

Republic of the Congo

Extractive Industries Transparency Initiative



2012 EITI Report



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EITI-Congo Executive Committee
Brazzaville
REPUBLIC OF THE CONGO

Paris, 20 December 2013

To the President of the EITI-Congo Executive Committee

Ref.: 2012 EITI Report

The Extractive Industries Transparency Initiative (EITI) is designed to increase transparency and governance in the management of public revenues generated by the extractive sector (oil, gas and mining). The Republic of the Congo ("Congo") committed to implementing the EITI in June 2004; Congo was declared a "Candidate Country" in February 2008 and a "Compliant Country" in February 2013.

The institutional structure of the EITI in Congo is currently governed by Presidential Decree No. 2013-940 dated 20 August 2012. This Decree has established the attributions and organisation of the EITI-Congo Executive Committee, defining it as the "*body in charge of the representation, orientation, supervision, decision, monitoring and evaluation of the implementation of the principles and criteria of the Extractive Industries Transparency Initiative*". The EITI-Congo Executive Committee is supported in its work by the EITI Permanent Secretariat, which is in charge of "*preparing and executing the action plan as well as the budget*" of the EITI in Congo.

Fair Links has been selected through international tender to be the Independent Administrator responsible for producing the EITI Report covering the financial year 2012 ("2012 EITI Report"). The 2012 EITI Report seeks to enhance the understanding of the contribution of the extractive sector to the economic and social development of Congo.

In this regard, our work as the Independent Administrator has consisted mainly of collecting, compiling and reconciling:

- i. On the one hand, the revenues declared collected by the State from the extractive companies registered, in 2012, in Congo
- ii. On the other hand, the payments declared by these extractive companies as made to the State

Our work has been conducted in compliance with the best international practices, on the basis of the ISRS (International Standard on Related Services) published by the IFAC (International Federation of Accountants): ISRS 4400, relative to the "*Engagement to perform agreed-upon procedures regarding financial information*" and ISRS 4410, relative to the "*Engagement to compile financial information*". Such practices specifically entail a high degree of integrity and observance of ethics, as well as a rigorous application of the procedures designed to ensure the relevance, quality and impartiality of our work, whether this relates to work management procedures, resource management or internal controls.

This Report has been established according to the instructions of the EITI-Congo Executive Committee and is intended for its exclusive use. It presents:

1. The context and objectives of this EITI Report
2. An understanding of the extractive sector in Congo
3. The nature and extent of our work as the Independent Administrator
4. The Scope of extractive companies and benefit streams selected for this EITI Report
5. The final reconciliation of data
6. Our main conclusions
7. Our main comments and recommendations

Fair Links

A handwritten signature in blue ink that reads "A. Mélard de Feuarden". The signature is written in a cursive style and is underlined with a single horizontal line.

Anton Mélard de Feuarden

Executive Summary

The objective of this EITI Report is to present, for the financial year 2012, the reconciliation between the payments declared by the registered extractive companies (oil and gas sector, mining sector) as made to the State and the revenues declared by the State as collected from the extractive companies.

A. Oil and gas sector

The EITI-Congo Executive Committee has chosen to include in the Scope of this Report all oil and gas companies listed, in 2012, in the Oil Registry of Congo, *i.e.* 21 companies. All 13 production companies have submitted their EITI declarations. Among the 7 exploration companies, OPHIR CONGO and PREMIER OIL have not submitted their EITI declarations. The absence of EITI declarations from these companies (whose contributions to the State budget amounted, in 2012, to less than 700 KUSD or 350 MFCFA, according to the State's EITI declarations) does not appear to significantly impact one's understanding of the extractive's companies level of contribution.

The EITI declarations received from the oil and gas sector include, beyond the 31 benefit streams covered by this Report, all other payments made above a threshold of 100 000 USD (50 MFCFA).

All EITI declarations from oil and gas companies, exclusive of AOGC (production company), PILATUS and WING WAH (exploration companies whose Licences were granted prior to 2012¹) have been signed-off by their external auditors, therefore supporting the reliability and comprehensiveness of the submitted data.

On this basis, and provided that the EITI declarations of AOGC, PILATUS and WING WAH are certified by their external auditors, we can reasonably conclude that this Report duly covers the significant contributions made, in 2012, by the oil and gas companies to the revenues of Congo.

¹ The Licences of PILATUS and WING WAH were granted in May 2006 and June 2007, respectively
Source: Tableau des permis de recherche en 2012, Hydrocarbons Department, Ministry of Hydrocarbons (not dated)

These contributions, presented partly in volumes (barrels) and in cash (USD, FCFA) according to the nature of the transfer, are as follows:

a. Reconciliation table in volumes

Oil and gas sector 2012					
Declared data					Discrepancies
Companies	SNPC payer	SNPC collector	State		
	(a)	(b)	(c)	(d)	(a+b-c-d)
(KBbl)					
1. Royalties (RMP)	10 722	1 291		12 053	(40)
2. Tax Oil (Profit Oil and Super Profit Oil)	36 290	3 641		40 025	(94)
3. Y/S (15%)	1 134	-		1 150	(16)
Total State Oil Shares	48 146	4 932		53 228	(150)
4. SNPC Oil Shares (Volumes)	1 711		1 694		17
Total SNPC Oil Shares	1 711		1 694		17
5. Deduction on Tax Oil for Centrale Gaz	(154)	-		(177)	23
6. Deduction on Tax Oil for Integrated Project (CEC)	(2 052)	-		(2 052)	-
7. Other Deductions on Tax Oil for Trading Agreements	(1 385)	-		(1 385)	-
Total Deductions on Tax Oil for Trading Agreements	(3 591)	-		(3 614)	23
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-	(26 681)		(26 595)	(86)
9. Marketed State Oil Shares for Infrastructure Projects	-	(14 465)		(14 465)	-
Total Marketed Oil Shares	-	(41 146)		(41 060)	(86)

