

TEITI/MIN79/3<sup>rd</sup> MSG/2019

Re: Tanzania EITI Multi-Stakeholders Working Group  
Minutes of the 79<sup>th</sup> special MSG meeting, Ministry of Minerals Conference Room,  
Dar es Salaam, 5th floor, Friday,  
19<sup>th</sup> July, 2019.

### TEITI-MSG Members

- |     |                      |  |
|-----|----------------------|--|
| 1.  | Mr. Ludovick Utouh   | MSG-Chairperson                                      |
| 2.  | Philothea Ruvumbagu  | MSG-Member-CSOs (Trade Unions)                       |
| 3.  | Dr. Camillus Kassala | MSG-Member-CSOs(Interfaith Committee)                |
| 4.  | Mr. John Kinuno      | Alt. -Government-(AGC)                               |
| 5.  | Mr. Gerald Mturi     | MSG-Member-Industry-(TCME)                           |
| 6.  | Mr. Petro Ahham      | MSG-Member-CSOs (PWYP-TZ/MESO)                       |
| 7.  | Mr. Francis Mihayo   | Alt. David Mlabwa – Government (MoM)                 |
| 8.  | Mr. Alfred Mwaswenya | MSG Member- Industry-(ASM)                           |
| 9.  | Mr. Godvictor Lyimo  | MSG-Member-Industry- (TCME)                          |
| 10. | Mr. Laurent Kadashi  | Alt. Mr. Alfred Mregi, MSG Member Government (TRA)   |
| 11. | Mr. Allen Kakwezi    | Alt. Mr. Sudi Abdallah, MSG Member Government (TPDC) |

### ABSENT WITH APOLOGY:

- |    |                      |                              |
|----|----------------------|------------------------------|
| 1. | Ms. Blandina Sembu   | MSG-Member-CSOs (SHIVYAWATA) |
| 2. | Mr. Furia Felichismo | MSG-Member-Industry-(OGAT)   |
| 3. | Mr. Amani Mhinda     | MSG- Member- CSOs            |
| 4. | Ms. Halfan Halfan    | MSG-Member-Industry-(OGAT)   |
| 5. | Ezamo Maponde        | MSG Member- Government(PMO)  |

### INVITED GUEST

- |    |                    |  |
|----|--------------------|--|
| 1. | Mr. Husssen Yateri | Representative from CAG Office             |
| 2. | Mr. Godhard Hunja  | ICT Specialist- Ministry of Minerals (MoM) |

## **1. OPENING OF THE MEETING**

The meeting was opened at 10.30am.

## **2. ADOPTION OF AGENDA**

The agenda was reviewed and adopted

## **3. PRESENTATION OF THE CAG INVESTIGATION REPORT ON 8TH TEITI REPORT DISCREPANCIES**

Representative from CAG Office Mr Hussein Yateri presented a summary of the key findings of investigation report on the 30 billion discrepancy occurred in the 8<sup>th</sup> TEITI report for the fiscal year 2015/16 and proposed recommendation. CAG Officer elaborated more on the causes which lead to Discrepancies as follows: (i) Unreported revenue receipt by the Government entities (mostly by TRA and LGAs) (ii) Wrong classification of revenue streams (provisional tax vs corporate tax; VAT vs excise duty) (iii) Incorrect reported Government recipient (other local taxes (TRA); Additional gas (TPDC vs Ministry of Minerals) (iv) Erroneously reported payment/receipt by the reconciler example fuel levy of Bulyanhulu reported by the companies as fuel but captured as other local taxes in the report (v) Unpaid reported payment by the companies (excise duty by Stamigold and Cata mining) and (vi) Overstated reported payment by the companies caused by cut-off period effect and inclusion of unmatched revenue streams.

