

EITI Mozambique
Extractive Industry Transparency Initiative

Second Reconciliation Report - year 2009

TO
EITI – Extractive Industry Transparency Initiative
Att: Mr. Benjamim Chilenge
Avenida Amílcar Cabral, n.º 1349 R/C
MAPUTO

Maputo, 24 May 2012
REF N.º 1431/TAX/EY/2012

Subject: Reconciliation Report – year 2009

Dear Sir,

In accordance with the terms of the contract, we hereby have the pleasure of submitting the second reconciliation report of payments made by the extractive industry.

The report includes the suggestions and recommendations made by the members of the Coordination Committee as well as of the participants to the dissemination workshop held in Quelimane on the 30th March 2012.

We hope that the report meets your expectations and please do not hesitate to contact us in case you require any clarifications.

Yours sincerely

ISMAEL FAQUIR

Partner

This document was prepared on the basis of the requirements and information provided by you, with reference to your context and taking into consideration the current legal and economic environment.

Our findings were made on the basis of our methods, processes, techniques and know-how. In this context, the same together with the support means are the property of Ernst & Young. The decision to implement them or not, as well as the methods of implementation, are of your responsibility.

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This report is prepared in the terms of the agreement entered with you.

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- Annex II: Letter from the EITI-M on the level of compliance with the recommendations of the first report.
- Annex III: List of the 105 companies that were pre-selected for the study.
- Annex IV: Letters from EITI-M notifying the companies to reply to the reporting templates
- Annex V: Copies of notifications issued by MIREM for the payment of fines

Abbreviations

BME - Basic Metals

BM - Bank of Mozambique

DGI - General Directorate of Taxes

DNM - National Directorate of Mining

INP - National Petroleum Institute

IRPS - Personal Income Tax

IRPC - Corporate Income Tax

EITI - Extractive Industry Transparency Initiative

IVA - Value Added Tax

MIREM - Ministry of Mineral Resources

PME - Elements of the platinum group

Glossary of Taxes, Fees and Contributions

For a better understanding of the present report, we hereby present a brief explanation of the incidence of the taxes, fees and contributions that were the basis for the present reconciliation:

IRPS - Personal Income Tax

O IRP is a tax that is levied on the global amount of the annual income of individuals, including income from illicit sources.

- ▶ Withholding at source - represents a deduction made by the tax substitutes (the debtors of the income), at the time of placement of the income at the disposal of the beneficiaries. For example, employees are taxed by means of a withholding tax (PAYE). The withholding tax rate is graduated up to 29.9%.

IRPC - Corporate Income Tax

IRPC is a direct tax levied on the income of corporate entities, including income from illicit activities.

- ▶ Withholding at source - a deduction made by the tax substitutes (the debtors of the income), at the time of placement of the income at the disposal of the beneficiaries. For example, at the time payment of services to non-resident entities occurs, the local entity must withhold the tax at the applicable rate and pay this over to the tax authorities. The maximum withholding tax rate is 20%.
- ▶ Provisional Tax and Special Provisional Tax - these represent advance payments of the tax to the tax authorities for the account of the final tax due by the taxpayer. The formula for the computation of this tax is established in the Corporate Income Tax Code.
- ▶ Final IRPC - Is the amount of the tax paid at the end of the financial year and is levied on the profit generated by the company. The tax is assessed on the basis of the difference between income and costs with the adjustments required by the tax legislation. The general tax rate is 32%.

Surface Tax

Surface tax is levied on the area subject to recognition, exploration, mining concession or mining certificate. The base of calculation takes into consideration the type of license, the size of the area and the period during which the license has been valid. Fees vary on the basis of these factors, between 10.00 MT and 3,000.00 MT per hectare.

Tax on Mining Production

This tax is levied on the value of the quantity of mineral extracted as a result of a mining activity undertaken in the national territory under a mining title, irrespective of its sale, exportation or other form of disposal of the mining product. The rate of the tax varies in accordance with the type of mineral, between 3% and 10%.

Tax on Petroleum Production

The tax is levied on the petroleum produced in the Mozambican territory from the development and production area. As a rule, this tax is paid in cash but the State may choose to receive the tax in kind. The tax rate varies between 6% and 10% depending of the type of hydrocarbon.

Dividends

Dividends represent the revenue received by the State from the companies in which it holds shares.

Contribution to the Institutional Capacity Building Fund

Represents amounts paid by the petroleum companies to the National Petroleum Institute for institutional capacity building and the amounts are established by contract.

Contribution to the Social Projects Fund

Represents amounts paid by the petroleum companies to the National Petroleum Institute for social projects and the amounts are established by contract.

Social Contributions

These are costs incurred by the companies with donations / social responsibilities.

Environmental License

This license is paid for the environmental impact studies and is levied on the amount of the proposed investment at the rate of 0,2%.

Exploration fee

This represents a payment to MIREM for the issuing of the mining title.

1 Executive Summary

The second report for reconciliation of payments made by the extractive industry produced under the EITI-M (Transparency Initiative for the Extractive Industry - Mozambique), was conducted between 5 October 2011 and February 16, 2012 by a team from Ernst & Young in Maputo, according to the terms of reference RFP no.º 02/MIREM/ITIE/2011/CS.

The work consisted in the reconciliation of payments made by companies in the mining and oil sectors during calendar year 2009, previously selected, with the revenues reported by state institutions in charge of the collection in the same year.

This reconciliation results of the will of the Government to implement control standard and procedures that would unequivocally evidence the commitment of the country in the transparent management of the revenue generated by extractive industries.

The main conclusions of the work are the following:

- ▶ The number of companies that replied to the reporting templates (31) was slightly lower than the number of companies initially selected (36);
- ▶ The deadline to reply to the reporting templates (15 days), with few exceptions, was not observed by the companies. In some instances, it was necessary to continuously follow up with some companies in order to obtain the replies.
- ▶ Despite of the training workshop for clarifications on the completion of the reporting templates, at which it was even explained where to find the information on the amounts paid, we found that the companies, as well as the DGI experienced difficulties in the completion of the reporting templates. For example, in some instances, reporting templates were completed with information on payments for the financial year to which the same referred and not the actual date of payment / disbursement.
- ▶ At the workshop the companies were instructed to send copies of the supporting documents, which also, save for few exceptions, were not followed. On the other hand, none of the companies submitted the audit report, despite of having been instructed to do so.
- ▶ According to the findings of the report, the difference between the amount declared by companies and government entities reported at the beginning of the reconciliation was 47,939,918.21 MT, i.e. 4.65% of the amount declared by the state institutions, as detailed below:

Differences before reconciliation (Amounts in meticals)

Sector	Companies	State	Difference	%
Mining Sector	424,901,549.36	398,272,852.06	26,628,697.30	-6.69%
Hydrocarbons Sector	654,116,023.44	632,804,802.53	21,311,220.91	-3.37%
Total	1,079,017,572.80	1,031,077,654.59	47,939,918.21	-4.65%

- ▶ After the reconciliation, the prevailing difference reduced to **625,221.06 MT**, i.e., **0.06%** of the amount declared by the state institutions as detailed below:

Differences after reconciliation (Amounts in meticals)

Sector	Companies	State	Difference	%
Mining Sector	414,695,472.76	417,093,997.13	-2,398,524.37	0.58%
Hydrocarbons Sector	654,826,334.39	653,053,031.08	1,773,303.31	-0.27%
Total	1,069,521,807.15	1,070,147,028.21	-625,221.06	0.06%

- ▶ The difference is lower than the materiality threshold determined by the Coordination Committee of the EITI-M which is 3% of the revenue reported by the State.

- In the table below, we present the synthesis of payments made and declared by each company and reported by the institutions of the State for each area, at year-end reconciliation.

Number	Name of Company	Amount declared by the Companies	Amount declared by the State	Difference
<u>MINING SECTOR</u>				
1	RIO DOCE MOÇAMBIQUE/VALE - MAPUTO	156,619,534.80	156,747,266.80	-127,732.00
2	CIMENTOS DE MOÇAMBIQUE, SARL	94,068,359.60	96,247,587.84	-2,179,228.24
3	RIVERSDALE MOÇAMBIQUE, LDA	47,403,849.84	47,973,969.50	-570,119.66
4	ROVUMA RESOURCES, LIMITADA	5,642,559.84	5,845,855.50	-203,295.66
5	OMEGACORP MINERAIS, LDA	4,073,662.42	3,919,859.11	153,803.31
6	RIO TINTO MINING AND EXPLORATION	3,959,467.24	3,959,467.21	0.03
7	CAPITOL RESOURCES, LDA	3,323,711.38	3,338,111.23	-14,399.85
8	MINAS MOATIZE, LDA	1,686,936.64	1,808,515.85	-121,579.21
9	ETA STAR MOZAMBIQUE, SA	1,932,434.14	1,865,591.86	66,842.28
10	TWIGG EXPLORATION & MINING, LIMITADA	1,777,637.17	1,837,060.46	-59,423.29
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	1,260,395.83	1,434,488.01	-174,092.18
12	HIGHLAND AFRICAN MINING COMPANY	1,181,816.60	1,127,383.45	54,433.15
13	ACOSTERRAS MOÇAMBIQUE, LDA	1,308,382.15	1,216,085.41	92,296.74
14	MOZAMBIQUE MINERALS	1,183,446.00	1,183,978.72	-532.72
15	MANICA MINERALS (MOZ), LDA	1,067,375.05	1,072,212.97	-4,837.92
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	812,883.20	834,538.51	-21,655.31
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	635,489.86	-	635,489.86
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	402,480.00	510,020.00	-107,540.00
19	AFRIMINAS MINERAIS, LIMITADA	385,435.00	202,388.70	183,046.30
20	KENMARE MOMA MINING, LIMITED	85,969,616.00	85,969,616.00	-
<u>HYDROCARBONS SECTOR</u>				
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	203,901,711.73	203,899,077.46	2,634.27
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	62,874,056.19	62,958,602.60	-84,546.41
23	D N O ASA MOÇAMBIQUE	12,433,607.01	12,433,607.73	-0.72
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	23,966,984.26	22,418,911.04	1,548,073.22
25	ENI EAST AFRICA S.P.A	1,734,939.68	1,725,416.78	9,522.90
26	PETRONAS CARIGALI MOZAMBIQUE E & P	28,567,610.33	28,567,610.33	-
27	SASOL PETROLEUM SOFALA LDA	248,341,591.44	248,341,571.44	20.00
28	SASOL PETROLEUM TEMANE LDA	57,027,042.20	56,729,442.15	297,600.05
29	BUZI HIDROCARBONS	-	-	-
30	STATOIL LTD.	13,805,000.00	13,805,000.00	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	2,173,791.55	2,173,791.55	-
SUBTOTAL MINING SECTOR		414,695,472.76	417,093,997.13	-2,398,524.37
SUBTOTAL HYDROCARBONS SECTOR		654,826,334.39	653,053,031.08	1,773,303.31
TOTAL		1,069,521,807.15	1,070,147,028.21	-625,221.06

Throughout all the phases of the work, most particularly during the reconciliation phase, we had the valuable support of the EITI-M, namely of the Executive Secretary, Mr. Milagre Langa and Mr Hélder Sindique, for which we are grateful.

We would also like to thank all the companies which, during a complicated period (closing of accounts and budget preparation), found time to provide the information necessary for this work.

2 Introduction

The exploration of mineral resources is a fairly recent experience for Mozambique. After having seen some development after independence, in the following two decades, there were various constraints which prevented the development of the same and its contribution for the economic and social development of the country.

With the entry of large multinationals in the last years good perspectives open in the exploration of natural resources which, consequently, is expected to leverage the current development stage as a result of the revenue that will certainly be generated from the taxes levied on the extractive industry as well as the multiplying effect that these will produce on the national economic layer.

By virtue of the above, the sustainable exploration of such resources as well as the control of the revenue generated by the extractive industry represent a concern and a priority of the Government as well as of the civil society as the expectation of all is that this generates wealth and development for the country.

Transparency in the management of the revenue generated is the starting point for the achievement of that goal and it is within this context that the Government of Mozambique applied to adhere to the Extractive Industry Transparency Initiative (EITI).

EITI is a colligation comprising of Governments, companies, civil society and investors engaged in the implementation of internationally recognized standards for the transparent management of the revenue generated by the extractive industry.

Within EITI's scope. In January 2011 the first reconciliation report of the payments made in year 2008 was undertaken, which covered 6 companies of the extractive industry. This report was disclosed at a workshop in Nampula on the 18th of February 2011.

The validation and evaluation made by the EITI international secretariat on the 18th August 2011, was that the country had shown significant progress towards its adherence as a member of the EITI. However, it called attention for the need to improve certain indexes contained in the matrix for the adherence to the initiative.

Following this communication EITI-M with the support of the international cooperation partners, namely the World Bank, immediately launched a tender for the selection of an independent company for the preparation of the second reconciliation report.

The preparation of the second reconciliation report for the year 2009 confirms the commitment undertaken by the Government of Mozambique to adhere to the EITI as a compliant country.

After the preparation of the report on the scoping study and the training and dissemination workshops, Ernst & Young hereby presents the reconciliation of the data referent to the payments made and collected by the various entities, namely, companies operating in the sector and State institutions responsible for the collection of the revenue, namely, the General Directorate of Taxes and the National Petroleum Institute.

3 Methodology

3.1 Objective

The main objective of the work is the preparation of the second reconciliation report of the payments made to the State by the companies in the mining and oil sectors in calendar year 2009.