Legend

Not concerned

Reconciliation table in volumes, oil and gas sector (2012)

b. Reconciliation table in cash

Oil and gas sector 2012					
Declared data					Discrepancies
Companies	SNPC payer	SNPC collector	State		
(a)	(b)	(c)	(d)	(a+b-c-d)	
(KUSD)					
2. Tax Oil (Profit Oil and Super Profit Oil)	112	-		97	15
10. Royalty On Self-Consumption	1 719	-		1 714	5
11. Funds for Diversified Investments (PID)	69 194	1 191		70 238	147
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	92 005	-		87 666	4 339
13. Cash Payments of Marketed State Oil Shares	13 119	2 748 286		2 760 351	1 054
14. SNPC Oil Shares (Cash)	42 058		41 630		428
15. Surface Fee	464	525		1 035	(46)
16. Signature Bonus	32 729	-		32 729	-
17. Production Bonus	6 901	-		6 901	-
18. Corporate Profit Tax	60 609	-		60 610	(1)
19. Payroll Tax (IRPP - TF - TA - FNH)	38 731	2 347		40 958	120
20. Tax Paid/Withheld at Source on Subcontractors	12 966	-		12 667	299
21. Dividends Paid to the State	-	-		-	-
22. Dividends Paid to the SNPC	53 900		53 900		-
23. IT Fee	2 395	-		3 120	(725)
24. Common External Rate	27	-		866	(839)
25. Training Fund	2 234	-		2 335	(101)
26. Cuvette Research Fund	-	-		-	-
27. Fiscal Adjustments and Fines	1 035	-		202	833
28. Customs Adjustments and Fines	200	388		-	588
29. Social Projects (Mandatory)	2 920	-		5 854	(2 934)
32. Other Significant Payments	745	-	-	-	745
Total	434 063	2 752 737	95 530	3 087 343	

Legend

 Not concerned

Reconciliation table in cash, oil and gas sector (2012)

c. Overview of the contribution of the oil and gas sector

The total amount of unresolved discrepancies (after our reconciliation work) between the State's EITI declarations and those of the oil and gas companies is not significant (*i.e.* lower than 1% of the total contribution of the extractive sector)².

The EITI declarations received allow us to reasonably conclude that the shares of oil and gas transferred to the State of Congo, via production sharing or taxes paid in volumes in 2012, amount to 53 million barrels.

Of these 53 million barrels:

² Based on extractive companies' EITI declarations

- i. 18 million barrels, equivalent to approximately 1,9 Bn USD (close to 1 000 Bn FCFA), were allocated to infrastructure projects and are accounted for in the IMF 2012 Central Government Operations Table
- i. 26,7 million barrels, equivalent to approximately 2,8 Bn USD (close to 1 400 Bn FCFA), were allocated to the State budget and are accounted for in the IMF 2012 Central Government Operations Table
- ii. 6 million barrels, equivalent to approximately 0,6 Bn USD (close to 306 Bn FCFA) were allocated to *Congolaise de Raffinage* (CORAF), the local refinery, pursuant to the performance agreement signed between the refinery and the State, and are not accounted for in the IMF 2012 Central Government Operations Table
- iii. 2,3 million barrels correspond to the variations in the State's equity crude stocks (difference between the State's entitlements and its effective liftings between 1 January 2012 and 31 December 2012)

Beyond these taxes in volumes, in 2012 the taxes collected in cash amounted to 0,3 Bn USD (175 Bn FCFA). They are accounted for in the IMF 2012 Central Government Operations Table.

The total contribution of the oil and gas sector to the revenues of Congo amounted to nearly 5 Bn USD (more than 2 500 Bn FCFA) in 2012, a slight decrease compared to 2011. This contribution accounted for 80% of the total revenues of Congo (for all economic sectors, excluding grants). Furthermore, the oil and gas sector contributed to supporting CORAF, with approximately 0,6 Bn USD, through the provision of crude.

	(Kbbl)	(KUSD)	(MFCFA)	
Oil and gas sector				
Royalties (RMP)	12 013	1 261 360	643 294	*
Tax Oil (Profit Oil and Super Profit Oil)	39 931	4 192 693	2 138 274	*
Y/S (15%)	1 134	119 103	60 742	*
Total State Oil Shares**	53 078	5 573 156	2 842 310	*
Deduction on Tax Oil for Centrale Gaz	(154)	16 201	8 263	*
Deduction on Tax Oil for Integrated Project (CEC)	(2 052)	215 460	109 885	*
Other Deduction on Tax Oil for Trading Agreements	(1 385)	145 403	74 156	*
Marketed State Oil Shares for Infrastructures Projects	(14 465)	1 518 855	774 616	*
Total deducted from the State Oil Shares for infrastructure projects**	(18 056)	1 895 919	966 920	*
Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)**	(26 681)	2 748 286	1 401 626	
Taxes in cash (e.g. PID, Surface Fee, Corporate Profit Tax, Payroll Tax)**		342 557	174 704	
Sales to the <i>Congolaise de Raffinage</i> (CORAF)	(5 959)	-	-	
Variations of the State's equity crude stocks (1 January - 31 December 2012)***	(2 382)			
Total contribution of the oil and gas sector	(53 078)	4 986 762	2 543 250	
Indirect contributions (Shipping Tax, Non-mandatory Social Projects)		18 627	9 500	

Oil Shares allocated to the State

Indirect contribution to the State Budget: financing of infrastructure projects = 1,9 Bn USD

Direct contribution in cash to the State Budget = 3,1 Bn USD

* Rounded numbers valued on the basis of an average barrel of 105 USD
Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013)

** Based on companies declarations

*** Source: Rapports trimestriels KPMG 2012 - Rapport sur les procédures convenues relatives aux encaissements pétroliers sur les comptes du Trésor ; DGH

Contribution of the oil and gas sector to the revenues of Congo (2012)

B. Mining sector

The EITI-Congo Executive Committee has chosen to include in the Scope of this Report all mining companies listed, in 2012, in the Mining Registry of Congo, *i.e.* 73 companies. Given the very limited contribution of the sector, we have advised the EITI-Congo Executive Committee that only data submitted by production companies be reconciled with data submitted by the State; the revenues from exploration companies have therefore been presented on the sole basis of the State's EITI declarations. Among the 3 production companies, LULU has not submitted its EITI declarations; the absence of EITI declarations from this company (which made no contribution to the State budget in 2012, according to the State's EITI declarations) does not appear to significantly impact one's understanding of the extractive's companies level of contribution.

The EITI declarations received from the mining sector include, beyond the 11 benefit streams covered by this Report, all other payments made above a threshold of 100 000 USD (50 MFCFA).

