

Re: Tanzania EITI Multi-Stakeholder Working Group
Minutes of the 86th MSG Meeting, TANESCO Building, Dar es salaam,
27th April, 2021

TEITI - MSG MEMBERS

1	Mr. Ludovick Utouh	MSG - Chairperson
2	Miss Hadija Malimunusi	Alt. Rachel Chagonja - CSOs (Hakirasilimali)
3	Mr. Tariq Kibwe James	MSG- Member – Industry (Small scale)
4	Mr. Donald M. Kasongi	MSG - Member - CSOs (Conventional NGOs)
5	Mr. Majani M. Wambura	MSG - Member - Industry (TCM)
6	Dr. Camillus D.N Kassala	MSG - Member - CSOs (Interfaith)
7	Mr. Nicomedes M. Kajungu	MSG - Member - CSOs (Trade Unions)
8	Mr. John Kinuno	MSG - Member - Government (AG Office)
9	Mr. Yusuph Mwenda	MSG - Member – Government (TRA)
10	Mr. Juma S. Madaha	MSG- Member – Government (PO-RALG)
11	Mr. John Bosco Tindyebwa	MSG- Member - Industry – (TCM)
12	Mr. Moses J. Muganga	Alt. Miss Shakira Mayumana - CSOs (TGNP)

ABSENT WITH APOLOGY

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| 1 | Mr. Safiel F. Msovu | MSG – Member - Government (TPDC) |
| 2 | Mr. Halfani Halfani | MSG - Member – Industry-(OGAT) |
| 3 | Mr. Furia Felichsmo | MSG Member - Industry (OGAT) |
| 4 | Eng. David Mulabwa | MSG-Member- Government-(MoM) |

SECRETARIAT

- | | | |
|---|-----------------|----------------------------|
| 1 | Mariam Mgya | Ag. Executive Secretary |
| 2 | Godwin Musabala | Communication officer |
| 3 | Anastazia Ryoba | Finance Management Officer |
| 4 | Erick Ketagory | Finance Management Officer |
| 5 | Godluck Wawa | Accountant |

1. OPENING

The meeting was opened at 10:00am.

2. ADOPTION OF THE AGENDA

The meeting agenda were reviewed and adopted subject to minor corrections. Since Agenda No. 5 on, “The inception and Scoping Report for Preparation of 2018/2019 TEITI Report” involved the team of Independent Administrator to make the presentation, it was decided to give this agenda the opportunity to be presented first in order to allow the consultants to finish their presentation and leave the meeting to continue with the other remaining meeting agendas.

3. APPROVAL OF THE MINUTES OF THE 85th MSG MEETING

Minutes of the 85th MSG meeting were reviewed and approved subject to minor corrections.

4. APPROVAL OF THE MATTERS ARISING FROM THE 85th MSG MEETING

Matters arising from the 85th MSG Meeting were reviewed and approved.

5. DISCUSSION ON THE INCEPTION AND SCOPING REPORT FOR PREPARATION OF 2018/2019 TEITI REPORT

The Independent Administrator (Mzumbe University) presented the draft inception and scoping reports for preparation of the 2018/19 TEITI report which should be completed by 30th June, 2021. During the presentation, the IA provided the recommendation on the materiality threshold of TZS 1 Billion for companies that shall be included in the reconciliation exercise. The IA also recommended that the reconciliation exercise should be concluded when the discrepancy is less than one percent of the total government receipts. Further, the IA recommended that all reporting entities should provide data disaggregated for each project as proposed in the reporting templates. However, the IA expressed concern on the incorrectness of the data from the Mining Commission.

Members discussed the two reports and provided comments as follows;

- The IA should rework on the scoping report and ensure that revenue received from the Mining Commission and Tanzania Revenue Authority is included in the determination of the companies that will participate in the reconciliation exercise.
- The IA should rework on the inception report and update the submitted workplan.
- The scoping reporting should also include payments and revenues paid and received from companies involved in providing services to mining, oil and gas companies
- The IA should review the legal and regulatory framework for both Mining, Oil and Gas sector in the country to establish whether there are any impediments which should be sorted out.
- The scoping report should be prepared in analytical way so as to ensure it more informative to readers.
- The IA should prepare a separate template to collect information from the Service providers.
- The scoping study should include the current issues concerning the extractive sector in our country
- The IA should include the information of the other Government Agencies responsible for extractive sector for instance GST in the reconciliation report.