Behind this is the will to promote transparency in the management of the revenue generated by the companies of the extractive industry in order to reduce the risk of undue appropriation and mainly corruption.

For this purpose and based on the information sent by the selected companies and the Government entities responsible for the collection, we undertook the reconciliation of the data presented which comprised, in the first phase, the individual analysis of each of the reporting templates, as well as the supporting documents requested during the work in order to determine probable differences and, in the second phase, the cross check of the information with the objective of assessing the reasons for the differences found.

3.2 Scope

The terms of reference define the scope of the work as well as the aspects that should be included in the report and are attached to this report as Annex I.

The reconciliation work started effectively in the third week of the month of November 2011 with the remittance of the reporting templates to each of the companies selected, as well as to the State institutions responsible for the collection of the tax revenue and other payments made by the companies namely DGI and INP.

Prior to the remittance of the reporting templates, a detailed work was performed in order to obtain the updated address and contacts of the selected companies given that the database available was outdated. This resulted in delays in the receipt of the reporting templates by some of the companies.

Together with the request to fill in the reporting templates, a letter signed by the President of the Coordination Committee was attached which gave a brief Framework of the initiative within the EITI and requested the companies to reply to the templates until the 25th November 2011.

With respect to the reporting templates it is important to refer that the same were sent to the recipients according to the type of activity developed by the same (mining and hydrocarbons), with the companies reporting in templates different from those of the State institutions.

The majority of the companies and the State institutions were unable to meet the deadline established of approximately two weeks to receive the completed reporting templates. Within this period we only received the reply from 2 of the 36 companies selected. In fact, this was the reason for the adjustment of the initial working schedule as the information available would not allow us to prepare the report.

As we were receiving information from the companies and the State institutions we were performing the following tasks:

- ▶ Preparation of an Excel database with the available information. Given that the majority of the companies and the DGI provided the information in hard copy we had to validate the information introduced in the database to avoid typing errors that would influence the review.
- ▶ Preliminary review of the reporting templates to determine if the same contained inconsistency and /or missing information in order to request additional clarifications or documents;

- In some instances, the information provided by the companies, as well as DGI denoted inconsistencies given that the information reported did not correspond to the payments effectively made during the calendar year but to the payments made during the financial year of 2009.
- ▶ Comparison between the reporting templates relating this, line by line, to the payments declared by the companies and those reported by the State institutions;
 - In relation to the information made available by DGI we compared the information in the reporting templates with the information in the “print outs” of DGI’s database.
- ▶ Identification of the differences between the information provided by the companies and the ones reported by the State institutions and reconciliation of the same based on the existing data and on the data that was subsequently requested. In this exercise we requested supporting documents for the differences.
- ▶ Remittance to the EITI-M of the list of companies and State institutions that had not replied to the reporting templates and continuous follow up of the process, namely, through the update of the list and contact of the companies that had not replied.
- ▶ Preparation of tables and graphics for comparison purposes to be included in the report as well as seeking of clarifications from the companies and State institutions.

Based on the information gathered and produced on the basis of the data supplied we prepared the reconciliation report with the following parameters:

Year of reporting

The report reconciles the payments and revenue referent to the calendar year 2009. Only payments effectively made during the year were considered.

Extractive industry sectors involved

Companies from the mining and hydrocarbon sectors (oil & gas). This reconciliation report was limited to the companies of the extractive industry without prejudice of the future inclusion of other sectors such as agriculture, forestry, fishery.

Taxes and fees included

In the present reconciliation report we took into consideration the taxes and fees selected in the definition of the scoping study, namely, Corporate Income Tax, Surface Tax, Tax on Mining Production, Tax on Petroleum Production; fund for institutional capacity building; fund for social projects; signature bonus and, as all companies chose to report, we also include the Personal Income Tax.

Although the report included social contributions in kind made by the companies, the amounts declared will not be taken into consideration in the reconciliation as it is not possible to validate the same.

Important to note that these amounts represent costs incurred by the companies with donations/social responsibility and that, in accordance with the legislation in force, presupposes the compliance with certain formalities in order to be accepted for tax purposes.

Companies included

In the first phase, at the time of the preparation of the scoping study, EITI supplied us with a list comprising 265 companies holding mining rights in 2009. From the work performed with DGI it was

found that out of these companies, only 105 had made contributions / payments during the year of reporting.

From the 105 that were pre-selected, which list forms part of the present report as annex III, the companies selected were those that presented contributions equal or higher than 500.000,00 MT (materiality level defined by the Coordination Committee).

Other filtering criteria were also adopted, namely, consultation of the database of the Official Gazette published and analysis of the object of each of the companies as per their memorandum of association, analysis of the object as per the DGI database and the volume of contributions under the line item "Other taxes" in order to extract the ones that do not have mining activities as their main or accessory object.

At the same time, we included companies that did not form part of the initial list, namely those which references were obtained from the INP and one additional company in the mining sector which complies with its tax obligations at a tax department which is not connected to the central network.

After conclusion of the selection process that was duly detailed in the scoping study, we were left with 36 companies out of which 24 from the mining sector and 12 from the hydrocarbon sector.

From the 36 companies selected, the report contains the reconciliation for 31 companies given that the remaining 5 did not reply to the reporting template. With respect to the latter we included the amount of their contributions in order to show their weight in the total contributions.

State institutions enquired

General Directorate of Taxes, National Petroleum Institute, Institute for the Management of State Shareholding (IGEPE).

Type of report

Report on reconciliation and audit as, although the exercise had the objective of the work was not to validate the correctness of the information supplied but to undertake a comparison and try and find the reasons for any differences assessed, in many instances we had to compare the information contained in the reporting templates with the supporting documents.

Form of presentation of the data

The data presented in the report is desegregated. In other words, the reconciliation exercise was made by company and by type of taxes/fees/ contributions.

Currency of the report

All monetary references in the report will be in meticaís. In the situations where payment was made in a different currency, namely, USD, we used the selling exchange rate, published in the exchange bulletin n.º 248/2009, of the Bank of Mozambique from the 31st December.

Payments in kind

Certain companies, namely Sasol Petroleum Temane, Limitada, pay the Production tax in kind. In the report, this information was reviewed on the basis of the data made available by DGI/INP as well as the company itself.

Materiality

For purposes of this report, the Coordination Committee of the EITI-M determined that the difference assessed between the payments declared by the companies and the collections by the State institutions equal or lower than 3% of the revenue reported by the State would not be subject to additional reconciliation. In numerical terms this represents 32,104,410.85 MT.

4 Extractive Industry in Mozambique

Mozambique is a country whose economy is based on agriculture, which is the sector with the higher contribution to the GDP. According to data of the National Institute of Statistics (INE), in 2010 the contribution of agriculture for the GDP was 19,4% against the 1,1% of the extractive industry.

Notwithstanding the existing mineral wealth, natural resources exploration registered significant development in the last decade due to the international demand of mineral resources as well as the political and economic stability of the country.

It is well known that in the last few years Mozambique has been the privileged destination for foreign investors, specifically of large multinationals, which are involved in projects with significant impact on the national economy.

As a result of this rush, the investments in the mining and hydrocarbon sectors have increased exponentially and there are indications that in the next few years this will easily exceed the amount of USD 10 billion.

Besides the large discovery of natural gas in the Rovuma basin, where the American and Italian multinationals Anadarko and ENI, respectively, hold petroleum rights, there is the occurrence of minerals all over the country, namely in the Niassa province where gold and precious stones were found.

In the central region of the country, in the Manica Province, there is also strong mining potential, with the exploration of diamonds and semi-industrial exploration of gold. In the Zambezia province there are significant reserves of precious and semi-precious metals, although their exploration is not undertaken in a large scale.

More precisely, there are large scale undertakings in the exploration and production phase, namely, natural gas by Sasol Petroleum Temane, Limitada, coal by Vale Moçambique, SA, heavy sands by Kenmare Moma Mining, Limited, amongst others.

At this moment the geological and petroleum exploration activities proceed at an accelerated rhythm not only in the provinces indicated but all over the country which, by itself, is an indication that in the near future Mozambique will be a country where the use and transformation of natural resources deposited in the continental and maritime subsoil will represent a significant slice of the GDP.

This transformation will not only be achieved through the exportation of the natural products but also through industrialization, which in fact is the Great challenge of Mozambique in the following years, as it is not enough that the resources be produced in Mozambique. It is also necessary that transformation occurs in Mozambique in order to allow for an economic growth that contributes for the diversity of the income sources and, mainly, for the creation of employment.

Another challenge that this boom brings is related to the form in which the revenue generated by the extractive industry is managed, specially the specific taxes that are levied on the mining and petroleum production ("royalties").

It is the understanding of the civil society and the Government in particular, that the implementation of the EITI can be an important instrument to guarantee the benefits resulting from the exploration and production are used in the benefit of the country.

5 Companies selected in the extractive sector

The Scoping Study submitted and approved in November last year selected 36 companies that were to form part of the second report for reconciliation of payments made by the extractive industry to the State in calendar year 2009.

Out of these, 24 were in the mining sector and the remaining 12 in the oil & gas sector (in this sector we selected all companies), as shown in the tables below.

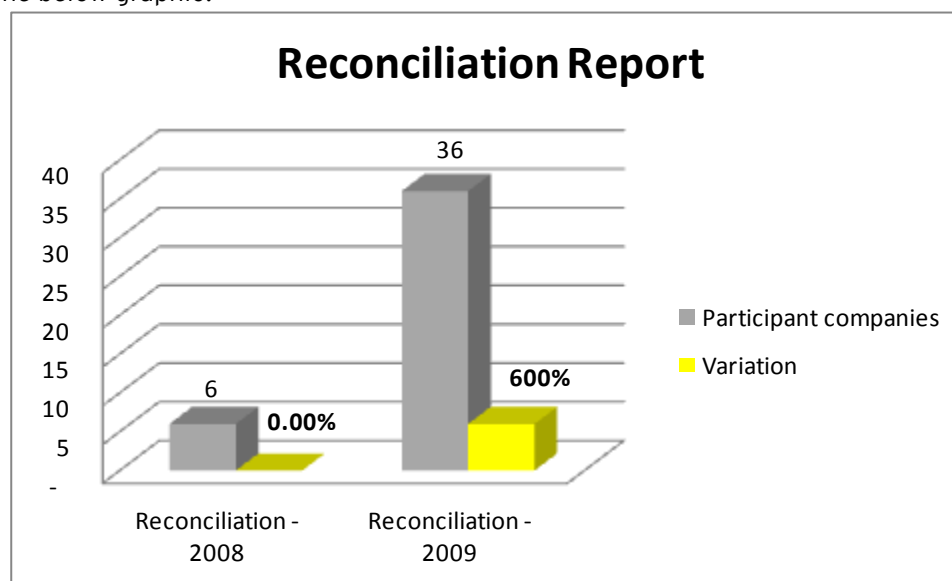
5.1 Companies in the mining sector

N.º	Name of Company	Product
1	RIO DOCE MOÇAMBIQUE, LDA RDMZ/ VALE	Coal
2	CIMENTOS DE MOÇAMBIQUE, SARL	Limestone
3	RIVERSDALE MOÇAMBIQUE, LDA	Coal
4	AP CAPITAL, LIMITADA	Phosphates and associated minerals
5	ROVUMA RESOURCES, LIMITADA	Basic metals
6	OMEGACORP MINERAIS, LDA	Uranium
7	RIO TINTO MINING AND EXPLORATION LIMITED	Titanium minerals
8	CAPITOL RESOURCES, LDA	BME, Iron, PME
9	JSW NATURAL RESOURCES MOZAMBIQUE, LIMITADA	Coal, Ferro, BME
10	AFRICA DRILLING COMPANY- AFRODROLL	BME
11	MINAS MOATIZE, LDA	Coal
12	ETA STAR MOZAMBIQUE, SA	coal
13	TWIGG EXPLORATION & MINING, LIMITADA	BME
14	JSPL MOZAMBIQUE MINERAIS, LIMITADA	Mineral sand
15	HIGHLAND AFRICAN MINING COMPANY, LIMITADA	Tantalum
16	ACOSTERRAS MOÇAMBIQUE, LDA	Stone
17	MOZAMBIQUE MINERALS, LIMITED	Coal, Iron, BME
18	MANICA MINERALS (MOZ), LDA	BME
19	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	Coal
20	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	BME
21	GRINAKER MOÇAMBIQUE LDA	Sand
22	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	Tantalite
23	AFRIMINAS MINERAIS, LIMITADA	BME, Iron
24	KENMARE MOMA MINING, LIMITED	Heavy Sands

5.2 Companies in the oil & gas sector

N.º	Name of Company	Product
1	ANADARKO MOÇAMBIQUE ÁREA 1, LIMITADA	Petroleum / Gas
2	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	Petroleum / Gas
3	D N O ASA	Petroleum
4	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	Petroleum / Gas
5	ENI EAST AFRICA S.P.A	Gas
6	PETRONAS CARIGALI MOZAMBIQUE E & P, LTD	Petroleum
7	SASOL PETROLEUM SOFALA, LDA.	Petroleum / Gas
8	SASOL PETROLEUM TEMANE, LDA	Gas
9	WENTWORTH MOÇAMBIQUE PETROLEOS, LDA	Petroleum
10	BUZI HIDROCARBONS	Gas
11	STATOIL LTD.	Petroleum
12	SASOL PETROLEUM MOÇAMBIQUE, LDA.	Petroleum / Gas

The number of companies selected for the second report shows a significant increase compared to the first report which only included 6 companies. In percentage terms it represents an increase of 600% as shown in the below graphic:



As it can be seen from the below table, the six companies included in the first reconciliation report also form part of the present report, which reinforces the understanding that the extractive industry is growing and therefore it is important to take advantage of their presence in order to create basis for the sustainable development of the country:

N.º	Name of Company	Product
1	RIO DOCE MOÇAMBIQUE, LDA RDMZ/ VALE	Coal
2	HIGHLAND AFRICAN MINING COMPANY, LIMITADA	Tantalum
3	RIO TINTO MINING AND EXPLORATION LIMITED	Titanium minerals
4	KENMARE MOMA MINING, LIMITED	Heavy sands
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	Petroleum/ Gas
6	SASOL PETROLEUM TEMANE, LDA	Gas

With respect to the companies selected for this reconciliation exercise, we found that a significant part was in the exploration phase in that year. With effect, the analysis made to the payment of taxes specific to the mining and oil sectors, shows that only **Cimentos de Moçambique, SARL, Acosterras Moçambique, Lda, a Kenmare Moma Mining, Limited and Sasol Petroleum Temane, Limitada** contributed with payments.