These contributions are as follows:

a. Reconciliation table for production companies

	Mining sector 2012		
	Declared data		Discrepancies
	Companies	State	
(KUSD)	(a)	(b)	(a-b)
1. Surface Fee	12	178	(166)
2. Signature Bonus	-	-	-
3. Production Bonus	-	-	-
4. Corporate Profit Tax	-	-	-
5. Payroll Tax (IRPP - TF - TA - FNH)	351	317	34
6. Tax Paid/Withheld at Source on Subcontractors	0	-	-
7. Dividends	-	-	-
8. IT Fee	6	-	6
9. Common External Rate	-	-	-
10. Fiscal Adjustments and Fines	34	13	21
11. Customs Adjustments and Fines	-	-	-
12. Other Significant Payments	-	-	-
Total	403	508	

Reconciliation table in cash, mining sector (2012)

b. Unilateral EITI declarations by the State for prospecting and exploration companies

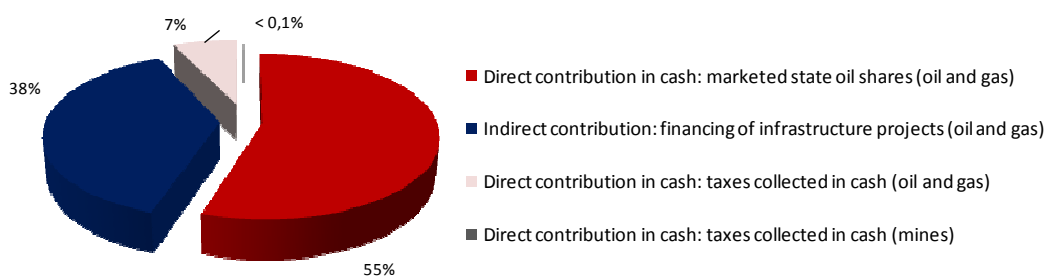
Mining sector 2012	
Declared data	
State	
(KUSD)	
1. Surface Fee	165
2. Signature Bonus	-
3. Production Bonus	-
4. Corporate Profit Tax	0
5. Payroll Tax (IRPP - TF - TA - FNH)	2 102
6. Tax Paid/Withheld at Source on Subcontractors	-
7. Dividends	-
8. IT Fee	-
9. Common External Rate	-
10. Fiscal Adjustments and Fines	28
11. Customs Adjustments and Fines	-
12. Other Significant Payments	-
Total	2 295

Unilateral EITI declarations by the State for prospecting and exploration companies, mining sector (2012)

The total contribution of the mining sector to the revenues of Congo amounted to nearly 3 MUSD (1 400 MFCFA) in 2012. This contribution represented 0,04% of the total revenues of Congo (for all economic sectors, excluding grants) and was directly allocated to the State budget.

C. Analysis of the contribution of the extractive sector to the revenues of Congo

The total contribution of the extractive sector to the revenues of Congo amounted to more than 5 Bn USD (close to 2 600 Bn FCFA) in 2012, a slight decrease compared to 2011.



Distribution of the extractive sector's contribution (2012)

The total contribution of the extractive sector, provided mainly by oil and gas production companies (99,9%), accounted for nearly 80% of the total revenues of Congo (for all economic sectors, excluding grants).



Contribution of the extractive sector to the total revenues of Congo (2012)

Comments and recommendations have been developed on the basis of this EITI process, in order to improve EITI implementation and strengthen public governance of extractive industries.

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Abbreviations

STATE REPORTING ENTITIES AND PUBLIC INSTITUTIONS

ARAP	Downstream Regulatory Agency (<i>Agence de Régulation de l'Aval Pétrolier</i>)
CEC	Centrale Électrique du Congo
CORAF	Congolaise de Raffinage
DGI	Tax Department (<i>Direction Générale des Impôts</i>)
DGT	Public Treasury Department (<i>Direction Générale du Trésor</i>)
DGD	Customs Department (<i>Direction Générale des Douanes</i>)
DRN	Natural Resources Department (<i>Direction des Ressources Naturelles</i>)
DGH	Hydrocarbons Department (<i>Direction Générale des Hydrocarbures</i>)
DGM	Mining Department (<i>Direction Générale des Mines</i>)
DGG	Geology Department (<i>Direction Générale de la Géologie</i>)

EXTRACTIVE INDUSTRIES

AOGC	Africa Oil and Gas Corporation
CNOOC	China National Offshore Oil Corporation
SNPC	Société Nationale des Pétroles du Congo
AMD	Africa Mining Development
MACC	Mines Aurifères et Carrières du Congo
SADEMI	Société Africaine pour le Développement Minier
SOCOMIP	Société Congolaise des Mines et des Potasses
SOREMI	Société de Recherche et d'Production Minière
SPM	Société des Potasses et des Mines

OTHER

Bbl	Barrels
KBbl	Thousand barrels
MBbl	Million barrels
PSC	Production Sharing Contract
FCFA	CFA Franc
MFCFA	Million FCFA
Bn FCFA	Billion FCFA
GDP	Gross Domestic Product
PID	Provision for Diversified Investments
RMP	Proportional Mining Royalties
TEC	Common External Tariff
VAT	Value Added Tax
USD	United States Dollar
KUSD	Thousand USD
MUSD	Million USD
Bn USD	Billion USD

1. CONTEXT AND OBJECTIVES OF THIS REPORT

1.1. Context

The Republic of the Congo was declared a “Candidate Country” of the Extractive Industries Transparency Initiative (EITI) in February 2008.

After the publication of the EITI Reports covering the years 2004 to 2009, the first Validation process led the EITI International Board to conclude, during its 14th meeting in December 2010 that the country had demonstrated “*meaningful progress*”³.

The publication of the 2010 and 2011 EITI Reports and the finalisation of a second Validation Report enabled Congo to become a “Compliant Country” in February 2013, during the 22nd meeting of the EITI International Board⁴.

The elaboration of the 2012 EITI Report began in August 2013. This Report, the first since the country became “Compliant”, has been established according to the requirements of the 2013 EITI Standard⁵.

1.2. Objectives

The objective of this EITI Report is to present, for the financial year 2012, the reconciliation between the payments declared by the registered extractive companies (oil and gas sector, mining sector) as made to the State and the revenues declared by the State as collected from the extractive companies.

The EITI is designed to increase transparency and governance in the management of public revenues generated by the extractive sector (oil, gas and mining), and to highlight possible improvements in the public monitoring, management and controls over extractive activity.

The EITI-Congo Executive Committee wanted this Report to present:

- i. An understanding of the extractive sector of Congo
- ii. The methodology used for collecting and compiling data, as well as for reconciling discrepancies, along with the main difficulties encountered in this process
- iii. The Scope of work: the list of declaring extractive companies, the record of benefit streams, the materiality thresholds applied and the assurance process for guaranteeing the reliability of data used
- iv. The results of the reconciliation of data by benefit stream (in volumes and in cash), and by company
- v. The identification and resolution of discrepancies
- vi. Some recommendations to improve forthcoming EITI processes

³ Minutes of the 14th EITI Board Meeting, EITI International Secretariat (11 January 2011)

⁴ Minutes of the 22nd EITI Board Meeting, EITI International Secretariat (12 April 2013)

⁵ The EITI Standard, EITI International Secretariat (11 July 2013), www.eiti.org (September 2013)

2. UNDERSTANDING OF THE EXTRACTIVE SECTOR OF THE REPUBLIC OF THE CONGO

The following information presented to describe the Congolese extractive sector is drawn from clearly identified external sources. These sources have been considered reliable; however, we have not tested the accuracy of such data.

