

Myanmar EITI Reports 2014 – 2015 and 2015 – 2016 Fiscal Years

Factsheet

Scope

1. The second and third MEITI reports include information on the fiscal revenues of oil and gas, gems and jade, and other minerals and pearl sectors in 2014-2015 and 2015-2016 Fiscal Years.
2. Among the extractive sector revenues from the 2014-2015 Fiscal Year, the oil and gas sector includes 36 companies representing 100% of its revenues and 4 oil and gas transportation companies, minerals sector includes 29 companies representing 72% of its revenues and gems and jade sector includes 72 companies representing 57% of its revenues.
3. In the 2015-2016 Fiscal Year, the oil and gas sector includes 36 oil and gas companies representing 100% of its revenues and 4 oil and gas transportation companies, minerals sector includes 28 companies representing 40% of its revenues, and gems and jade sector includes 51 companies representing 32% of its revenues.
4. Besides, Oil and Gas Planning Department and Myanmar Oil and Gas Enterprise under Ministry of Electricity and Energy, Department of Mining, Department of Geological Survey and Mineral Exploration, No. (1) Mining Enterprise, No. (2) Mining Enterprise, Myanmar Gems Enterprise, Myanmar Pearl Enterprise, Forest Department under Ministry of Natural Resources and Environmental Conservation, and Budget Department, Treasury Department, Internal Revenue Department, Customs Department under Ministry of Planning and Finance are included as well.

Key findings of the 2nd Myanmar EITI report (2014-2015 Fiscal Year)

5. Oil and Gas Sector

- A. In 2014-2015 Fiscal Year, the government received a total amount of 2,882,206 million MMK revenues from oil and gas companies (including oil and gas transportation), which covered 85% of total revenues collected from extractive sector.
- B. Sale of the State's Share of production in offshore blocks accounted for 59% of the total oil and gas revenues in the 2014-2015 Fiscal Year and remains the highest contributor to government revenue.
- C. According to data reported by MOGE, 2,869,870 barrels of condensate and 651,584 MMscf of natural gas were produced in offshore blocks and 1,744,317 barrels of oil and 645 MMscf of natural gas were produced in onshore blocks during the year from April 2014 to March 2015.
- D. The value of petroleum and natural gas exported amounted to MMK 100,521 million (equivalent of US\$ 100 million) and MMK 4,798,711 million (equivalent of US\$ 4,821 million) respectively.

6. Gems and Jade Sector

- A. In 2014-2015 Fiscal Year, the government received a total amount of 387,029 million MMK revenues from gems and jade sector, which covered 11% of total revenues collected from extractive sector.
- B. A total of 72 gems and jade companies were covered during this period, representing 57% of total revenues from gems and jade sector in Myanmar and these companies made a minimum annual payment of MMK 0.75 billion and above to the State during 2014-2015 Fiscal Year.
- C. According to reported data, 11,039,786 carats, 8.8 tons of gems and 16,892 tons of jade were produced, and 1,667,416 carats and 433.2 kg of gems and 9,575 tons of jade were sold in the two-emporium organized during the 2014-2015 Fiscal Year. The value of gems and jade sold during the two emporiums was MMK 1,137,231 million (US\$ 1,142.65 million).
- D. The revenues collected from the sale of the MGE's share in joint ventures (Sale Split) amounted to MMK 115,229 million, which represents 29.7% of the total gems and jade revenues in 2014-2015 Fiscal Year. MGE received in-kind payments of 31,728 kg from gems and jade companies in 2014-2015 Fiscal Year, which were maintained in the Gems Museum and not sold.

7. Mining Sector

- A. In 2014-2015 Fiscal Year, the government received a total amount of 124,848 million MMK revenues from Mining sector which covered 4% of total revenues collected from extractive sector.
- B. A total 29 mining companies were covered during this period, representing 72% of total revenues from Mining sector in Myanmar and these companies made a minimum payment of MMK 0.25 billion and above to the State during 2014-2015 Fiscal Year.
- C. The revenue streams that were considered for reconciliation were; income tax, commercial tax, commercial tax on imports, customs duties, stamp duties, capital gains tax, withholding tax to MOPF and royalties, signature bonus, production split, dead rent fees, license fees and environmental fees to MONREC and contributions to the State/Region social development fund (CSRs).
- D. The production and exports value for other minerals amounted to MMK 478,293 million and MMK 193,599 million, respectively. The revenues collected from the sale of other minerals SOE's share of production amount to MMK 57,676 million which represents 46.2% of the total other minerals revenues in 2014-2015 Fiscal Year.