We call attention to the fact that, notwithstanding having been included in the range of mining companies, **Cimentos de Moçambique, SARL**, is not exactly a company that can be considered as operating in the mining sector, since, strictly speaking, it owns a plant that uses a mineral product as a raw material for its industrial production.

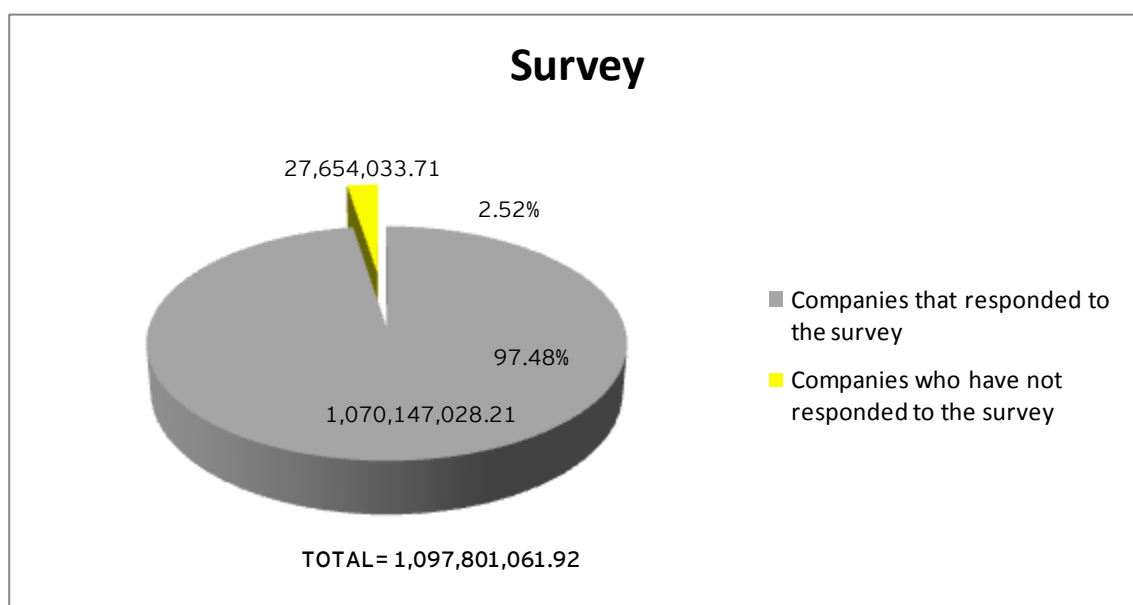
6 Reconciliation process

6.1 Companies that did not reply to the reporting template

The reporting templates were sent to the 36 selected companies. Out of these, 31 replied, which represents 86% of the total of the selected companies.

In terms of revenue and, based exclusively on the information that was made available by the government institutions, the companies that did not reply represent less than 2.52% of the total income collected by the State.

Answers to the Survey	Amount (meticaís)
Companies that responded to the survey	
Mining Sector	417,093,997.13
Hydrocarbons Sector	653,053,031.08
Companies who have not responded to the survey	
Mining Sector	17,095,737.04
Hydrocarbons Sector	10,558,296.67
Subtotal - Companies that responded to the survey	1,070,147,028.21
Subtotal - Companies who have not responded to the survey	27,654,033.71
Grand Total	1,097,801,061.92



Below we present the attribution of the revenue reported by the State for each one of these five companies as well as the weight the same have on the total revenue.

Name of company	Amount declared by the State	% on the total revenue received by the State
AP CAPITAL, LIMITADA	13,876,544.00	1.26%
JSW NATURAL RESOURCES MOZAMBIQUE, LIMITADA	2,184,082.46	0.20%
AFRICA DRILLING COMPANY-	106,786.72	0.01%
GRINAKEER MOÇAMBIQUE LDA	928,323.86	0.08%
WENTWORTH MOÇAMBIQUE PETRÓLEOS, LDA	10,558,296.67	0.96%
Total das empresas que não respondeu ao Inquérito	27,654,033.71	2.52%

In a desegregated manner, i.e. by tax and for each of the companies, it can be seen that a significant part of the revenue results from withholding tax, as shown below:

COMPANY	Surface Tax	PEC/PC	IRPC - Withholding at source	IRPS - Withholding at source	TOTAL
AP CAPITAL	40,000.00	-	13,836,544.00	-	13,876,544.00
JSW NATURAL RESOURCES MOZAMBIQUE	-	-	175,351.00	2,008,731.46	2,184,082.46
AFRICA DRILLING COMPANY	-	100,000.00	-	6,786.72	106,786.72
GRINAKEER MOÇAMBIQUE	-	10,000.00	61,876.36	856,447.50	928,323.86
WENTWORTH MOÇAMBIQUE PETRÓLEOS	-	30,000.00	9,737,307.61	790,989.06	10,558,296.67
TOTAL	40,000.00	140,000.00	23,811,078.97	3,662,954.74	27,654,033.71

With respect to the 5 companies that did not reply to the survey, actions were undertaken to locate and contact the persons responsible for the same. However and although some were in fact located, it was not possible to obtain the information requested given that, amongst other reasons, they no longer operate in the country.

N.º	Name of Company	Description
1	AP CAPITAL, LIMITADA	Without Mining Licences / information not provided
2	JSW NATURAL RESOURCES MOZAMBIQUE, LIMITADA	No organizational /financial structure in the country
3	AFRICA DRILLING COMPANY- AFRODRILL	No organizational /financial structure in the country
4	GRINAKEER MOÇAMBIQUE LDA	Without Mining Licences / information not provided
5	WENTWORTH MOÇAMBIQUE PETRÓLEOS, LDA	No longer operates in the country

As not all companies replied within the established deadline, EITI sent a reminder on the 31.01.2012, for the need to provide their reply, as failure to reply could result in the payment of fines.

From the companies approached, we found that the ones that did not reply were notified, except for AP Capital, Limitada, Grinaker Moçambique, Lda and Wentworth Moçambique Petr6leos. As per the explanation we received the reason for not notifying these three companies is that all of them no longer hold rights and consequently are not operating in the extracting industry. Also, Wentworth Moçambique Petr6leos, Lda. has ceased its operations in the country.

Thus and according to information obtained from the EITI, out of the five companies that did not reply to the reporting template, two were notified, namely JSW Natural Resources Mozambique and Africa Drilling Company as per annex IV and the remaining three were not due to the reasons stated above.

In order to correct this behavior of companies not providing information for the reconciliation, MIREM applied article 96 of Mining Law Regulations, approved by Decree n.º 62/2006, dated 26th December

and penalized the two companies with a fine of 70.000,00 MT to be paid within 15 days as per annex V.

Thus and in order to define the scope of the work, we present the list of the 31 companies that replied to the reporting templates and, consequently, are part of the reconciliation report:

N.º	Name of Company	Extractive Industry
1	RIO DOCE MOÇAMBIQUE, LDA RDMZ / VALE	Mining
2	CIMENTOS DE MOÇAMBIQUE, SARL	Mining
3	RIVERSDALE MOÇAMBIQUE, LDA	Mining
4	ROVUMA RESOURCES, LIMITADA	Mining
5	OMEGACORP MINERAIS, LDA	Mining
6	RIO TINTO MINING AND EXPLORATION LIMITED	Mining
7	CAPITOL RESOURCES, LDA	Mining
8	MINAS MOATIZE, LDA	Mining
9	ETA STAR MOZAMBIQUE, SA	Mining
10	JSPL MOZAMBIQUE MINERAIS, LIMITADA	Mining
11	TWIGG EXPLORATION & MINNING, LIMITADA	Mining
12	HIGHLAND AFRICAN MINING COMPANY, LIMITADA	Mining
13	ACOSTERRAS MOÇAMBIQUE, LDA	Mining
14	MOZAMBIQUE MINERALS, LIMITED	Mining
15	MANICA MINERALS (MOZ), LIMITADA	Mining
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	Mining
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	Mining
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	Mining
19	AFRIMINAS MINERAIS, LIMITADA	Mining
20	KENMARE MOMA MINING, LIMITED	Mining
21	ANADARKO MOÇAMBIQUE ÁREA 1, LIMITADA	Hydrocarbons
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	Hydrocarbons
23	DNO ASA MOÇAMBIQUE	Hydrocarbons
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	Hydrocarbons
25	ENI EAST AFRICA S.P.A	Hydrocarbons
26	PETRONAS CARIGALI MOZAMBIQUE E & P, LTD	Hydrocarbons
27	SASOL PETROLEUM SOFALA, LDA.	Hydrocarbons
28	SASOL PETROLEUM TEMANE, LDA	Hydrocarbons
29	STATOIL LTD.	Hydrocarbons
30	BUZI HIDROCARBONS	Hydrocarbons
31	SASOL PETROLEUM MOÇAMBIQUE, LDA.	Hydrocarbons

Once the number of companies that will be included in the study is determined we present below our findings of the reconciliation process of the payments declared by the companies of the extractive industry and the revenue of the State entities responsible for their collection.

The presentation of the findings is made by each sector and, in the first phase, will include the global amounts by company and, in the second, the desegregated amounts per type of tax/ contribution.

6.2 Amounts declared by the companies and by the State institutions

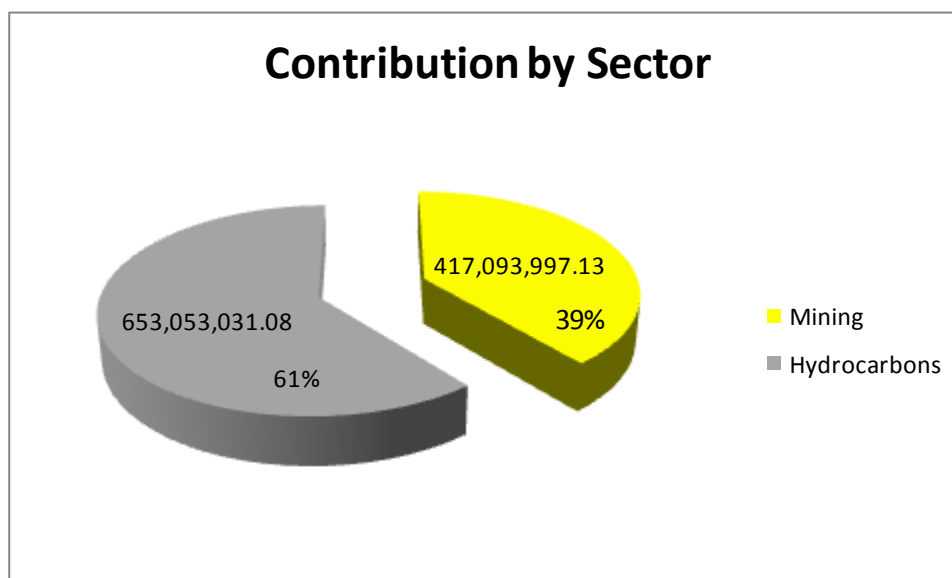
In the following tables we present the amounts initially declared by the companies and State institutions as well as the reconciliation of the same after review and verification of the supporting documents as well as clarifications obtained.

Before proceeding we present a table containing information on the total amount of taxes reconciled received by the State institutions for each of the sectors:

(Amounts in meticaís)

Sector	Tax
Mineira	417,093,997.13
Hidrocarbonetos	653,053,031.08
Total	1,070,147,028.21

From this table we can see that the revenue from the oil & gas sector represents 61% of the total received from the companies that replied to the reporting template, which allows us to conclude that this was the sector that contributed the most for the generation of the revenue.