2.1. Oil and gas sector

2.1.1. Potential

The extraction and exploration of oil and gas in Congo is spread across two sedimentary basins: the coastal basin, extending offshore and onshore, on the Kouilou Department, and the interior basin, located exclusively onshore, in the northern part of the country.

Congo has proved oil reserves of roughly 2 billion barrels (bbl)⁶. We understand that the country also holds important reserves of bituminous sands (approximately 2,5 billion bbl), mainly concentrated in the Kouilou Department⁷. Gas reserves, mainly located offshore, are considered to exceed 100 billion m³, thereby ranking Congo 5th in terms of proved gas reserves in Sub-Saharan Africa^{8,9}.

With a daily production close to 300 000 bbl of crude¹⁰, *i.e.* 110 million bbl/year, the country was, in 2012, the 4th highest crude producer in Sub-Saharan Africa¹¹. Production in Congo is split into four different crude qualities¹²:

- i. The Djéno Blend, produced offshore, mainly on the Moho-Bilondo, Tchibouela, Sendji or Emeraude fields, which is exported from the onshore Djéno terminal
- ii. The Nkossa Blend, produced both onshore and offshore, mainly on the Nkossa, M'Boundi, Foukanda or Tilapia fields, which is exported from the onshore Djéno terminal
- iii. The Yombo Blend, produced offshore on the Yombo fields, which is exported from the offshore Yombo terminal
- iv. The Azurite Blend, produced offshore on the Azurite field, which is exported from the offshore Azurite terminal

Congo is facing a decrease of its oil production, as some of its fields are reaching maturity. The daily production is expected to decline to an average of 270 000 bbl/day by 2020¹³, should no significant discovery be made until then.

The production of Butane and Propane gas has reached 4 million bbl¹⁴ in 2012, extracted from the offshore Nkossa and Nsoko fields, and exported from the offshore Nkossa II terminal. A limited production of natural gas (mainly associated with the extraction of crude) is allocated to the *Centrale Gaz* and the *Centrale Électrique du Congo* (CEC), both located in Pointe Noire, for national electricity generation.

⁶ BP Statistical Review of World Energy (June 2012), p.6

⁷ ENI, www.eni.com (November 2013)

⁸ Ministry of Hydrocarbons, www.congopetrole.fr (November 2013)

⁹ Congo Brazzaville, US Energy Information Administration (January 2013), p.5

¹⁰ Congo Brazzaville Oil Markets 2012, Global Data (November 2012), p.11

¹¹ Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.4

¹² Congo Brazzaville Oil Markets 2012, Global Data (November 2012)

EITI declarations submitted by the extractive companies covered by this Report

¹³ Congo Brazzaville Oil Markets 2012, Global Data (November 2012), pp.10-11

¹⁴ According to the EITI declarations submitted by the extractive companies covered by this Report

2.1.2. Institutional framework

The Ministry of Hydrocarbons¹⁵ is responsible for the implementation and monitoring of the government's policy for this sector.

Law No.24-94 which established the Oil and Gas Code was adopted on 23 August 1994 and still governed, in 2012, the activities of the oil and gas sector. This Law *“aims to define the legal and fiscal framework applicable in the Republic of the Congo for the prospection, research, production, stocking and transport of oil and gas to their lifting point, and to define the rights and obligations of the operator in this sector”*¹⁶.

In 2012, there were 3 types of rights available for oil and gas extraction¹⁷ in Congo:

- i. The Prospecting Authorisation
- ii. The Exploration Licence
- iii. The Production Licence

Some Licences, granted until the 1990s, fall under Concession Contracts¹⁸. However, since 1994, a company can only launch research or production through the signing of a Production Sharing Contract (PSC)¹⁹. An Exploration or Production Licence is *“granted following a tender process”*²⁰. It is worth noting that *“all Production Sharing Contracts are approved by Law”*²¹: all PSCs in Congo are therefore public, and published in the Official Journal (*Journal Officiel*).

PSCs define the share of production between the State, the operator and its different partners, as well as the negotiated fiscal measures. Beyond the State's share of production, certain sectoral taxes (specific to the extractive industries) are paid in barrels of crude; common Law taxes and taxes from exploration companies are paid in cash (see details in § 4.4).

We understand that the tax system in Congo is very centralised and that the level of sub-national payments from oil and gas companies is not significant.

The *Société Nationale des Pétroles du Congo* (SNPC), an important player in the institutional framework of the oil and gas sector in Congo, was created by Law No.1-98 of 23 April 1998. SNPC is an *“industrial and commercial public company, endowed with legal personality and autonomy of finance and management”*; it is 100% owned by the State of Congo and is placed *“under the authority of the Ministry in charge of Hydrocarbons”*²².

Among other tasks, SNPC is in charge of *“holding and managing, on behalf of the State, all assets, direct and indirect rights, of any kind, held initially by the State [...] and to represent the interests of the State in every third party contractual negotiation”*²³. In 2012, SNPC was, on that ground, operating one field

¹⁵ www.congopetrole.fr (September 2013)

¹⁶ Loi No.24-94 du 23 août 1994 portant Code des hydrocarbures, Article 1

¹⁷ Loi No.24-94 du 23 août 1994 portant Code des hydrocarbures, Article 4

¹⁸ Notably for the Pointe-Indienne field (operated by AOGC) ; the Yombo field (operated by CMS NOMEKO) ; the Yanga and Sendji field (operated by TOTAL)

¹⁹ Concession Contracts signed prior to 1994 remain effective until the date of their expiration

²⁰ Décret No.2008-15 du 11 février 2008 fixant la procédure d'attribution des titres miniers d'hydrocarbures liquides ou gazeux, Article 3

²¹ Loi No.24-94 du 23 août 1994 portant Code des hydrocarbures, Article 34

²² Décret No.2010-595 du 21 août 2010 portant approbation des statuts de la Société Nationale des Pétroles du Congo

²³ Convention relative à la détention et la gestion par la Société Nationale des Pétroles du Congo des droits, actifs et participations de l'État dans le domaine des hydrocarbures, Preamble

in production²⁴ and one field in exploration²⁵; SNPC also held shares in 9 Production Licences²⁶ and in 9 Exploration Licences²⁷.