Key Findings of the 3rd Myanmar EITI report (2015-2016 Fiscal Years)

8. Oil and Gas Sector

- A. In 2015-2016 Fiscal Year, the government received a total amount of 2,579,917 million MMK revenues from the oil and gas companies (including oil and gas transportation). which covered 76% of total revenues collected from extractive sector.
- B. Sale of the State's share of production in offshore blocks accounted for 52% of the total oil and gas revenues in 2015-2016 Fiscal Year and remains the highest contributor to government revenue.

- C. According to data reported by MOGE, 2,003,419 barrels of condensate and 676,954 MMscf of natural gas were produced in offshore blocks and 1,506,345 barrels of oil and 713 MMscf of natural gas were produced in onshore blocks during the year from April 2015 to March 2016.
- D. The value of petroleum and natural gas exported amounted to MMK 60,948 million (equivalent of US\$ 49.8 million) and MMK 4,633,290 million (equivalent of US\$ 3,786.7 million) respectively.

9. Gems and Jade Sector

- A. In 2015-2016 Fiscal Year, the government received a total amount of 707,808 million MMK revenues from gems and jade sector, which covered 21% of total revenues collected from extractive sector.
- B. A total of 51 gems and jade companies were covered during this period, representing 32% of total revenues from gems and jade sector in Myanmar and these companies made a minimum payment of MMK 1.00 billion and above to the State during 2015-2016 Fiscal Year.
- C. According to reported data, 13,483,383 carats, 23.6 tons of gems and 36,059 tons of jade were produced and 1,903,437 carats and 420.71 kg of gems and 6,573 tons of jade were sold in the two emporiums organized during the 2015-2016 Fiscal Year. The value of gems and jade sold during the two emporiums was MMK 844,059 million (US\$ 848.08 million).
- D. The revenues collected from the sale of the MGE's share in joint ventures (Sale Split) amounted to MMK 74,919 million, which represents 10.6% of the total gems and jade revenues in 2015-2016 Fiscal Year. MGE received in-kind payments of 4,903 kg from gems and jade companies in 2015-2016 Fiscal Year which were maintained in the museum and not sold.

10. Mining sector

- A. In 2015-2016 Fiscal Year, the government received a total amount of 98,583 million MMK revenues from Mining sector, which covered 3% of total revenues collected from extractive sector.
- B. A total 28 mining companies were covered during this period, representing 40% of total revenues from mining sector in Myanmar and these companies made a minimum payment of MMK 0.25 billion and above to the State in the 2015-2016 Fiscal Year.
- C. The revenue streams that were considered for reconciliation were; income tax, commercial tax, commercial tax on imports, customs duties, stamp duties, capital gains tax, withholding tax to MOPF and royalties, signature bonus, production split, dead rent fees, license fees and environmental fees to MONREC and contributions to the State/Region social development fund (CSRs).
- D. The production and exports value for other minerals amounted to MMK 417,175 million and MMK 12,923 million respectively. The revenues collected from the sale of other minerals SOE's share of production amount to MMK 35,768 million, which represents 36.3% of the total other minerals revenues in 2015-2016 Fiscal Year.

11. A net discrepancy of 2.8% in 2014-2015 Fiscal Year and 1.88% in 2015-2016 Fiscal Year was

found while the revenues/tax received by government agencies and the payments/taxes paid to government agencies by companies were reconciled.

12. The Second and Third Myanmar EITI Reports also include;

- A. 4 recommendations on governance of the extractive revenues,
- B. 2 recommendations on management of the gems and jade sector
- C. 15 recommendations on EITI implementation

13. The full versions of MEITI reports can be seen at www.myanmareiti.org.