6.2.1 Mining Sector

Number	Name of Company	Before Reconciliation			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE - MAPUTO	160,582,103.05	151,839,550.75	8,742,552.30	-3,962,568.25	4,907,716.05	154,773,804.05	156,747,266.80	-127,732.00
2	CIMENTOS DE MOÇAMBIQUE, SARL	94,068,359.60	90,061,084.44	4,007,275.16	-	6,186,503.40	94,068,359.60	96,247,587.84	-2,179,228.24
3	RIVERSDALE MOÇAMBIQUE, LDA	55,458,476.12	47,973,969.50	7,484,506.62	-8,054,626.28	-	47,403,849.84	47,973,969.50	-570,119.66
4	ROVUMA RESOURCES, LIMITADA	3,625,880.15	2,679,906.86	945,973.29	2,016,679.69	3,165,948.64	5,642,559.84	5,845,855.50	-203,295.66
5	OMEGACORP MINERAIS, LDA	4,073,662.42	3,919,859.11	153,803.31	-	-	4,073,662.42	3,919,859.11	153,803.31
6	RIO TINTO MINING AND EXPLORATION	3,954,545.24	3,930,923.90	23,621.34	4,922.00	28,543.31	3,959,467.24	3,959,467.21	0.03
7	CAPITOL RESOURCES, LDA	3,339,056.38	139,343.98	3,199,712.40	-15,345.00	3,198,767.25	3,323,711.38	3,338,111.23	-14,399.85
8	MINAS MOATIZE, LDA	1,686,936.64	1,565,377.11	121,559.53	-	243,138.74	1,686,936.64	1,808,515.85	-121,579.21
9	ETA STAR MOZAMBIQUE, SA	1,932,434.14	1,865,591.86	66,842.28	-	-	1,932,434.14	1,865,591.86	66,842.28
10	TWIGG EXPLORATION & MINING, LIMITADA	1,795,334.41	1,820,544.41		-17,697.24	16,516.05	1,777,637.17	1,837,060.46	-59,423.29
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	1,260,395.83	1,434,488.01	-174,092.18	-	-	1,260,395.83	1,434,488.01	-174,092.18
12	HIGHLAND AFRICAN MINING COMPANY	1,217,780.92	221,199.22	996,581.70	-35,964.32	906,184.23	1,181,816.60	1,127,383.45	54,433.15
13	ACOSTERRAS MOÇAMBIQUE, LDA	1,318,688.15	1,216,085.41	102,602.74	-10,306.00	-	1,308,382.15	1,216,085.41	92,296.74
14	MOZAMBIQUE MINERALS	1,183,446.00	1,183,978.72	-532.72	-	-	1,183,446.00	1,183,978.72	-532.72
15	MANICA MINERALS (MOZ), LDA	1,067,375.05	1,070,695.67		-	1,517.30	1,067,375.05	1,072,212.97	-4,837.92
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	826,054.40	668,228.41		-13,171.20	166,310.10	812,883.20	834,538.51	-21,655.31
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	635,489.86	-	635,489.86	-	-	635,489.86	-	635,489.86
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	520,480.00	510,020.00	10,460.00	-118,000.00	-	402,480.00	510,020.00	-107,540.00
19	AFRIMINAS MINERAIS, LIMITADA	385,435.00	202,388.70	183,046.30	-	-	385,435.00	202,388.70	183,046.30
20	KENMARE MOMA MINING, LIMITED	85,969,616.00	85,969,616.00	-	-	-	85,969,616.00	85,969,616.00	-
	TOTAL	424,901,549.36	398,272,852.06	26,499,401.93	-10,206,076.60	18,821,145.07	412,849,742.01	417,093,997.13	-2,398,524.37

6.2.2 Hydrocarbons Sector

Number	Name of Company	Before Reconciliation			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>HYDROCARBONS SECTOR</u>								
1	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	203,981,628.73	203,899,077.46	82,551.27	-79,917.00	-	203,901,711.73	203,899,077.46	2,634.27
2	COMPANHIA MOÇAMBICANA DE HIDROCARBONETO	62,425,861.47	56,515,374.05	5,910,487.42	448,194.72	6,443,228.55	62,874,056.19	62,958,602.60	-84,546.41
3	D N O ASA MOÇAMBIQUE	12,528,361.03	12,433,607.73	94,753.30	-94,754.02	-	12,433,607.01	12,433,607.73	-0.72
4	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	23,966,984.26	22,418,911.04	1,548,073.22	-	-	23,966,984.26	22,418,911.04	1,548,073.22
5	ENI EAST AFRICA S.P.A	1,360,112.62	1,725,416.78	-365,304.16	374,827.06	-	1,734,939.68	1,725,416.78	9,522.90
6	PETRONAS CARIGALI MOZAMBIQUE E & P	28,505,650.14	28,567,610.33	-61,960.19	61,960.19	-	28,567,610.33	28,567,610.33	-
7	SASOL PETROLEUM SOFALA LDA	248,341,591.44	248,341,571.44	20.00	-	-	248,341,591.44	248,341,571.44	20.00
8	SASOL PETROLEUM TEMANE LDA	57,027,042.20	56,729,442.15	297,600.05	-	-	57,027,042.20	56,729,442.15	297,600.05
9	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
10	STATOIL LTD.	13,805,000.00	-	13,805,000.00	-	13,805,000.00	13,805,000.00	13,805,000.00	-
11	SASOL PETROLEUM MOÇAMBIQUE LDA	2,173,791.55	2,173,791.55	-	-	-	2,173,791.55	2,173,791.55	-
	TOTAL	654,116,023.44	632,804,802.53	21,311,220.91	710,310.95	20,248,228.55	654,826,334.39	653,053,031.08	1,773,303.31

6.3 Amounts per tax

Here we present in a desegregated form (i.e. by type of tax and fees) the amounts paid by each of the companies in year 2009, comparing what was declared by the companies with the collections declared by the State.

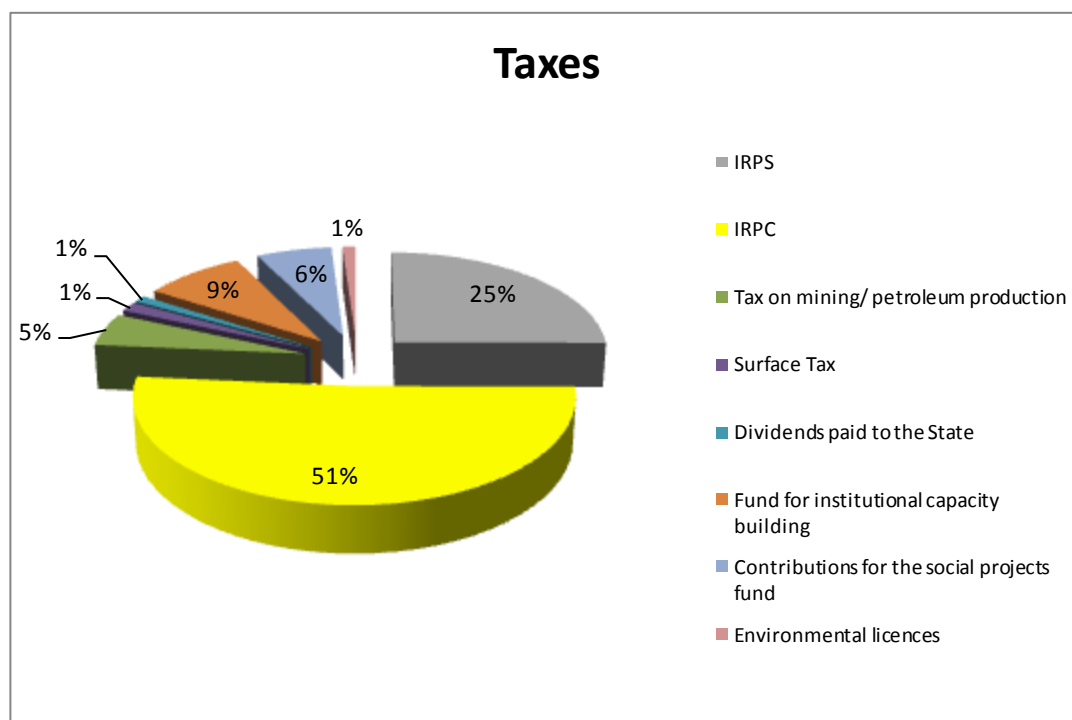
Before we proceed, we present, in an aggregated form, the taxes reported by the State institutions with respect to the companies that replied to the reporting templates.

(Amounts in meticaís)

Tax	Amount	%
IRPS	268,513,431.32	25.1%
IRPC (Global)	549,263,437.59	51.3%
- Withholding Tax	454,194,875.35	42.4%
- Provisional Payment/ Special Provisional Payment	94,814,471.72	8,9%
- IRPC Final	254,090.52	0.02%
Tax on mining/ petroleum production	54,725,412.71	5.1%
Surface Tax	15,864,287.93	1.5%
Dividends paid to the State	11,200,324.95	1%
Fund for institutional capacity building	91,328,898.88	8.5%
Contributions for the social projects fund	67,675,154.83	6.3%
Environmental licences	11,576,080.00	1.1%
Total	1,070,147,028.21	

(Em GJ)

Tax on petroleum production paid in kind	3,226,666.48
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6.3.1 Personal Income Tax (IRPS) (amounts in meticals)

NUMBER	NAME OF COMPANY	IRPS			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	101,403,449.05	91,619,270.00	9,784,179.05	-4,886,464.00	4,897,716.05	96,516,985.05	96,516,986.05	-1.00
2	CIMENTOS DE MOÇAMBIQUE, SARL	15,672,766.13	13,562,183.41	2,110,582.72	-	1,429,407.00	15,672,766.13	14,991,590.41	681,175.72
3	RIVERSDALE MOÇAMBIQUE, LDA	34,264,664.94	28,922,513.65	5,342,151.29	-5,912,271.05	-	28,352,393.89	28,922,513.65	-570,119.76
4	ROVUMA RESOURCES, LIMITADA	2,981,655.15	1,967,281.86	1,014,373.29	2,016,679.69	3,165,948.64	4,998,334.84	5,133,230.50	-134,895.66
5	OMEGACORP MINERAIS, LDA	1,019,349.58	1,089,315.46	-69,965.88	-	-	1,019,349.58	1,089,315.46	-69,965.88
6	RIO TINTO MINING AND EXPLORATION	1,107,085.60	1,142,007.60	-34,922.00	34,922.00	-	1,142,007.60	1,142,007.60	-
7	CAPITOL RESOURCES, LDA	71,764.58	71,764.58	-	-14,095.00	-1,932.75	57,669.58	69,831.83	-12,162.25
8	MINAS MOATIZE, LDA	61,168.26	61,168.26	-	-	-	61,168.26	61,168.26	-
9	ETA STAR MOZAMBIQUE, SA	1,635,662.07	1,620,819.59	14,842.48	-	-	1,635,662.07	1,620,819.59	14,842.48
10	TWIGG EXPLORATION & MINING, LIMITADA	223,331.19	248,728.91	-25,397.72	-17,509.52	4,073.83	205,821.67	252,802.74	-46,981.07
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	911,145.91	1,403,738.09	-492,592.18	-	-	911,145.91	1,403,738.09	-492,592.18
12	HIGHLAND AFRICAN MINING COMPANY	884,538.52	115,799.23	768,739.29	-35,964.32	906,184.23	848,574.20	1,021,983.46	-173,409.26
13	ACOSTERRAS MOÇAMBIQUE, LDA	123,672.00	138,876.44	-15,204.44	-10,306.00	-	113,366.00	138,876.44	-25,510.44
14	MOZAMBIQUE MINERALS	1,021,796.00	1,022,328.72	-532.72	-	-	1,021,796.00	1,022,328.72	-532.72
15	MANICA MINERALS (MOZ), LDA	20,640.00	23,960.62	-3,320.62	-	1,517.30	20,640.00	25,477.92	-4,837.92
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	158,054.40	-	158,054.40	-13,171.20	166,310.10	144,883.20	166,310.10	-21,426.90
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	57,097,753.00	57,097,753.00	-	-	-	57,097,753.00	57,097,753.00	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	23,496,496.00	23,416,579.00	79,917.00	-79,917.00	-	23,416,579.00	23,416,579.00	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	7,758,664.72	8,206,859.44	-448,194.72	448,194.72	-	8,206,859.44	8,206,859.44	-
23	D N O ASA MOÇAMBIQUE	439,950.61	345,197.31	94,753.30	-94,754.02	-	345,196.59	345,197.31	-0.72
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	8,414,008.66	8,472,097.32	-58,088.66	-	-	8,414,008.66	8,472,097.32	-58,088.66
25	ENI EAST AFRICA S.P.A	1,278,748.05	1,725,416.78	-446,668.73	374,827.06	-	1,653,575.11	1,725,416.78	-71,841.67
26	PETRONAS CARIGALI MOZAMBIQUE E & P	48,897.94	48,897.94	-	-	-	48,897.94	48,897.94	-
27	SASOL PETROLEUM SOFALA LDA	78,257.66	78,237.66	20.00	-	-	78,257.66	78,237.66	20.00
28	SASOL PETROLEUM TEMANE LDA	15,419,668.05	15,419,668.05	-	-	-	15,419,668.05	15,419,668.05	-
29	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	123,744.00	123,744.00	-	-	-	123,744.00	123,744.00	-
	SUBTOTAL MINING SECTOR	218,658,496.38	200,107,509.42	18,550,986.96	-8,838,179.40	10,569,224.40	209,820,316.98	210,676,733.82	-856,416.84
	SUBTOTAL HYDROCARBONS SECTOR	57,058,435.69	57,836,697.50	-778,261.81	648,350.76	-	57,706,786.45	57,836,697.50	-129,911.05
	GRAND TOTAL	275,716,932.07	257,944,206.92	17,772,725.15	-8,189,828.64	10,569,224.40	267,527,103.43	268,513,431.32	-986,327.89