SNPC is also mandated to commercialise the oil and gas quantities delivered as fiscal payments to the State (State as a public authority) by the various operators. SNPC further commercialises its own share of crude earned from its participation in PSCs (State as a partner, through SNPC). In this regard, SNPC negotiates the price of every shipment according to market conditions and pays, for each sale, “*on the Public Treasury’s account registered at the BEAC, the product of this sale minus SNPC’s remuneration*”²⁸. This remuneration (or trading commission) amounts to 1,6% of the crude price of every shipment²⁹. On a monthly basis, SNPC is required to justify to the Minister of Economy, Finance and Budget, as well as to the Minister of Hydrocarbons, that its negotiated marketing conditions are consistent with market practices³⁰.

Furthermore, in 2012, SNPC owned 5 subsidiaries covering the entire oil industry value chain³¹, among which *Congolaise de Raffinage* (CORAF), owned 100%. Located in Pointe Noire, CORAF has an annual production capacity of 1 million tons of refined products³², which enables it to supply the majority of the country’s needs³³. CORAF prioritises buying Congolese crude at market price; it sells its products at subsidised prices, which are determined on a monthly basis by the Downstream Regulatory Agency (*Agence de Régulation de l’Aval Pétrolier* or ARAP), pursuant to the performance agreement³⁴ signed between the refinery and the State. We understand that this agreement is currently under revision.

In order to strengthen the public governance of the oil and gas sector, Congo has been appointing, for some years, independent expert firms to carry out checks on the quantities of crude produced and exported, as well as on their related tax payments. In 2012:

- i. Bureau Veritas was mandated to verify the quantities and qualities of exported crude, for every lifting. Thus, “*every lifting is subject to a detailed report*” communicated, among others, to SNPC and to the Ministry of Economy, Finance and Budget³⁵
- ii. KPMG was mandated to reconcile Congo’s allocations of crude³⁶ with the amounts effectively paid to Public Treasury. These Reports, established on a quarterly basis, are available on the EITI-Congo website³⁷

²⁴ Kundji field, on the MKB Licence

²⁵ On the Mayombe Licence

²⁶ États financiers sociaux, exercice clos le 31 décembre 2012, SNPC (non daté), p.4

²⁷ See Appendix 1 for more details

²⁸ Convention relative à la détention et la gestion par la Société Nationale des Pétroles du Congo des droits, actifs et participations de l’État dans le domaine des hydrocarbures, Article 5

²⁹ Id., Article 6

³⁰ Id., Article 5

³¹ *Société Nationale de Recherche Pétrolière* (SONAREP) ; *Société de Forage Pétroliers* (SFP) ; *Integrated Logistics Services* (ILOGS) ; *Congolaise de Raffinage* (CORAF) ; *SNPC-Distribution*

³² Congo Brazzaville Oil Markets 2012, Global Data (November 2012), p.42

³³ Performance Contract (25 March 2008), Preamble and Article 3

³⁴ Id.

³⁵ Rapport d’activités 2012, Contrôle des hydrocarbures à l’embarquement, Bureau Veritas (16 January 2013), p.4

³⁶ “*The oil rights of the Republic correspond to all oil taxes levied (Royalty, Funds for Diversified Investments, fiscal Profit Oil, Excess Oil) and to the Republic’s 15% interests in the Yanga and Sendji field. They are only composed of upstream revenues*”
Source: Rapport sur les procédures convenues relatives aux encaissements pétroliers sur les comptes du Trésor, Période du 1^{er} janvier au 31 mars 2012, KPMG (8 March 2013), p.13

³⁷ www.itie-congo.org (November 2013)

2.1.3. Key players³⁸

In 2012, Congo counted 8 oil and gas operators in production:

- i. AOGC, on the Pointe-Indienne field (100%) (Djéno Blend)
- ii. CMS NOMEKO, on the Yombo-Masseko field (Yombo Blend), in partnership with SNPC, NUEVO CONGO COMPANY and NUEVO CONGO LIMITED
- iii. CONGOREP, on the Emeraude (100%) and Likouala fields (Djéno Blend), in partnership with ENI
- iv. ENI, mainly on the M'Boundi field (Nkossa Blend), in partnership with BURREN, TULLOW and SNPC; on the Zatchi and Loango fields (Djéno Blend), in partnership with TOTAL; and on the Foukanda field (Nkossa Blend), in partnership with SNPC
Through two commercial agreements concluded with the Congolese authorities, ENI provides the *Centrale Gaz* and the CEC with the associated gas extracted notably from the M'Boundi and Foukanda fields
- v. MURPHY, on the Azurite field (Azurite Blend), in partnership with PA RESOURCES and SNPC
- vi. PETRO KOUILOU (previously PRESTOIL), on the Tilapia field (Nkossa Blend), in partnership with SNPC
- vii. SNPC, on the Kundji field (Djéno Blend), in partnership with PANORO and PETROCI
- viii. TOTAL, mainly on the Moho-Bilondo field (Ndjéno Blend), in partnership with CHEVRON and SNPC; on the Nkossa field (Nkossa Blend), in partnership with CHEVRON and SNPC; on the Tchibouela field (Djéno Blend), in partnership with ENI; and on the Yanga and Sendji fields (Djéno Blend), in partnership with ENI and SNPC

These companies operated on their own account, as well as on that of their partners. Some of them also conducted exploration activities.

The country also counted 8 exploration companies in 2012³⁹ :

- i. CHEVRON, on the Lianzi Licence
- ii. MAUREL & PROM, on the La Noubi Licence
- iii. CNOOC, on the Haute Mer A Licence
- iv. PERENCO, on the Marine IV Licence
- v. PILATUS, on the Ngoki Licence
- vi. SOCO, on the Marine XI and XIV Licence
- vii. WING WAH, on the Kayo Licence
- viii. OPHIR CONGO, on the Marine IX Licence

³⁸ See Appendix 1 for more details

³⁹ We understand that an inventory of significant prospecting projects is ongoing at the EITI Permanent Secretariat

2.1.4. Key figures⁴⁰

Congo is considered rich with oil resources⁴¹: we understand that since 2000, the oil sector has accounted, on average, for roughly 75% of the total revenues of Congo (for all economic sectors, excluding grants)⁴². In 2012, it represented 80% of these revenues⁴³. The data submitted by the State and by the companies for this sector through the EITI are presented in § 5.