Due to time Limit, Members directed the IA to conduct the physical visiting training to reporting entities so as to have the filled reporting template on time to enable completing report within the deadline of 30th June, 2021. Members also discussed the determination of materiality thresholds for subnational payments and agreed that they should be no materiality thresholds for revenues received from the Local Government Authorities and therefore they should all be reconciled in order to correctly capture the contribution of the specified companies to the respective LGAs.

Furthermore, Members reviewed the Inception as well as the scoping report and approved them subject to comments provided. Members also discussed

the reporting templates and provided comments for improvements and then approved the templates.

Lastly, Members also requested the IA to make sure that the preparation of the report should be concluded before the deadline of 30th June, 2021 so as to meet the EITI deadline.

6. UPDATE ON EXTRACTIVE GLOBAL PROGRAMMING SUPPORT (EGPS OF 750,000.

Members were informed of the World Bank's Extractive Global Programming Supporton (EGPS) of USD 750,000 and the related ongoing and new procurement activities. It was reported that, the request for proposals for the two consultancy services which are; "The Inclusion of Artisanal and Small Scale Mining into EITI Reporting" and "The scoping study on Environmental, Social and Gender Impacts for Extractive Industries Transparency Initiative Reporting" were issued to the shortlisted firms on 4th April 2021 and that they were requested to submit their technical and financial proposals by 12th May 2021.

It was also reported that, the evaluation team recommended that on the mainstreaming feasibility study, no qualified firms had been identified for the assignment in accordance with criteria established in the TORs and expression of interest, hence, this study has to be re-advertised as soon as possible.

Members discussed the matter and directed the Secretariat to prepare a detailed report on the procurement process which will be presented in the next MSG meeting.

7. VIRTUAL PRESENTATION BY EITI SECRETARIAT ON THE NEW VALIDATION MODEL AND ALTERNATIVE APPROACH TO EITI REPORTING.

Mr. Gilbert Makore from EITI secretariat presented the new validation model as well as alternative approaches to EITI reporting. It was reported that according to the new validation model, the validation assessment will base on Stakeholder engagement (Requirements 1.1 to 1.4), Transparency (Requirements 2 to 6) and Outcomes and Impact (Requirements 1.5 and 7). Members were informed that

TEITI should undertake analysis, influence decision makers and direct information to a wider set of users.

Regarding the Flexible Reporting, it was reported that this approach requires that implementing countries may deviate from the standard procedure for EITI reporting, including reconciliation for EITI Reports. In doing so, the country must disclose the following information in their reporting; i) Information on current and forward- looking extractive sector developments and industry outlook, ii) Unilateral disclosures by government or companies in accordance with requirements 2,3,4,5,6 except for provisions relating to data quality and assurance (req 4.9b), iii) Disclosures of the latest production, export and revenue data and iv) Assessment by MSG of the comprehensiveness and reliability of the disclosed data, identifying any gaps or weaknesses in disclosures.

Members discussed the matter and agreed to review the new validation model as well as alternative approach to reporting in order to come up with clear decisions. Members directed the Secretariat to provide an update of the progress made on the preparation for next validation slated for April 2022 in every coming MSG meeting.

8. IMPROVED CONCEPTUALIZATION OF CSR INDEX

It was reported that Dr. Kassala had completed revising the CSR indicators that will help MSG and other stakeholders to manage and evaluate CSR payments made by extractive companies in a better manner. It was further reported that the presentation as well as the revised document will be circulated by the Secretariat to members for further review. once it is received from Dr. Kassala

9. AOB

- Members discussed the 2019/20 TORs for the TEITI Report and approved them.
- Members directed the Secretariat to include the impact of Covid 19 in the TORs for Independent Administrator for financial year 2018/2019
- Members directed the Secretariat to establish a data bank for the Government Agencies responsible for receiving revenues from extractive

companies in order to expedite the process of the preparation of future TEITI reports.

10. DATE FOR THE NEXT MEETING

The date for the next meeting will be communicated to members in a later date.

11. CLOSING OF THE MEETING

The meeting was officially closed by the Chairperson at 03: 30pm.



Mr. Ludovick Utouh
Chairperson - TEITI



Ms. Mariam Mgaya.
Acting Executive Secretary - TE