6.3.1.1 Reconciliation (amounts in meticaís)

NAME	Payments made outside the reporting period		Payments made and not reported		Allocations error		Amounts receiver and not reported		TOTAL		GENERAL
	Companies	State	Companies	State	Companies	State	Companies	State	COMPANIES	STATE	
RIO DOCE	-8,474,830.00		4,588,366.00		-1,000,000.00			4,897,716.05	-4,886,464.00	4,897,716.05	11,252.05
CIMENTOS	-							1,429,407.00	-	1,429,407.00	1,429,407.00
RIVERSDALE	-7,674,067.60		1,761,796.55						-5,912,271.05	-	-5,912,271.05
ROVUMA RESOURCES	-	-216,961.00	2,016,679.69			-1,617,425.11		5,000,334.75	2,016,679.69	3,165,948.64	5,182,628.33
RIO TINTO	-159,688.00		194,610.00						34,922.00	-	34,922.00
CAPITOL RESOURCES	-14,095.00	-14,095.00						12,162.25	-14,095.00	-1,932.75	-16,027.75
TWIGG	-17,509.52	-32,941.99						37,015.82	-17,509.52	4,073.83	-13,435.69
HIGHLAND	-35,964.32							906,184.23	-35,964.32	906,184.23	870,219.91
ACOSTERRAS	-10,306.00								-10,306.00	-	-10,306.00
MANICA MINERALS		-1,720.00						3,237.30	-	1,517.30	1,517.30
ESSAR MINAS	-13,171.20							166,310.10	-13,171.20	166,310.10	153,138.90
ANADARKO	-79,917.00								-79,917.00	-	-79,917.00
CMH			448,194.72						448,194.72	-	448,194.72
DNO	-94,754.02								-94,754.02	-	-94,754.02
ENI EAST AFRICA			374,827.06						374,827.06	-	374,827.06
TOTAL	-16,574,302.66	-265,717.99	9,384,474.02	-	-1,000,000.00	-1,617,425.11	-	12,452,367.50	-8,189,828.64	10,569,224.40	2,379,395.76

6.3.2 Corporate Income Tax (IRPC) (amounts in meticals)

6.3.2.1 Withholding Tax

NUMBER	NAME OF COMPANY	IRPC			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	59,148,654.00	58,216,820.00	931,834.00	-921,835.00	10,000.00	58,226,819.00	58,226,820.00	-1.00
2	CIMENTOS DE MOÇAMBIQUE, SARL	15,580,660.40	19,610,207.92	-4,029,547.52	-	-	15,580,660.40	19,610,207.92	-4,029,547.52
3	RIVERSDALE MOÇAMBIQUE, LDA	20,888,091.18	18,696,455.85	2,191,635.33	-2,191,635.23	-	18,696,455.95	18,696,455.85	0.10
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	617,597.84	701,128.65	-83,530.81	-	-	617,597.84	701,128.65	-83,530.81
6	RIO TINTO MINING AND EXPLORATION	1,775,869.00	1,775,869.00	-	-	-	1,775,869.00	1,775,869.00	-
7	CAPITOL RESOURCES, LDA	37,518.75	36,268.75	1,250.00	-1,250.00	5,000.00	36,268.75	41,268.75	-5,000.00
8	MINAS MOATIZE, LDA	1,525,415.26	1,404,208.85	121,206.41	-	242,784.62	1,525,415.26	1,646,993.47	-121,578.21
9	ETA STAR MOZAMBIQUE, SA	214,772.07	214,772.27	-0.20	-	-	214,772.07	214,772.27	-0.20
10	TWIGG EXPLORATION & MINING, LIMITADA	187.72	-	187.72	-187.72	12,442.22	-	12,442.22	-12,442.22
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	1,667.50	113,368.70	-111,701.20	-	-	1,667.50	113,368.70	-111,701.20
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	6,264,497.00	6,264,497.00	-	-	-	6,264,497.00	6,264,497.00	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	55,679,913.00	55,679,913.00	-	-	-	55,679,913.00	55,679,913.00	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	9,922,189.77	9,922,189.77	-	-	-	9,922,189.77	9,922,189.77	-
23	D N O ASA MOÇAMBIQUE	9,327,410.42	9,327,410.42	-	-	-	9,327,410.42	9,327,410.42	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	15,552,975.60	13,946,813.72	1,606,161.88	-	-	15,552,975.60	13,946,813.72	1,606,161.88
25	ENI EAST AFRICA S.P.A	81,364.57	-	81,364.57	-	-	81,364.57	-	81,364.57
26	PETRONAS CARIGALI MOZAMBIQUE E & P	846,752.20	908,712.39	-61,960.19	61,960.19	-	908,712.39	908,712.39	-
27	SASOL PETROLEUM SOFALA LDA	248,263,333.78	248,263,333.78	-	-	-	248,263,333.78	248,263,333.78	-
28	SASOL PETROLEUM TEMANE LDA	6,792,630.89	6,792,630.89	-	-	-	6,792,630.89	6,792,630.89	-
29	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	2,050,047.55	2,050,047.55	-	-	-	2,050,047.55	2,050,047.55	-
	SUBTOTAL MINING SECTOR	106,054,930.72	107,033,596.99	-978,666.27	-3,114,907.95	270,226.84	102,940,022.77	107,303,823.83	-4,363,801.06
	SUBTOTAL HYDORCARBONS SECTOR	348,516,617.78	346,891,051.52	1,625,566.26	61,960.19	-	348,578,577.97	346,891,051.52	1,687,526.45
	GRAND TOTAL	454,571,548.50	453,924,648.51	646,899.99	-3,052,947.76	270,226.84	451,518,600.74	454,194,875.35	-2,676,274.61

6.3.2.2 Reconciliação (valores em meticais)

NAME	Payments made outside the reporting period		Payments made and not reported		Allocations error		Amounts receiver and not reported		TOTAL		GENERAL
	Companies	State	Companies	State	Companies	State	Companies	State	COMPANIES	STATE	
RIO DOCE	-10,016,856.00		9,095,021.00			10,000.00			-921,835.00	10,000.00	-911,835.00
RIVERSDALE	-2,191,635.33					0.10			-2,191,635.23	-	-2,191,635.23
CAPITOL RESOURCES	-1,250.00					3,750.00		1,250.00	-1,250.00	5,000.00	3,750.00
MINAS MOATIZE								242,784.62	-	242,784.62	242,784.62
TWIGG						-187.72		12,442.22	-187.72	12,442.22	12,254.50
PETRONAS CARIGALI			61,960.19						61,960.19	-	61,960.19
TOTAL	-12,209,741.33	-	9,156,981.19	-	-187.62	13,750.00	-	256,476.84	-3,052,947.76	270,226.84	-2,782,720.92

6.3.2.3 Pagamentos por conta/especial por conta (valores em meticals)

NUMBER	NAME OF COMPANY	PROVISIONAL PAYMENT/ SPECIAL PROVISIONAL PAYMENT			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
<u>MINING SECTOR</u>									
1	RIO DOCE MOÇAMBIQUE/VALE	30,000.00	30,000.00	-	-	-	30,000.00	30,000.00	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	55,246,854.84	55,246,854.84	-	-	-	55,246,854.84	55,246,854.84	-
3	RIVERSDALE MOÇAMBIQUE, LDA	40,000.00	30,000.00	10,000.00	-10,000.00	-	30,000.00	30,000.00	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	118,540.64	59,997.30	58,543.34	-30,000.00	28,543.31	88,540.64	88,540.61	0.03
7	CAPITOL RESOURCES, LDA	34,073.05	31,310.65	2,762.40	-	-	34,073.05	31,310.65	2,762.40
8	MINAS MOATIZE, LDA	100,353.12	100,000.00	353.12	-	354.12	100,353.12	100,354.12	-1.00
9	ETA STAR MOZAMBIQUE, SA	30,000.00	30,000.00	-	-	-	30,000.00	30,000.00	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	30,749.92	30,749.92	-	-	-	30,749.92	30,749.92	-
12	HIGHLAND AFRICAN MINING COMPANY	-	99,999.99	-99,999.99	-	-	-	99,999.99	-99,999.99
13	ACOSTERRAS MOÇAMBIQUE, LDA	580,108.35	580,108.35	-	-	-	580,108.35	580,108.35	-
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	30,000.00	30,000.00	-	-	-	30,000.00	30,000.00	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	30,000.00	30,228.41	-228.41	-	-	30,000.00	30,228.41	-228.41
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	30,000.00	-	30,000.00	-30,000.00	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	30,000.00	-	30,000.00	-	-	30,000.00	-	30,000.00
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
<u>HYDROCARBONS SECTOR</u>									
1	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	-	-	-	-	-	-	-	-
2	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	38,301,778.43	38,386,324.84	-84,546.41	-	-	38,301,778.43	38,386,324.84	-84,546.41
3	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
4	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
5	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
6	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
7	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
8	SASOL PETROLEUM TEMANE LDA	99,999.99	99,999.99	-	-	-	99,999.99	99,999.99	-
9	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
10	STATOIL LTD.	-	-	-	-	-	-	-	-
11	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
SUBTOTAL MINING SECTOR		56,330,679.92	56,299,249.46	31,430.46	-70,000.00	28,897.43	56,260,679.92	56,328,146.89	-67,466.97
SUBTOTAL HYDORCARBONS SECTOR		38,401,778.42	38,486,324.83	-84,546.41	-	-	38,401,778.42	38,486,324.83	-84,546.41
GRAND TOTAL		94,732,458.34	94,785,574.29	-53,115.95	-70,000.00	28,897.43	94,662,458.34	94,814,471.72	-152,013.38

6.3.2.4 Reconciliação (valores em meticais)

NAME	Payments made outside the reporting period		Payments made and not reported		Allocations error		Amounts receiver and not reported		TOTAL		GENERAL
	Companies	State	Companies	State	Companies	State	Companies	State	COMPANIES	STATE	
RIVERSDALE	-10,000.00								-10,000.00	-	-10,000.00
RIO TINTO	-30,000.00							28,543.31	-30,000.00	28,543.31	-1,456.69
MINAS MOATIZE								354.12	-	354.12	354.12
TANTALUM	-30,000.00								-30,000.00	-	-30,000.00
TOTAL	-70,000.00	-	-	-	-	-	-	28,897.43	-70,000.00	28,897.43	-41,102.57

6.3.2.5 Final tax payment (amounts in meticals)

NUMBER	NAME OF COMPANY	IRPC FINAL			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	-	-	-	-	-	-	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	-	-	-	-	-	-	-	-
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	483,599.30	254,090.52	229,508.78	-	-	483,599.30	254,090.52	229,508.78
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	-	-	-	-	-	-	-	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
23	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	-	-	-	-	-	-	-	-
29	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	483,599.30	254,090.52	229,508.78	-	-	483,599.30	254,090.52	229,508.78
	SUBTOTAL HYDORCARBONS SECTOR	-	-	-	-	-	-	-	-
	GRAND TOTAL	483,599.30	254,090.52	229,508.78	-	-	483,599.30	254,090.52	229,508.78

6.3.3 Surface Tax (amounts in meticals)

NUMBER	NAME OF COMPANY	SURFACE TAX			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	1,968,460.75	-1,968,460.75	1,845,730.75	-	1,845,730.75	1,968,460.75	-122,730.00
2	CIMENTOS DE MOÇAMBIQUE, SARL	1,046,000.00	1,198,009.93	-152,009.93	-	-	1,046,000.00	1,198,009.93	-152,009.93
3	RIVERSDALE MOÇAMBIQUE, LDA	265,720.00	325,000.00	-59,280.00	59,280.00	-	325,000.00	325,000.00	-
4	ROVUMA RESOURCES, LIMITADA	644,225.00	712,625.00	-68,400.00	-	-	644,225.00	712,625.00	-68,400.00
5	OMEGACORP MINERAIS, LDA	2,436,715.00	2,129,415.00	307,300.00	-	-	2,436,715.00	2,129,415.00	307,300.00
6	RIO TINTO MINING AND EXPLORATION	953,050.00	953,050.00	-	-	-	953,050.00	953,050.00	-
7	CAPITOL RESOURCES, LDA	3,195,700.00	-	3,195,700.00	-	3,195,700.00	3,195,700.00	3,195,700.00	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	52,000.00	-	52,000.00	-	-	52,000.00	-	52,000.00
10	TWIGG EXPLORATION & MINING, LIMITADA	1,571,815.50	1,571,815.50	-	-	-	1,571,815.50	1,571,815.50	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	318,500.00	-	318,500.00	-	-	318,500.00	-	318,500.00
12	HIGHLAND AFRICAN MINING COMPANY	333,242.40	5,400.00	327,842.40	-	-	333,242.40	5,400.00	327,842.40
13	ACOSTERRAS MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
14	MOZAMBIQUE MINERALS	161,650.00	161,650.00	-	-	-	161,650.00	161,650.00	-
15	MANICA MINERALS (MOZ), LDA	1,016,735.05	1,016,735.05	-	-	-	1,016,735.05	1,016,735.05	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	638,000.00	638,000.00	-	-	-	638,000.00	638,000.00	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	510,020.00	-510,020.00	402,480.00	-	402,480.00	510,020.00	-107,540.00
19	AFRIMINAS MINERAIS, LIMITADA	355,435.00	202,388.70	153,046.30	-	-	355,435.00	202,388.70	153,046.30
20	KENMARE MOMA MINING, LIMITED	1,276,018.00	1,276,018.00	-	-	-	1,276,018.00	1,276,018.00	-
	<u>HYDROCARBONS SECTOR</u>								
1	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	-	-	-	-	-	-	-	-
2	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
3	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
4	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
5	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
6	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
7	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
8	SASOL PETROLEUM TEMANE LDA	-	-	-	-	-	-	-	-
9	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
10	STATOIL LTD.	-	-	-	-	-	-	-	-
11	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	14,264,805.95	12,668,587.93	1,596,218.02	2,307,490.75	3,195,700.00	16,572,296.70	15,864,287.93	708,008.77
	SUBTOTAL HYDORCARBONS SECTOR	-	-	-	-	-	-	-	-
	GRAND TOTAL	14,264,805.95	12,668,587.93	1,596,218.02	2,307,490.75	3,195,700.00	16,572,296.70	15,864,287.93	708,008.77