In 2012, after 134 liftings⁴⁴, close to 92 million barrels of hydrocarbons⁴⁵ were exported from Congo, nearly 12% less than 2011⁴⁶. These exports have been respectively realised by:

PRODUCER	EXPORTED QUANTITIES (M BBL)	% TOTAL EXPORTED
REPUBLIC OF THE CONGO	41	45%
ENI	18	19%
TOTAL	18	19%
SNPC	5	6%
OTHER	10	11%
Total	92	100%

Oil and gas exports from Congo, by operator (2012)⁴⁷

The total value of these exports reached nearly 10 Bn USD (close to 5 000 Bn FCFA)⁴⁸, which accounts for almost 90% of the value of the total exports of Congo⁴⁹. We understand that Congolese crude is exported mainly to Asia (over 50%) and Europe (close to 30%)⁵⁰.

In 2012, oil and gas activity accounted for 65% of Gross Domestic Product (GDP)⁵¹, compared with 69% in 2011⁵².

⁴⁰ We understand that an inventory of the number of employees of the extractive sector is ongoing at the EITI Permanent Secretariat in order to complete, in future EITI processes, the figures presented in the EITI Reports

⁴¹ According to the IMF, a country is considered rich in extractive resources "if it meets either of the following criteria: (i) an average share of hydrocarbon and/or mineral fiscal revenues in total fiscal revenue of at least 25 percent [...] or (ii) an average share of hydrocarbon and/or mineral export proceeds in total export proceeds of at least 25 percent"

Source: Guide on Resource Revenue Transparency, IMF (2007), p.4

⁴² Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.27

⁴³ In 2012, oil revenue reached nearly 5 Bn USD (over 2 500 Bn FCFA); the total revenues of Congo (all economic sectors, excluding grants) exceeded 6 Bn USD (over 3 100 Bn FCFA)

Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.21

⁴⁴ Rapport d'activités 2012, Contrôle des hydrocarbures à l'embarquement, Bureau Veritas (not dated), p.5

⁴⁵ This figure includes exports of Butane (about 1,5 million bbl) and Propane (about 2,5 million bbl)

Rapport d'activités 2012, Contrôle des hydrocarbures à l'embarquement, Bureau Veritas (not dated), p.5

⁴⁶ Rapport d'activités 2012, Contrôle des hydrocarbures à l'embarquement, Bureau Veritas (not dated), p.6

⁴⁷ Rapport d'activités 2012, Contrôle des hydrocarbures à l'embarquement, Bureau Veritas (not dated), p.7

Note: the amounts exported from Congo presented in the Rapport d'activités 2012 (Bureau Veritas) correspond to the *Marketed State Oil Shares*, both *Cash Equivalent Paid to the Public Treasury* and *for Infrastructure Projects*

⁴⁸ Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.20

⁴⁹ Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.20

⁵⁰ Rapport d'activités 2012, Contrôle des hydrocarbures à l'embarquement, Bureau Veritas (not dated), p.8

⁵¹ In 2012, oil GDP is considered to have amounted to nearly 9 Bn USD (over 4 500 Bn FCFA); total GDP is considered to have reached 13,7 Bn USD (close to 7 000 Bn FCFA)

Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.19

⁵² In 2011, oil GDP is considered to have amounted to nearly 10 Bn USD (over 4 700 Bn FCFA); total GDP is considered to have reached 14 Bn USD (close to 7 000 Bn FCFA)

Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.19

2.2. Mining sector

2.2.1. Potential

Congo has significant mining resources. To date, however, these resources are still scarcely exploited. This limited level of activity explains to some extent the lack of reliable data for this sector. We understand that the reserves of iron could exceed 25 billion tons⁵³, that those of potash could reach 1 billion tons⁵⁴ and 500 million tons for phosphates⁵⁵. We do not hold reliable data for copper, gold or diamond reserves.

We understand that, to date, no production activity has been launched on an industrial scale. In 2012, mining activity in Congo was *de facto* artisanal⁵⁶: the country counted more than 200 small-scale gold mining sites, located mainly in the Sangha, Kelle-Mbomo and Chaillu zones, and about 40 small-scale diamond mining sites, in the Chaillu zone⁵⁷. We do not hold reliable data regarding the exploration activities or development of this sector, nor figures relative to the levels of reserves and production of these various sites.

2.2.2. Institutional framework

The Ministry of Mines and Geology is responsible for the implementation and monitoring of the government's policy for this sector.

Law No.4-2005 which established the Mining Code was adopted on 11 April 2005 and, in 2012, still governed the activities of the mining sector. This Law seeks to define *"the prospecting, research, production, possession, circulation and transformation of mineral or the prospecting, research, production, possession, circulation and transformation of mineral or fossil substances across the national territory, the related industry and its associated control"*⁵⁸. We understand that this Law is currently under revision.

In 2012, there were 4 types of rights available for mining operations in Congo⁵⁹:

- i. The Prospecting Authorisation, delivered *"for a year"* and allowing to request, in case of discovery, a *"production authorisation or exploration Licence for the concerned mineral and area"*
- ii. The Exploration Licence, delivered according to a *"first-come, first-served basis"* for *"3 years [...] renewable twice"*. This Licence endows its holder with *"the priority for a production right in case of discovery"*
- iii. The Production Authorisation, which imparts its holder with *"the exclusive right to conduct exploration and production works"*. Granted for *"5 years"*, this authorisation covers all small-scale mining and quarry activities
- iv. The Production Licence, granted *"to the holder of an exploration Licence who, once having completed exploration activities, will have proven the existence of a profitable deposit and presented a technical and economic production programme"*. A Production Licence *"cannot exceed 25 years. It is renewable at its holder's request [...] for 15 years maximum"*

⁵³ Fiche sur les principaux gisements du Congo, réserves et perspectives de production, Ministry of Mines and Geology (2 mai 2013)

⁵⁴ Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.8

⁵⁵ Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.8

⁵⁶ 2011 Minerals Yearbook, Congo (Brazzaville), USGS, p.1

⁵⁷ Stratégie et plan d'action national du secteur minier artisanal et des géomatériaux, Rapport de synthèse, Programme des Nations unies pour le Développement (PNUD) (July 2013), p.10

⁵⁸ Loi No.4-2005 du 11 avril 2005 portant Code minier, Article 1

⁵⁹ Loi No.4-2005 du 11 avril 2005 portant Code minier, see Articles 20, 23, 20, 26, 32, 36, 47, 53, 59, 61

The award of an Exploration or Production Licence is formalised through the signature of a Convention with the State. In such case, “*the State’s participation in kind cannot be lower than 10%*”⁶⁰; companies are moreover subject to the General Tax Code and the sectoral tax system, which includes “*Fixed Rights, Surface Fee, Mining Royalty, Tax on Geomaterials*”⁶¹.

