were rules over the organization registration during the validation process, hence there should be an official meeting record of MATA asking support, if it had not been recorded here, it could be arguable, MATA represented all civil society organization, not giving register to MATA had impact on all civil society organizations and hence it should be recorded in MSG meeting minutes. When the programme manager asked other MSG members’ opinion, all CSO representatives agreed by stating it was according to protocol and there were previous cases like this such as arresting civil society organizations in Kayin State and a mining private representative agreed but a gems and jade private representative objected by saying an organization registration should be carried out themselves, not with MSG feedback nor enforcement, if all members agreed, it could be recorded. Then, CSO representatives discussed over how the registration needed for validation process, its consequences, how this needed to be recorded in accordance with EITI standards and and private representative discussed on how it could take longer than expected. The National Coordinator negotiated to put the discussion in the meeting minutes accordingly. After that, MSG members reviewed and agreed the meeting decisions. The meeting decisions is presented in Annex (3).

#### **XI. Closing Remark**

MSG Vice Chair (Director General of Department of Mines, MONREC) delivered the closing remark by stating MSG members have wide experiences in EITI process and the decisions were very practical, having SNU members from three states and regions joined the meeting was a success, although this was his first MSG meeting, he was familiar with EITI and would try to bring positive contribution to the process.

Annex (1)	-	Meeting Agenda
Annex (2)	-	Attendance List
Annex (3)	-	Meeting Decisions

Annex (1) - Meeting Agenda

Time	Agenda	Representative
9:00 – 9:10	Opening remark	MSG Chairman
9:10 – 9:20	Greeting note	MSG Vice-chair
9:20 – 9:30	Speech	MEITI NC
9:30 – 9:50	Updates on the implementations of 15 <sup>th</sup> MSG meeting decisions	NCS
9:50 – 10:20	Updates on validation, SNU, IA for the 4 <sup>th</sup> MEITI Report, BO, Forestry, Pre-cadastre Working Group, Mining Cadastre	MOBDI NCS
10:20 – 10:40	Tea break	
10:40 – 11:10	Discussion on IA  BO  Forestry  Pre-Cadastre Working Group  Mining Cadastre  Hydro	MSG
11:10 – 11:40	Presenting the revised Work Plan for the approval	NCS
11:40 – 12:00	Presenting the plans for the 2 <sup>nd</sup> and 3 <sup>rd</sup> MEITI Report Launch, Public Debate and Dinner for the approval	NCS
12:00 – 13:00	Lunch time	
13:00 – 14:30	Miscellaneous - the Myanmar versions of 2 <sup>nd</sup> and 3 <sup>rd</sup> MEITI Reports - new NCS office location - MRTV Talk Show - National EITI conference - Certificates - the logistics note - setting dates for the next MSG and sub-committee meetings	MSG  NCS
14:30 – 14:50	Tea Break	
14:50 – 15:30	Discussion on miscellaneous	MSG
15:30 – 15:50	Reviewing the meeting decisions	NCS
15:50 – 16:00	Closing remark	MSG Vice-chair

Annex (2) - Attendance List

Sr.	Name	Dept./ Org	Position
1.	U Maung Maung Win	MOPF	Deputy Minister
2.	U Khin Latt Gyi	DOM	DG
3.	U Aye Maung Kyi	GAD	DG
4.	U Than Htay Aung	MOGE	Advisor
5.	Daw Thandar Lay	OAG	Director
6.	U Kyaw Thet	DOM	DDG
7.	U Min Thu	MGE	GM
8.	U Kyaw Thein	IRD	Director
9.	U Soe Yee	MTE	AGM
10.	Dr. Thandar Aung	MFMA	
11.	U Khin Maung Swe	Myanmar Yangtse Copper	HoD
12.	U Zaw Bo Khant	MGJEA	Vice Chair
13.	Dr. Sein win	MFPMPF	Chair
14.	U Myo Zaw Oo	MPRL	SSEO
15.	Daw Moe Moe Tun	MATA	
16.	U Thant Sin Oo	MATA	
17.	U Thant Zin	MATA	
18.	U Aung Kyaw Moe	MATA	
19.	U Ye Myint Lwin	MATA	
20.	U Naing Lin Htut	MATA	
21.	U Soe Win	NCS	NC
22.	U Kyaw Thura	NCS	Programme Manager
23.	U Htun Paw Oo	NCS	Technical Specialist
24.	U Kyaw Thinn Maung	NCS	Programme Assistant
25.	U Soe Thiha Naing	NCS	Admin Officer
26.	U Tat Tun Sai	NCS	Admin Assistant
27.	Daw Shwe Yi Aung	NCS	Financial Officer
28.	Daw Aye Chan Wai	NCS	Technical Officer
29.	Daw Htet Nandar Aung	NCS	Communication and Outreach Officer
30.	U Zin Ko Ko Aung	NCS	Communication and Outreach Assistant
31.	Daw Zin Mar Myaing	NCS	Programme Advisor
32.	Daw Khin Khin Lwin	MOBD	Director
33.	U Sun Win	MOBD	
34.	Daw Khin Pa Pa Khaing	MOBD	
35.	Daw Phyu Phyu Thant	MOBD	
36.	Daw Nan Hla Hla Min	MOBD	Daw Nan Hla Hla Min
37.	U Aung Win	MOPF	U Aung Win
38.	U Shwe Win	MGE	U Shwe Win
39.	U Kyaw Zaw Tun	DOM	U Kyaw Zaw Tun
40.	U Kyaw Thet	MTE	U Kyaw Thet