It was reported that, there is a clerical error on the exact total amount of unreconciled discrepancy of Tsh.11, 034,367,104 shown on the summary of the reported discrepancy. It was further reported that the unreconciled discrepancy was supposed to be less than 1% in order to be recognized as immaterial. During the presentation, Members noted that the amount of TZS. 9,873,744,139 was resolved using the evidence from one side. This was explained on the table 23 of the report item no. 2 discrepancy amount of TZS 9,873,744,139 in remark column indicated that the amount has been verified and confirmed paid by TPDC but the Government has failed to provide evidence. Due to these two scenario, Members agreed to request the CAG office to provide clarification on the issues and submit to TEITI Committee the revised report.

#### **4. APPROVAL OF NEW TEITI WEBSITE**

IT specialist from Ministry of Minerals Mr. Godhard Hunja presented a New TEITI website which incorporated comments provided by Members during the 78<sup>th</sup> MSG Meeting. TEITI MSG provided more recommendation to improve the TEITI Website as follows: (i) to add link of the relevant institutions such as GST, STAMICO and EITI International Secretariat (ii) to add geological map which will show different extractive sector activities in the country and (iii) change the word Complain in header of the Website to comments.

Members agreed the website to be public with indication that is on trial while the IT specialist continuing to incorporate the proposed recommendations. In addition, Members agreed to continue providing more comments until end of July, 2019 and if Secretariat will not receive any comments by the end of July, 2019 will consider that, the website is acceptable for public consumption.

#### **5. AOB**

##### **TEITI Organisation Structure.**

It was reported, revised TEITI Organisation Structure was submitted to the President Office Public Servant Management and Good Governance on 10<sup>th</sup> June, 2019 for further action. Members proposed some changes on structure that to find the possibility of changing TEITI Chair to read TEITI Committee before the approval of the structure by Utumishi.

##### **Update on the Recruitment of the Independent Administrator for preparation of 2016/17 and 2017/18 TEITI Reports**

Members were informed that, the consultant that won the tender for preparation and production of 2016/17 and 2017/18 TEITI Reports was failed to sign the contract due to lack of fund. The lack of fund made the procurement process period to be finished before the completion of the process. According to procurement Act 2011 with its amendment of 2016 the validity period of the tender is 90 days. It was reported that, the tender validity of the production of 2016/17 and 2017/18 TEITI reports was expired on 7<sup>th</sup> July, 2019.

Members also informed that, Secretariat in collaboration with the Ministry of Minerals are communicating with Ministry of Finance and Planning to request the allocated fund by explain the impact of not producing the report on time. In addition, Members informed that, World Bank through Extractive Global Programmatic Support (EGPS) shown the interest of supporting TEITI. The request proposal of application of US\$ 650,000 has been prepared awaiting for Ministry of Finance and planning approval.

### **Updates on the July, 2019 Validation**

Members were informed that, TEITI Secretariat has not receive any message regarding Validation plan for Tanzania from EITI Secretariat. Although the email from EITI Secretariat indicated that, they would be sending a message about the Tanzania Validation on 1<sup>st</sup> July, 2019 and the proposed dates of the their mission to Dar and Dodoma in August. TEITI Secretariat is still awaiting from EITI Secretariat.

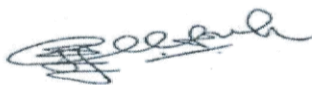
### **Public notice for Nomination of New TEITI Committee**

Members were informed that, TEITI Secretariat prepared draft Public notice for the nomination of the next TEITI Committee and submitted to PS- MoM for approve and publication. Members agreed that, TEITI Secretariat should write letters to all TEITI Committee Constituencies regarding that nomination.

Members also directed Secretariat to prepare and develop a draft MSG framework for transparency and accountability in accordance with Section 10 (2) (a) of the TEITA Act, 2015.

### **6. CLOSING.**

The meeting was closed at 13:54pm.



Mr. Ludovick Utouh  
**Chairperson – TEITI**



Ms. Mariam Mgaya.  
**Acting Executive Secretary – TE**