We understand that the tax system in Congo is very centralised and that the level of sub-national payments from mining companies is not significant.

2.2.3. Key players

In 2012, Congo counted 3 mining companies in development, who held Production Licences:

- i. LULU, holder of the Mpassa-Moubiri⁶² and Mindouli⁶³ Licences, for the extraction of polymetallic ore (lead, zinc, copper)⁶⁴
- ii. MAGMINERALS POTASSES CONGO, holder of the Mengo Licence⁶⁵, for the extraction of potash⁶⁶
- iii. Société de Recherches et de Production Minières (SOREMI), holder of the Boko Songho and Yanga Koumbaza⁶⁷ Licences, for the extraction of polymetallic ore (lead, zinc, copper)⁶⁸

Additionally, the country counted 70 mining companies holding an Exploration Licence or a Production Authorisation⁶⁹.

Finally, more than 4 000 artisanal miners⁷⁰, mainly gold diggers, are considered to be active in Congo. The artisanal sector would also count many intermediaries such as collectors and trading offices who are in charge of exporting gold and diamonds. We understand that discussions are underway in order to better define the role of these intermediaries⁷¹.

2.2.4. Key figures

The contribution of the mining sector to the State budget is not significant: data from the 2011 EITI Report indicate that fiscal payments from this sector amounted to 0,03% of the total revenues of Congo (for all economic sectors, excluding grants)⁷².

We do not hold reliable data regarding exports of gold or diamonds generated by artisanal production.

⁶⁰ Loi No.4-2005 du 11 avril 2005 portant Code minier, Article 100

⁶¹ Loi No.4-2005 du 11 avril 2005 portant Code minier, Article 156

⁶² Décret No. 2011-471 portant attribution à la société LULU d’un permis d’exploitation pour les polymétaux dit Mpassa-Moubiri dans le département du Pool (20 July 2011)

⁶³ Décret No. 2011-472 portant attribution à la société LULU d’un permis d’exploitation pour les polymétaux dit permis Mindouli dans le département du Pool (20 July 2011)

⁶⁴ 2011 Minerals Yearbook, Congo (Brazzaville), USGS, p.1

⁶⁵ Convention d’exploitation minière entre la République du Congo et MAGMINERALS POTASSES et MAGINDUSTRIES CORP (22 December 2008)

⁶⁶ 2011 Minerals Yearbook, Congo (Brazzaville), USGS, p.2

⁶⁷ These two Licences are covered by the Convention d’exploitation minière entre la République du Congo et Société de Recherche et d’Exploitation Minières (SOREMI) (21 February 2008)

⁶⁸ 2011 Minerals Yearbook, Congo (Brazzaville), USGS, p.1

⁶⁹ The complete list of these companies is presented in Appendix 2

⁷⁰ Stratégie et plan d’action national du secteur minier artisanal et des géomatériaux, Rapport de synthèse, Programme des Nations unies pour le Développement (PNUD) (July 2013), p.10

⁷¹ Stratégie et plan d’action national du secteur minier artisanal et des géomatériaux, Rapport de synthèse, Programme des Nations unies pour le Développement (PNUD) (July 2013), p.10

⁷² On the sole basis of the State’s EITI declarations, the contribution of the mining sector in 2011 reached 2 MUSD (less than 900 MFCFA)

Source: Rapport ITIE 2011 - Réconciliation des paiements et des recettes extractives au titre de l’exercice 2011, Moore Stephens (October 2012), p.36

3. NATURE AND EXTENT OF OUR WORK AS THE INDEPENDENT ADMINISTRATOR

3.1. Preliminary and contextual analyses

3.1.1. Research and literature review

We have conducted a literature review in order to identify:

- The different actors in the extractive sector of Congo
- The State reporting entities in charge of collecting fiscal and non fiscal revenues from the extractive companies
- The benefit streams, fiscal and non fiscal, under common Law (*i.e.* the General Tax Code) or (extractive) sectoral Law (*i.e.* Oil and Gas Code, Mining Code) to which the extractive companies are usually subject to
- Specific transactions, whether relative to extractive contracts or to exceptional operations
- The oil, gas and mining companies, national or private, in exploration or production, operating in Congo in 2012

Our research was notably based upon:

- Information communicated by the various relevant Ministries and State reporting entities, in particular the annual Reports of the Ministry of Mines and Geology, as well as extracts from the Oil and Mining Registries
- Documents published by the EITI-Congo Executive Committee, in particular the 2005, 2006, 2007, 2008, 2009, 2010 and 2011 EITI Reports as well as the 2010 and 2012 Validation Reports
- The regulatory framework in force, in 2012, for extractive companies, mainly the General Tax Code, the Oil and Gas Code and the Mining Code
- The contracts and conventions we were provided with, as well as the information available on extractive companies' websites⁷³
- The information found in various specialised databases to which we have had access to (*e.g.* Global Data, IHS, USGS)

3.1.2. Meetings with the stakeholders of the EITI-Congo

We conducted a series of interviews and meetings with various EITI stakeholders, including:

- Representatives of the Congolese authorities (in particular of the Ministry of Economy, Finance, Planning, Budget, Public Portfolio and Integration, of the Ministry of Hydrocarbons and of the Ministry of Mining and Geology)
- Representatives of the State reporting entities declaring on behalf of the State (in particular the Hydrocarbons Department, the Public Treasury Department, the Tax Department and the Customs Department)
- Representatives of the national oil and gas company (*Société Nationale des Pétroles du Congo* - SNPC)
- Representatives of extractive companies (notably CNOOC, ENI, MURPHY, PA RESOURCES, TOTAL, WING WAH)
- Civil society members of the EITI-Congo Executive Committee

⁷³ In particular: www.eni.com, www.total.com, www.murphyoilcorp.com, www.chevron.com (September 2013)

3.1.3. Materiality analyses

In order to ensure that the 2012 EITI Report covers all significant payments made to the State by extractive companies, we have conducted materiality analyses based upon the 2011 contribution of the oil, gas and mining sectors.