41.	U Soe Aung	MDY SNU	U Soe Aung
42.	U Ye Min Thu	SGG SNU	U Ye Min Thu
43.	U Than Htut	MDY SNU	U Than Htut
44.	U Ngwe Lin	TNTY SNU	U Ngwe Lin
45.	U Yan Aung	MDY SNU	U Yan Aung
46.	U Aung Chan Nyein	SGG SNU	U Aung Chan Nyein
47.	U Hla Sein	MEHL	U Hla Sein
48.	U Thaw Thaw Htet	MATA	
49.	U San Ngwe	MATA	
50.	Daw Thinzar Tun	World Bank	
51.	U Ye Lin Maung	MW	
52.	Shona Kirkwood	Workd Bank	
53.	Daw Khin Thit Yee	PWC	
54.	U Htoo Aung	MATA	
55.	Daw Yu Yu Naing	DFID	
56.	Hosana Chay	NRGI	

## Annex (3) - Meeting Decisions

No.	Decisions	Time	Responsible by
1.	To form the rest of SNUs no later than December, 2018		
2.	<ul style="list-style-type: none"> <li>To include each Government representative from MGE and Forestry sector in BO Task Force</li> <li>To include each Private sector representative from Oil and Gas and Mining sectors in BO Task Force</li> </ul>	No later than Oct 18, 2018	
3.	To prepare reference for BO Focal Agency and Presidential Decree and submit it to MOBD and MoPF for necessary actions		NCS
4.	To discuss BO guideline for government and private sectors at the 2 <sup>nd</sup> BO Task Force meeting on Oct 18 and 19, 2018		
5.	<ul style="list-style-type: none"> <li>To do a performance evaluation of the Forestry IA</li> <li>To have Moore Stephen clarify at the 17<sup>th</sup> MSG meeting</li> <li>To have Moore Stephen explain why the discussions, suggestions, recommendations and feedbacks from MSG and Technical and Reporting meetings are not included in the report</li> <li>To include the requirement that Forestry IA must have Forestry background (knowledge, experience) in Forestry IA ToR</li> </ul>		
6.	<ul style="list-style-type: none"> <li>To hold Mineral and Gemstone Cadastre briefing and workshop</li> <li>To present this issue at the Leading Committee Meeting</li> </ul>		
7.	To include the requirement “to prepare Institutional Guideline” in Mineral and Gemstone Cadastre Phase (2) Consultant’s ToR		
8.	<ul style="list-style-type: none"> <li>To have NCS submit Hydro ToR draft to MSG at the end of October 2018 and to have the experts review it</li> <li>To publish Hydro sector report as the annex of MEITI Report</li> </ul>		
9.	For PwC, to meet with the related EITI units for Myanmar EITI Report (2016-2017 Fiscal Year)		
10.	To search other funding resources if MEITI process were required more than the current fund \$ 3.5 million		
11.	To work together between NCS and SNUs for the SNUs expense		
12.	<ul style="list-style-type: none"> <li>Approving the Work Plan presented by NCS</li> <li>To revise the Work Plan</li> </ul>		
13.	<ul style="list-style-type: none"> <li>To hold the 2<sup>nd</sup> and 3<sup>rd</sup> MEITI Report Launch and Public Debate on the same day</li> <li>To hold them in Yangon on November 5, 2018</li> <li>To hold them in Nay Pyi Taw in December</li> </ul>		
14.	To invite other EITI implementing countries to National MEITI conference (e.g. Philippines, Mongolia, Indonesia, etc)		

15.	<ul style="list-style-type: none"> <li>To award certificates to not only to the companies which participated in preparation of MEITI Reports but also to MSG and others who participated</li> <li>To award certificates to the companies which voluntarily participated in BO Pilot</li> </ul>		
16.	<ul style="list-style-type: none"> <li>To discuss the implementing decisions and other decisions which have not been carried out yet at the Work Plan and Governance sub-committee meeting on November</li> </ul>		
17.	Approving BO work plan		
18.	Setting the meeting dates <ul style="list-style-type: none"> <li>Mineral and Gemstone Cadaster sub-committee meeting: October 15, 2018</li> <li>Work Plan and Governance sub-committee meeting: November 1, 2018</li> <li>Communication and Outreach sub-committee meeting: November 2, 2018</li> <li>Technical and Reporting sub-committee meeting: November 6, 2018</li> <li>17<sup>th</sup> MSG meeting: November 9, 2018</li> </ul>		

## Note:

- To include MoPF Minister's signature in certificates
- To check whether the Forestry sector currently has any procurement policy in accordance to EITI Standard and if not, to prepare one for future
- To include