6.3.3.1 Reconciliation (amounts in meticaís)

NAME	Payments made outside the reporting period		Payments made and not reported		Allocations error		Amounts receiver and not reported		TOTAL		GENERAL
	Companies	State	Companies	State	Companies	State	Companies	State	COMPANIES	STATE	
RIO DOCE			1,845,730.75						1,845,730.75	-	1,845,730.75
RIVERSDALE			59,280.00						59,280.00	-	59,280.00
CAPITOL RESOURCES								3,195,700.00	-	3,195,700.00	3,195,700.00
TANTALUM			402,480.00						402,480.00	-	402,480.00
TOTAL	-	-	2,307,490.75	-	-	-	-	3,195,700.00	2,307,490.75	3,195,700.00	5,503,190.75

6.3.4 Tax on Mining / Petroleum Production

6.3.4.1 Payment in cash (amounts in meticaís)

NUMBER	NAME OF COMPANY	TAX ON PRODUCTION: IN CASH			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	-	-	-	-	-	-	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	1,764,981.83	443,828.34	1,321,153.49	-	-	1,764,981.83	443,828.34	1,321,153.49
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	129,641.00	129,641.40	-0.40	-	-	129,641.00	129,641.40	-0.40
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	21,331,348.00	21,331,348.00	-	-	-	21,331,348.00	21,331,348.00	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	-	-	-	-	-	-	-	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
23	D N O ASA MOÇAMBIQUE	2,761,000.00	2,761,000.00	-	-	-	2,761,000.00	2,761,000.00	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	30,059,595.11	30,059,594.97	0.14	-	-	30,059,595.11	30,059,594.97	0.14
29	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	23,225,970.83	21,904,817.74	1,321,153.09	-	-	23,225,970.83	21,904,817.74	1,321,153.09
	SUBTOTAL HYDORCARBONS SECTOR	32,820,595.11	32,820,594.97	0.14	-	-	32,820,595.11	32,820,594.97	0.14
	GRAND TOTAL	56,046,565.94	54,725,412.71	1,321,153.23	-	-	56,046,565.94	54,725,412.71	1,321,153.23

6.3.4.2 Payment in kind (in GJ)

NUMBER	NAME OF COMPANY	TAX ON PRODUCTION: IN KIND			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	-	-	-	-	-	-	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	-	-	-	-	-	-	-	-
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	-	-	-	-	-	-	-	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
23	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	3,226,666.48	3,226,666.48	-	-	-	3,226,666.48	3,226,666.48	-
29	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	-	-	-	-	-	-	-	-
	SUBTOTAL HYDORCARBONS SECTOR	3,226,666.48	3,226,666.48	-	-	-	3,226,666.48	3,226,666.48	-
	GRAND TOTAL	3,226,666.48	3,226,666.48	-	-	-	3,226,666.48	3,226,666.48	-

6.3.5 Dividends paid to the State (amounts in meticaís)

NUMBER	NAME OF COMPANY	DIVIDENDS PAID TO THE STATE			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	-	-	-	-	-	-	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	4,757,096.40	-	4,757,096.40	-	4,757,096.40	4,757,096.40	4,757,096.40	-
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	-	-	-	-	-	-	-	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	6,443,228.55	-	6,443,228.55	-	6,443,228.55	6,443,228.55	6,443,228.55	-
23	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	-	-	-	-	-	-	-	-
29	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	4,757,096.40	-	4,757,096.40	-	4,757,096.40	4,757,096.40	4,757,096.40	-
	SUBTOTAL HYDORCARBONS SECTOR	6,443,228.55	-	6,443,228.55	-	6,443,228.55	6,443,228.55	6,443,228.55	-
	GRAND TOTAL	11,200,324.95	-	11,200,324.95	-	11,200,324.95	11,200,324.95	11,200,324.95	-

6.3.5.1 Reconciliation (amounts in meticaís)

NAME	Payments made outside the reporting period		Payments made and not reported		Allocations error		Amounts receiver and not reported		TOTAL		GENERAL
	Companies	State	Companies	State	Companies	State	Companies	State	COMPANIES	STATE	
CIMENTOS DE MOÇAMBIQUE			-					4,757,096.40	-	4,757,096.40	4,757,096.40
CMH			-					6,443,228.55	-	6,443,228.55	6,443,228.55
TOTAL		-	-			-		-	11,200,324.95	11,200,324.95	11,200,324.95

6.3.6 Contributions to the Institutional Capacity Building Fund (amounts in meticaís)

NUMBER	NAME OF COMPANY	FUND FOR INSTITUTIONAL CAPACITY BUILDING			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	-	-	-	-	-	-	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	-	-	-	-	-	-	-	-
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	59,361,500.00	59,361,350.63	149.37	-	-	59,361,500.00	59,361,350.63	149.37
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
23	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	27,610,000.00	27,610,000.00	-	-	-	27,610,000.00	27,610,000.00	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	4,655,148.16	4,357,548.25	297,599.91	-	-	4,655,148.16	4,357,548.25	297,599.91
29	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	-	-	-	-	-	-	-	-
	SUBTOTAL HYDORCARBONS SECTOR	91,626,648.16	91,328,898.88	297,749.28	-	-	91,626,648.16	91,328,898.88	297,749.28
	GRAND TOTAL	91,626,648.16	91,328,898.88	297,749.28	-	-	91,626,648.16	91,328,898.88	297,749.28

6.3.7 Contributions for the Social Projects Fund (amounts in meticais)

NUMBER	NAME OF COMPANY	CONTRIBUTIONS FOR THE SOCIAL PROJECTS			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	-	-	-	-	-	-	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	-	-	-	-	-	-	-	-
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	53,872,639.73	53,870,154.83	2,484.90	-	-	53,872,639.73	53,870,154.83	2,484.90
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
23	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	-	-	-	-	-	-	-	-
29	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	13,805,000.00	-	13,805,000.00	-	13,805,000.00	13,805,000.00	13,805,000.00	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	-	-	-	-	-	-	-	-
	SUBTOTAL HYDORCARBONS SECTOR	67,677,639.73	53,870,154.83	13,807,484.90	-	13,805,000.00	67,677,639.73	67,675,154.83	2,484.90
	GRAND TOTAL	67,677,639.73	53,870,154.83	13,807,484.90	-	13,805,000.00	67,677,639.73	67,675,154.83	2,484.90

6.3.7.1 Reconciliation (amounts in meticaïs)

NAME	Payments made outside the reporting period		Payments made and not reported		Allocations error		Amounts receiver and not reported		TOTAL		GENERAL
	Companies	State	Companies	State	Companies	State	Companies	State	COMPANIES	STATE	
STATOIL			-					13,805,000.00	-	13,805,000.00	13,805,000.00
TOTAL	-	-	-	-	-	-	-	13,805,000.00	-	13,805,000.00	13,805,000.00

6.3.8 Social contributions (amounts in meticals)

NUMBER	NAME OF COMPANY	SOCIAL CONTRIBUTIONS: NOT RECONCILABLE	
		Companies	
	<u>MINING SECTOR</u>		
1	RIO DOCE MOÇAMBIQUE/VALE		-
2	CIMENTOS DE MOÇAMBIQUE, SARL		187,750.00
3	RIVERSDALE MOÇAMBIQUE, LDA		-
4	ROVUMA RESOURCES, LIMITADA		-
5	OMEGACORP MINERAIS, LDA		-
6	RIO TINTO MINING AND EXPLORATION		-
7	CAPITOL RESOURCES, LDA		-
8	MINAS MOATIZE, LDA		-
9	ETA STAR MOZAMBIQUE, SA		-
10	TWIGG EXPLORATION & MINING, LIMITADA		-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA		-
12	HIGHLAND AFRICAN MINING COMPANY		-
13	ACOSTERRAS MOÇAMBIQUE, LDA		-
14	MOZAMBIQUE MINERALS		-
15	MANICA MINERALS (MOZ), LDA		-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA		-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA		-
28	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA		-
19	AFRIMINAS MINERAIS, LIMITADA		-
20	KENMARE MOMA MINING, LIMITED		9,002,682.26
	<u>HYDROCARBONS SECTOR</u>		
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA		-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL		-
23	D N O ASA MOÇAMBIQUE		-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP		-
25	ENI EAST AFRICA S.P.A		-
26	PETRONAS CARIGALI MOZAMBIQUE E & P		-
27	SASOL PETROLEUM SOFALA LDA		12,286,875.47
28	SASOL PETROLEUM TEMANE LDA		80,494,631.89
29	BUZI HYDROCARBONS		-
30	STATOIL LTD.		-
31	SASOL PETROLEUM MOÇAMBIQUE LDA		-
	SUBTOTAL MINING SECTOR		9,190,432.26
	SUBTOTAL HYDORCARBONS SECTOR		92,781,507.36
	GRAND TOTAL		101,971,939.62

6.3.9 Environmental License (amounts in meticals)

NUMBER	NAME OF COMPANY	ENVIRONMENTAL LICENCE			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	5,000.00	-5,000.00	-	-	-	5,000.00	-5,000.00
2	CIMENTOS DE MOÇAMBIQUE, SARL	-	-	-	-	-	-	-	-
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	320,993.86	-	320,993.86	-	-	320,993.86	-	320,993.86
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	490,480.00	-	490,480.00	-490,480.00	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	11,571,080.00	11,571,080.00	-	-	-	11,571,080.00	11,571,080.00	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	-	-	-	-	-	-	-	-
29	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	811,473.86	5,000.00	806,473.86	-490,480.00	-	320,993.86	5,000.00	315,993.86
	SUBTOTAL HYDORCARBONS SECTOR	11,571,080.00	11,571,080.00	-	-	-	11,571,080.00	11,571,080.00	-
	GRAND TOTAL	12,382,553.86	11,576,080.00	806,473.86	-490,480.00	-	11,892,073.86	11,576,080.00	315,993.86

6.3.9.1 Reconciliation (amounts in meticaís)

NAME	Payments made outside the reporting period		Payments made and not reported		Allocations error		Amounts receiver and not reported		TOTAL		GENERAL
	Companies	State	Companies	State	Companies	State	Companies	State	COMPANIES	STATE	
TANTALUM			-		-490,480.00				-490,480.00	-	-490,480.00
TOTAL	-	-	-	-	-490,480.00	-	-	-	-490,480.00	-	-490,480.00

6.3.10 Exploration/Prospecting Fee (amounts in meticaís)

NUMBER	NAME OF COMPANY	EXPLORATION LICENCE			Adjustments		After Reconciliation		
		Companies	State	Difference	Companies	State	Companies	State	Difference
	<u>MINING SECTOR</u>								
1	RIO DOCE MOÇAMBIQUE/VALE	-	-	-	-	-	-	-	-
2	CIMENTOS DE MOÇAMBIQUE, SARL	-	-	-	-	-	-	-	-
3	RIVERSDALE MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
4	ROVUMA RESOURCES, LIMITADA	-	-	-	-	-	-	-	-
5	OMEGACORP MINERAIS, LDA	-	-	-	-	-	-	-	-
6	RIO TINTO MINING AND EXPLORATION	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
9	ETA STAR MOZAMBIQUE, SA	-	-	-	-	-	-	-	-
10	TWIGG EXPLORATION & MINING, LIMITADA	-	-	-	-	-	-	-	-
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
12	HIGHLAND AFRICAN MINING COMPANY	-	-	-	-	-	-	-	-
13	ACOSTERRAS MOÇAMBIQUE, LDA	-	-	-	-	-	-	-	-
14	MOZAMBIQUE MINERALS	-	-	-	-	-	-	-	-
15	MANICA MINERALS (MOZ), LDA	-	-	-	-	-	-	-	-
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	-	-	-	-	-	-	-	-
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	314,496.00	-	314,496.00	-	-	314,496.00	-	314,496.00
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	-	-	-	-	-	-	-	-
19	AFRIMINAS MINERAIS, LIMITADA	-	-	-	-	-	-	-	-
20	KENMARE MOMA MINING, LIMITED	-	-	-	-	-	-	-	-
	<u>HYDROCARBONS SECTOR</u>								
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	-	-	-	-	-	-	-	-
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	-	-	-	-	-	-	-	-
23	D N O ASA MOÇAMBIQUE	-	-	-	-	-	-	-	-
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	-	-	-	-	-	-	-	-
25	ENI EAST AFRICA S.P.A	-	-	-	-	-	-	-	-
26	PETRONAS CARIGALI MOZAMBIQUE E & P	-	-	-	-	-	-	-	-
27	SASOL PETROLEUM SOFALA LDA	-	-	-	-	-	-	-	-
28	SASOL PETROLEUM TEMANE LDA	-	-	-	-	-	-	-	-
29	BUZI HIDROCARBONS	-	-	-	-	-	-	-	-
30	STATOIL LTD.	-	-	-	-	-	-	-	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	-	-	-	-	-	-	-	-
	SUBTOTAL MINING SECTOR	314,496.00	-	314,496.00	-	-	314,496.00	-	314,496.00
	SUBTOTAL HYDORCARBONS SECTOR	-	-	-	-	-	-	-	-
	GRAND TOTAL	314,496.00	-	314,496.00	-	-	314,496.00	-	314,496.00

7 Summary of the reconciliation

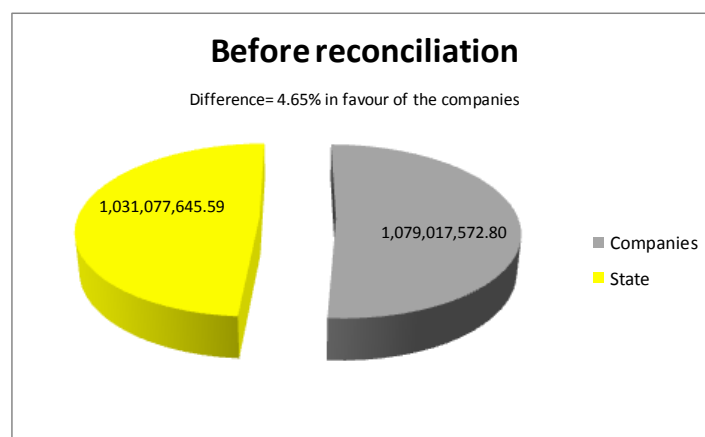
7.1 Overall

- ▶ The information declared by the companies in the reporting templates and that reported by the State institutions present a difference in favour of the State in the amount of 47,939,918.21MT. In other words, the companies declared payments approximately 4,65% higher than the collections declared by the State institutions, as detailed below:

Differences before reconciliations (amounts in meticals)

Sector	Companies	State	Difference	%
Mining Sector	424,901,549.36	398,272,852.06	26,628,697.30	-6.69%
Hydrocarbons sector	654,116,023.44	632,804,802.53	21,311,220.91	-3.37%
Total	1,079,017,572.80	1,031,077,654.59	47,939,918.21	-4.65%

- ▶ In graphical terms the difference is represented as follows:

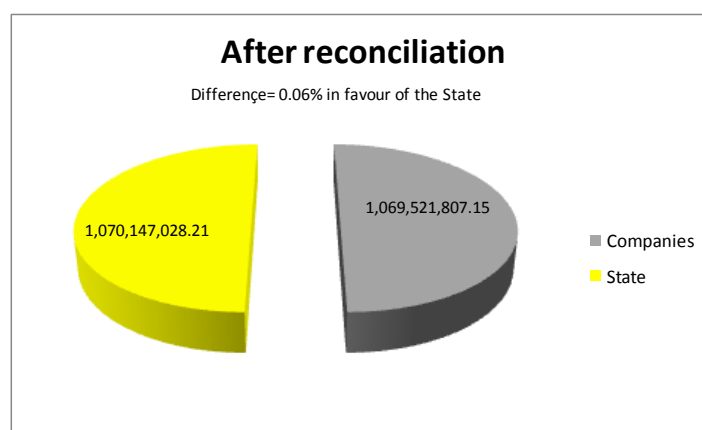


- ▶ After reconciliation the prevailing difference was reduced to 625,221.06 MT and, contrary to what was the previous situation, the State reported having received approximately 0,6% more than the amounts of payments declared by the companies as shown below:

Differences after reconciliation (amounts in meticals)

Sector	Companies	State	Difference	%
Mining Sector	414,695,472.76	417,093,997.13	-2,398,524.37	0.58%
Hydrocarbons Sector	654,826,334.39	653,053,031.08	1,773,303.31	-0.27%
Total	1,069,521,807.15	1,070,147,028.21	-625,221.06	0.06%

- ▶ A graphical representation of the prevailing difference is presented below:



7.2 Details of the reconciliation

- ▶ Reconciliation was conducted on the amounts declared by the companies as well as those reported by the State institutions as detailed below, with indication of the adjustments made.

Description	Companies	State
Payments made outside the reporting period	-28,854,043.99	-265,717.99
Payments made and not reported	20,848,945.96	-
Allocations error	-1,490,667.62	-1,603,675.11
Amounts receiver and not reported	-	40,938,766.72
Total	-9,495,765.65	39,069,373.62

- Payments made outside the reporting period result essentially from the fact that in the reply of the reporting templates the financial year was considered instead of the calendar year, which resulted, for example, in the inclusion of payments made in January 2010 but referent to financial year 2009.
 - With respect to amounts paid / received and not reported, the large majority of the amounts assessed results, on the one hand, from the non inclusion of the payments made in January 2009 (referent to the taz return for December 2008) and, on the other, the non transition of the amounts contained in the payment forms/reports of the receivables by the enquiring party.
 - The amounts reported by error in the reporting templates result from typing errors in the inclusion of the amounts contained in the payment returns /reports of receivables.
- ▶ Although the net prevailing difference represents only 0,06% of the revenue reported by the State, in isolated terms, the difference between the amounts declared by the companies and not reflected in the collections by the State, as well as the amounts reported as having been received by the State institutions but that were not reflected in the payments made by the companies, is substantial and comparatively higher as shown below:
 - State institutions - 6,466,233.06 MT representing 0,60% of the amount reported by the State.
 - Companies - 5,887,993.07 MT, corresponding to 0,55% of the amount declared by the companies.
 - ▶ Even though, these amounts are below the defined materiality.

Description	Amounts declared by the companies	Difference in favour of the companies	%
Companies	1,069,521,807.15	5,887,993.07	0.55%

Description	Amounts declared by the State	Difference in favour of the State	%
State	1,070,147,028.21	6,466,233.06	0.60%

- ▶ The detail of the differences by each company is presented below:

Summary of amounts presented after reconciliation (amounts in meticals)

Number	Name of Company	Amount declared by the Companies	Amount declared by the State	Difference
<u>MINING SECTOR</u>				
1	RIO DOCE MOÇAMBIQUE/VALE - MAPUTO	156,619,534.80	156,747,266.80	-127,732.00
2	CIMENTOS DE MOÇAMBIQUE, SARL	94,068,359.60	96,247,587.84	-2,179,228.24
3	RIVERSDALE MOÇAMBIQUE, LDA	47,403,849.84	47,973,969.50	-570,119.66
4	ROVUMA RESOURCES, LIMITADA	5,642,559.84	5,845,855.50	-203,295.66
5	OMEGACORP MINERAIS, LDA	4,073,662.42	3,919,859.11	153,803.31
6	RIO TINTO MINING AND EXPLORATION	3,959,467.24	3,959,467.21	0.03
7	CAPITOL RESOURCES, LDA	3,323,711.38	3,338,111.23	-14,399.85
8	MINAS MOATIZE, LDA	1,686,936.64	1,808,515.85	-121,579.21
9	ETA STAR MOZAMBIQUE, SA	1,932,434.14	1,865,591.86	66,842.28
10	TWIGG EXPLORATION & MINING, LIMITADA	1,777,637.17	1,837,060.46	-59,423.29
11	JSPL MOZAMBIQUE MINERAIS, LIMITADA	1,260,395.83	1,434,488.01	-174,092.18
12	HIGHLAND AFRICAN MINING COMPANY	1,181,816.60	1,127,383.45	54,433.15
13	ACOSTERRAS MOÇAMBIQUE, LDA	1,308,382.15	1,216,085.41	92,296.74
14	MOZAMBIQUE MINERALS	1,183,446.00	1,183,978.72	-532.72
15	MANICA MINERALS (MOZ), LDA	1,067,375.05	1,072,212.97	-4,837.92
16	ESSAR MINAS DE MOÇAMBIQUE, LIMITADA	812,883.20	834,538.51	-21,655.31
17	OPTI METAL TRADING MOÇAMBIQUE, LIMITADA	635,489.86	-	635,489.86
18	TANTALUM MINERAÇÃO E PROSPECÇÃO, LIMITADA	402,480.00	510,020.00	-107,540.00
19	AFRIMINAS MINERAIS, LIMITADA	385,435.00	202,388.70	183,046.30
20	KENMARE MOMA MINING, LIMITED	85,969,616.00	85,969,616.00	-
<u>HYDROCARBONS SECTOR</u>				
21	ANADARKO MOÇAMBIQUE ÁREA 1,LIMITADA	203,901,711.73	203,899,077.46	2,634.27
22	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SARL	62,874,056.19	62,958,602.60	-84,546.41
23	D N O ASA MOÇAMBIQUE	12,433,607.01	12,433,607.73	-0.72
24	EMPRESA NACIONAL DE HIDROCARBONETOS-EP	23,966,984.26	22,418,911.04	1,548,073.22
25	ENI EAST AFRICA S.P.A	1,734,939.68	1,725,416.78	9,522.90
26	PETRONAS CARIGALI MOZAMBIQUE E & P	28,567,610.33	28,567,610.33	-
27	SASOL PETROLEUM SOFALA LDA	248,341,591.44	248,341,571.44	20.00
28	SASOL PETROLEUM TEMANE LDA	57,027,042.20	56,729,442.15	297,600.05
29	BUZI HIDROCARBONS	-	-	-
30	STATOIL LTD.	13,805,000.00	13,805,000.00	-
31	SASOL PETROLEUM MOÇAMBIQUE LDA	2,173,791.55	2,173,791.55	-
SUBTOTAL MINING SECTOR		414,695,472.76	417,093,997.13	-2,398,524.37
SUBTOTAL <u>HYDROCARBONS SECTOR</u>		654,826,334.39	653,053,031.08	1,773,303.31
TOTAL		1,069,521,807.15	1,070,147,028.21	-625,221.06

8 Review of the information used for the reconciliation

The reconciliation exercise comprised the gathering, organization and review of the information provided by the companies and the State institutions.

The terms of reference establish the need to obtain, in the reconciliation phase, from each of the companies and State institutions, the audit report referent to the 2009 financial statements, with the audit opinion expressed.

In addition, it also requires that written confirmation be obtained that the information in the reporting templates is based on audited financial statements according to international standards.

Given that there are objective facts, of legal nature and other, that render these requirements impractical and / or difficult to implement in the Mozambican legal system, we thought to be important to carefully review the information used for the reconciliation.

8.1 Reporting templates

It is important to recall that the reporting templates were prepared in order to obtain information desegregated by type of tax and for each of the payments /receivables with detailed description of the monthly tax returns used for payment (e.g. date, reference number, amount paid).

This detail allowed for the efficient individual reconciliation as it allowed for the cross checking of the information.

8.2 Information made available by the State Institutions

The State institutions selected for the gathering of the information, namely DGI, INP and IGEPE, provided the data requested by means of formal letters signed by the individuals responsible.

While INP and IGEPE provided the templates with the detail of the information, DGI, which is the entity that receives the larger amount of the revenue provided, besides the detail, a print out of the reports on receivables directly extracted from the tax collection system in order to confirm the information contained in the templates.

This procedure gave us the required comfort for the undertaking of the work as the information in the print outs matches with the information provided by the companies, in terms of dates, reference numbers and amounts.

Without prejudice to the issues raised under recommendations¹ we considered that the information provided by the State institutions, particularly by DGI is reliable.

However, relating this to the terms of reference, it is important to highlight that, differently to what happens in other jurisdictions, namely, those based on the common law, where there is an external entity that audits the State institutions, in Mozambique this task is attributed to the Administrative Court.

With effect, in parallel to the audit undertaken by the General Tax Inspection² in terms and for the effects of the provisions of Decree n.º 40/99, dated 29 June and Ministerial Diploma n.º 57/2000, dated 21 June, State institutions are subject to the audit of the Administrative Court.

¹ We verified that the information provided by DGI was prepared by each of the tax departments where the taxpayers are registered. During the reconciliation work it was necessary to resource to other information from the tax departments where the companies selected had delegations and /or received payments from the companies.

Thus, for example, in light with the provisions of paragraph a) of n.º 2 of Article 230 of the Constitution of the Republic, the Administrative Court is responsible for *“Issuing the report and opinion on the General Account of the State”*.

Important to note that the action of the Administrative Court is based on the principles of impartiality and exemption and follows the international audit norms applicable.

The matters to be presented to the Administrative Court within the scope of the Report and Opinion, are, amongst others and in accordance with the provisions of paragraph a) of n.º 2 of article 14 of Law n.º 26/2009, dated 29 September, *“The financial activity of the State in the year to which the Account refers in the asset fields, of the revenue and the expense”*.

Reports and Opinions are sent to Parliament until the 30th of November of the following year, for purposes of review and approval which should take place in the session following the date of submission, as foreseen in n.º 2 and n.º 3 of Article 50 of Law n.º 9/2002, dated 12 February.

Also, the Report and Opinion are published in the Official Gazette and the General Account of the State for 2009 was published in Series I of the Supplement to Official Gazette n.º 28 dated 14.072011.

Having said this and reviewing the opinion referent to that year, this Court undertook an audit to some State bodies and complemented the results obtained with the information provided by DGI [page 320-(29) of the referred Official Gazette].

Besides this reference the report does not contain other particular considerations/comments with respect to the State institutions that provided the information, which does not necessarily mean that these were not subject to an audit by the General Inspection of Taxes.

8.3 Information obtained from the companies

Similarly to the State institutions, the companies supplied the reporting templates with the required detail (by tax and payment).

Some companies also provided a file with the payment returns. During our work and as required, payment returns were also requested to other companies that had not sent them who promptly agreed to provide the same.

With respect to the companies it was important to take into consideration that, in accordance with n.º 1 of article 1 of Decree n.º 32/90, dated 7th December, companies that enjoy a special customs and tax regime are required to have their financial statements audited by a professionally reliable independent auditor.

This obligation is extensive to the foreign companies, defined as companies whose head offices are located outside the country.

In conclusion, all companies operating in the extractive industry should have their financial statements certified by an independent auditor as they benefit from customs incentives.

In respect to the fact that not all companies have their financial statements audited, we do not have data that would allow us to conclude that the information made available is of low quality or unreliable to the stage that it would compromise the reconciliation exercise, which could be assessed on the basis of the review of the documentation provided.

² This entity follows the principles and rules of the Committee of Audit Norms of the International Organization of the Supreme Audit Institutions (INTOSAI) - n.º 2 of article 6.

9 Other issues

Outside of the scope of the reconciliation process and the terms of reference we were requested by the Coordination Committee to include three additional points.

As these are out of the scope we will not include them in the conclusions and recommendations chapter of this report as we do not think that the same are related to the reconciliation. With respect to each one of these points, conclusions and recommendations are included after each of the analysis.

Given the different nature of these points, our intervention was adjusted in accordance with the objectives which, in our opinion were expected with their inclusion in the present report.

These are the following:

9.1 Tax regime contractually agreed by the companies

A concern that has been repeatedly raised by the civil society is the tax regime contractually agreed for multinational companies operating in the mining and hydrocarbons sectors.

There is the widespread understanding by the civil society that the contracts granted tax incentives that, in many cases, are not a deciding factor nor constitute a source of attraction for these companies to invest in the country.

In addition, it has been argued that to abdicate from these tax revenues, the country is losing the possibility to reduce its external dependence.

In this sense, and although it was not part of the terms of reference we were requested to enquire the companies whether or not they would be willing to disclose their tax regime in the next reconciliation reports.

The question that was sent to companies and prepared by the EITI is as follows:

“If the company has signed a contract with the Mozambican State in which a special tax regime has been granted or if it has any document that attributes a special tax regime, namely, terms of authorization of the investment project, would you be available to disclose such tax regime in the next reconciliation report?”

Yes

No

The questionnaire sent to the 31 companies resulted in the following:

- ▶ Yes - 6 companies
- ▶ No - 7 companies
- ▶ Without special regime - 8 companies
- ▶ Did not reply - 10 companies

The enquiry was sent to the companies on the 27.02.2012 and, until the date the final report was issued, this was the final number of replies received.

We believe that a month is more than sufficient time for the companies to reply to such a simple question and therefore we would assume that there were other reasons for not replying in time.

9.2 Obstacles / constraints to the implementation of the EITI

9.2.1 Review of the legislation

Dito isto, vejamos o que a legislação em vigor estabelece. Para este efeito, procedemos a análise da principal legislação que regula a actividade das empresas que operam na indústria extractiva assim como à que se aplica transversalmente, nomeadamente:

The analysis of the obstacles to the EITI implementation was also requested outside the terms of reference that guided the scope of our work.

Given that there is a relationship between the exercise of reconciliation of payments declared by the companies and those reported by State institutions, at least in the perspective of providing the requested information, we agreed to perform the analysis, limiting ourselves to any existing norms in the Mozambique legal system that may constitute obstacles for the obtaining of the required information.

First, however, it is important to note that the information necessary to perform the reconciliation with the detail required in the terms of reference, is not available to the public. That is, there isn't a database that allows for the extracting of information about payments made by each of the companies in the extractive industry in a given period or the industry as a whole.

Therefore, the reconciliation required the collection of information from each company and each of the State institutions to create a database. In this case, this exercise was carried out with the exemplary cooperation of all State institutions and the vast majority of the selected companies.

Indeed, and despite not finding in legislation the requirement that companies and / or state institutions have to provide data on payments and receipts, except for very rare exceptions³, we did not face any difficulties in obtaining the requested information and clarification required throughout the study. Having said that, we review below the legal provisions. For this purpose, we performed an analysis of the main legislation that regulates the activities of companies operating in the industry and related legislation, namely:

- Mining Law, approved by Law n.º 14/2002, dated 26 June and the respective Regulations approved by Decree n.º 62/2006, dated the 26th December;
- Petroleum Law approved by Law n.º 3/2001, dated 21st February and the Regulations on petroleum operations approved by Decree n.º 24/2004, dated 20th of August,
- Investment Law approved by Law n.º 3/93, dated 24th June and respective Regulations approved by Decree n.º 43/2009, dated 21 August.
- Laws that update the taxation of the mining and petroleum operations and establish the applicable tax regime, namely Law n.º 11/2007, Law n.º 12/2007 and Law n.º 13/2007, all from the 27th of June,
- Law that establishes the general principles and norms of the Mozambican legal system applicable to the national and municipal taxes, approved by Law n.º 2/2006, dated 22nd of March.
- Law that establishes the guiding norms for the public private partnerships approved by Law n.º 15/2011, dated 10th of August.

In the law consulted we did not find any provision, which, expressly, prohibits the companies to render information related to payments to the State, nor any that obliges the companies to provide such information.

³These cases result essentially from the companies that do not hold mining rights and those that do not have in the country any administrative or financial organization.

We believe that the assumption behind this omission is that the entity in charge of producing statistical information is the tax administration that, through its division on tax statistics, has the competence to *“Proceed with the coordination of the gathering of and treatment of statistical data which shall be used for purposes of tax management and for the preparation of the General Account of the State.”*

This power is foreseen in paragraph c) of Article 23 of Ministerial Diploma n. 265/2004 of 31 December, which approves the Internal Regulations of the Tax Administration and, as it establishes, has its use restricted to the situations identified.

However, the information on the revenue collection is made publicly available in an aggregate form, by means of other documents, in particular, the Budget Execution Report produced by the Ministry of Finance.

On the other hand, under the provisions of Article 2 of the Regulations referent to the organization, operation and procedures of the 3rd session of the Administrative Court, the State institutions are obliged to provide information to this session of the court, which has the competence of reviewing the legality of the revenue and expenses.

This information is used to issue the Report and Opinion on the General Account of the State where, as noted, the information is provided in an aggregate form per taxes.

9.2.2 Removal of obstacles

The removal of obstacles to the implementation of the EITI is one of the requirements imposed to the candidate countries. In structural terms, this is considered to be one of the requirements for the preparation of the country to the adherence which is: *“The government has to remove any obstacles to the implementation of the EITI.”*

The assessment of this requirement (Requirement 8) is done by means of various elements that are explained in the “EITI Rules, Edition 2011 - version dated 4th April 2011”

- a) *Where legal, regulatory or other obstacles to EITI implementation exist, it is required that the government removes these. Common obstacles include confidentiality clauses in government and company contracts and conflicting government departmental remits.*
- b) *There is no one way of dealing with this issue - countries will have various legal frameworks and other agreements that may affect implementation, and will have to respond to these in different ways. In order to remove such obstacles the government and multi-stakeholder group may:*
 - i. *Conduct a review of the legal framework;*
 - ii. *Conduct a review of the regulatory framework;*
 - iii. *Perform an assessment of obstacles in the legal and regulatory framework that may affect implementation of the EITI;*
 - iv. *Propose or enact legal or regulatory changes designed to enable transparency;*
 - v. *Issue waiver of confidentiality clauses in contracts between the government and companies to permit the disclosure of revenues;*
 - vi. *Communicate directly with companies and relevant government agencies to seek acceptance of data publication;*
 - vii. *Reach agreement on Memoranda of Understanding setting out agreed transparency standards and expectations between government and companies*

As noted above, we did not find any provision in the legislation that explicitly creates obstacles to the EITI implementation. However, there may be confidentiality clauses in the contracts signed with the State.

Obviously that for the confidentiality agreements the fact that the companies provided the information without having made any mention to the confidentiality clause, does not allow us to assess if the same are included in the contracts signed.

However and, save any opinion to the contrary, based on paragraph b) of the explanation given by the rules of the EITI, we can conclude that, at least with respect to the reconciliation for calendar year 2009, there were no obstacles, to the extent that it was possible to communicate directly with the companies and State institutions for the collection of the information.

With effect, if paragraph b) gives different alternatives to the candidate countries to deal with and solve possible obstacles, our understanding is that the one adopted meets the requirements. In fact, by completing and signing the reporting templates, the companies and the State institutions expressed their agreement to disclose the gathered data and therefore their agreement with the implementation of the EITI in Mozambique.

For this commitment to become more evident, it would be advisable to adopt the proposal in the last point of paragraph b). This would eliminate any source of distrust and would unequivocally demonstrate the commitment of the State and the companies (the companies that were to start operating in the future in the country, would be invited to subscribe to the memorandum). In order to give a more imperative nature to the subscription, this point could be included in the current review of the Mining Law and the Petroleum Law so that, if there is doubt about the commitment of the country, this would be completely dissipated.

9.3 Recommendations of the first reconciliation report

In order to assess the status of the implementation of and the level of compliance with the recommendations issues in the first report, we sent a request to EITI-M in order to be included in this report.

The clarifications were provided by means of a letter dated 13.03.2012, which we include as an annex to the second reconciliation report.

10 Conclusions and Recommendations

10.1 Conclusions

The aim of the work conducted was to prepare the second report for reconciliation of payments made by the extractive industry in calendar year 2009. From the analysis undertaken it was found that, in general, there was some discrepancy between the information provided by the companies and that provided by State institutions.

However, through the analysis of the information available and that that was made available, it was possible to reconcile significant part of these differences (some of the differences resulted from the completion of the reporting templates taking into consideration the financial year instead of the payment period).

Given that this difference was under the materiality level defined we did not proceed with its reconciliation.

In summary and taking as basis the information made available by the State institutions and, although only 31 companies have replied, we found the following:

- ▶ The prevailing net difference after the reconciliation exercise was 625,221.06 MT, which represents 0.06% of the total collections reported by the State institutions. To refer that this difference is in favour of the State which, in other words, means that the State reported having received more than what the companies declare to have paid.
- ▶ Most of the differences result, in our opinion, from the following situations:
 - Lack of coordination between the various tax departments. Some payments made at tax departments different from those at which the companies normally pay their taxes were not reported. This fact was only verified on the basis of the proof of payment provided by the companies.
 - Payment of the taxes specific to the mining sector using the tax number of the National Directorate of Mines.

We were unable to perform the reconciliation exercise with respect to all 36 companies selected because five companies did not reply to the reporting template. With respect to these, the State institutions reported receipts of 27,654,033.71 MT, representing 2.52% of the revenue received.

The fact that 5 companies did not reply to the reporting templates does not result from the lack of cooperation but is due to other circumstances as some are no longer operating in the country, others have no organizational/financial structure in the country and others have not provided information claiming that they do not hold mining titles.

In terms of payments / receipts, it is found that the revenues from the exploitation and production of mineral resources are not yet significant given that in 2009, only few companies were in exploration and production phases.

Similarly, and as other companies begin commercial production of minerals and hydrocarbons, there will be significant increase in the IRPC paid on the profits generated by the activity.

10.2 Recommendations

In general terms, the reconciliation exercise was conducted without major constraints, notwithstanding that significant delays were experienced, in most cases, imputable to the companies that have not responded to the reporting template within the established deadlines.

Still, it is possible to present some recommendations to improve the next reconciliation exercises in order to be able to complete the reconciliation within the maximum period of one month. These are the following:

- ▶ Regular update of the database of the companies in the mining and hydrocarbons sectors. It is essential that MIREM and DGI have the contacts and the addresses of the companies in order to shorten the phase of remittance of the reporting templates;
 - Part of this is associated to the fact that the majority of the companies is still in the exploration phase and does not have administrative structures in place. These are represented by consultants and lawyers who not always have the required financial information.
- ▶ Companies should, together with the reporting templates, send supporting documents for the payments in order to allow for the fast verification of the information that presents differences. We are aware that this exercise may represent additional administrative burden for the companies but it is a way to confirm the information provided in a timely manner.
- ▶ DGI should ensure that the payment of taxes is made using the NUIT of the companies and not allow the use of MIREM's tax number. Also, it must be taken into consideration, during the information gathering, that some companies may pay their taxes, namely, Surface Tax, at different tax departments;
- ▶ When creating the records of the taxpayers at the time of commencement of activities, DGI should proceed with the correct statistical classification in order to register the companies in the correct sector of activities.

As the number of companies grows and the revenue from the specific taxes on mining and petroleum increase, the reporting templates should not consider the taxes and contributions that are not directly levied on the companies, namely IRPS and IRPC - withholding tax, as for these the companies act as tax substitutes.

Similarly, with respect to the issue of audited financial statements, we think to be important to seek alternative methods that do not impose an added burden on the companies. To recall that the participation of the companies is voluntary.

With effect, if the objective is to produce a database on the total of the companies that operate in the extractive industry and, at a later stage, include other sectors of activity, it is important to acknowledge that audits are costly and small and medium enterprises may not have audited financial statements.

On the other hand, the requirements of confirmation of the information by the external auditor is also not a viable solution as it represents additional costs which not all the companies are prepared to bear.

Thus and notwithstanding that all the selected companies were included in the present report, it is necessary to find alternative forms that would allow for the confirmation / validation of the information without imposing an additional financial and administrative burden on the companies.