STATE REVENUES	2011 (MUSD)	2011 (MFCFA)
Total revenues (exclusive of grants)	6 070	2 859 000
Oil revenues	4 847	2 283 000
<i>% of total revenues</i>	<i>80%</i>	<i>80%</i>

Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013)

CONTRIBUTION OF COMPANIES	2011 (MUSD)	2011 (MFCFA)
Total extractive sector	5 561	2 618 980
<i>% of the total revenues of the State</i>	<i>92%</i>	<i>92%</i>
Oil and gas sector	5 559	2 618 107
<i>% of the total revenues of the State</i>	<i>92%</i>	<i>92%</i>
Mining sector	2	873
<i>% of the total revenues of the State</i>	<i>0,03%</i>	<i>0,03%</i>

Source: Rapport ITIE 2011 - Réconciliation des paiements et des recettes extractives au titre de l'exercice 2011, Moore Stephens (October 2012)

Contribution of the extractive sector to the revenues of Congo (2011)

a. Materiality and comprehensiveness of the benefit streams covered by this Report

On the basis of the above contribution levels, the EITI-Congo Executive Committee has chosen to define a materiality threshold of 100 000 USD (50 MFCFA) per payment; this threshold is similar to the threshold defined for the 2011 EITI Report and is consistent with the recommendations of the Dodd-Frank Act⁷⁴.

This threshold represents:

- Less than 0,002% of the payments declared by extractive companies in the 2011 EITI Report
- 0,002% of the 2012 oil revenues presented in the IMF 2012 Central Government Operations Table⁷⁵

The EITI-Congo Executive Committee has chosen to include all identified benefit streams exceeding this threshold⁷⁶.

These benefit streams are identified in § 4.4.

b. Determination of the acceptable level of unresolved discrepancies between State and extractive companies' declarations

We have further considered, on the basis of professional auditing practices relative to the presentation of summarised Financial Statements, that the acceptable level of cumulative unresolved discrepancies could reasonably be set at 1% of the total contribution of the extractive sector⁷⁷. Below this threshold, we may reasonably consider that the unresolved discrepancies presented in the 2012 EITI Report are not significant and do not affect the level of the contribution presented.

⁷⁴ SEC Final Rules release No.34-67717, Disclosure of payments by resource extraction issuers, www.sec.gov (3 November 2012)

⁷⁵ Close to 5 Bn USD (over 2 500 Bn FCFA)

Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.21

⁷⁶ These benefit streams have been identified from data reported in the 2011 EITI Report; other payments received and paid in 2012 will have to be declared by State reporting entities and extractive companies

⁷⁷ Based on extractive companies' EITI declarations

3.2. Elaboration of the reporting templates

3.2.1. Definition of the format of the reporting templates

In accordance with the Scope defined for the 2012 EITI Report, we have designed the EITI reporting templates for State reporting entities, declaring on behalf of the State, and extractive companies. These reporting templates have been discussed with and approved by the EITI-Congo Executive Committee. They have been directly distributed by us to State reporting entities and extractive companies.

In line with the recommendations in the EITI Source Book, the requirements of the new EITI Standard and the requisites of the reconciliation process, instructions for completing the reporting templates pointed out the need for:

- i. A cash basis disclosure (amounts paid in 2012), as opposed to an accrual basis disclosure (amounts due for that period)
- ii. The operators to declare payments made to the State on their behalf and on behalf of their partners. In the case of an association of companies or a consortium, partners are to only declare the payments they have made to the State directly
- iii. Each company to present a disaggregated reporting, for each benefit stream, payment by payment, date by date so as to allow a rigorous reconciliation process (reconciliation on a fully disaggregated basis). EITI declarations are to indicate, for each payment, the related receipt reference number in order to facilitate the reconciliation process
- iv. A disclosure in the currency of the transaction (bbl, FCFA, USD), therefore limiting the risks of discrepancies due to exchange rate adjustments

In order to facilitate the declaration process, we have presented the reporting templates and their associated completion guidelines to representatives of the State reporting entities and the extractive companies, during our preliminary work Phase conducted in Brazzaville in September 2013.

3.2.2. Assurance process regarding the reliability of the EITI declarations

Based on our recommendations, the EITI-Congo Executive Committee has defined the following assurance process to guarantee the reliability of the State's EITI declarations:

- i. Signature of the EITI declarations by a senior official of the State reporting entity
- ii. Signature of an Endorsement Letter by a senior official of the State reporting entity, attesting that the submitted data are accurate and comprehensive, and correctly reflect all benefit streams received by the State between 1 January 2012 and 31 December 2012

Similarly, the EITI-Congo Executive Committee has defined the following assurance process to guarantee the reliability of the EITI declarations of the extractive companies:

- i. Signature of the EITI declarations by a senior official of the company
- ii. Signature of an Endorsement Letter by a senior official of the company, attesting that the submitted data are accurate and comprehensive, and correctly reflect all payments made to the State between 1 January 2012 and 31 December 2012
- iii. For oil and gas companies: sign-off of EITI declarations and production of an Endorsement Letter by the external auditor of the company, confirming the reliability and accuracy of the submitted data

3.3. Collection, reconciliation and compilation of data

The collection, reconciliation (identification and resolution of the main discrepancies) and compilation of the data submitted by the State and the extractive companies have been undertaken on the basis of the Scope of companies and benefit streams covered by this EITI Report (the list of companies and benefit streams within the Scope of this EITI Report is detailed below, in § 4).

The EITI declarations received have been completed under the responsibility of the representatives of the State reporting entities (revenues received on behalf of the State), of SNPC (revenues received on behalf of the State; payments made to the State) and of the extractive companies (payments made to the State).

We are to present, for each benefit stream covered by the 2012 EITI Report, the declared amounts declared collected by the State and declared paid by the extractive companies. In order to do so, we have undertaken the reconciliation of revenues and payments declared on a fully disaggregated basis.

We are not required to explain the remaining unresolved discrepancies between the data provided by the State and the extractive companies.

Our work as the Independent Administrator is neither an audit nor a limited assessment of the State revenues generated by the extractive sector in Congo. Moreover, auditing the data provided to us by the extractive companies is not part of our mandate. Likewise, we are not expected to identify any potential errors, unlawful acts, or other irregularities.

The list and definitions of benefit streams covered by this EITI Report have been determined by the EITI-Congo Executive Committee, based on the Oil and Gas Code, the Mining Code and the General Tax Code. This list and definitions have been discussed with us.

The list of extractive companies covered by this EITI Report has been established by the EITI-Congo Executive Committee on the basis of the Oil and Mining Registries; this list has been discussed with us.

As the Independent Administrator, we have:

- i. Ensured that the definitions of the benefit streams covered by the 2012 EITI Report were consistent with the regulatory framework governing the extractive sector in Congo, with the definitions described in the EITI Standard and with those widely recognised in the oil, gas and mining industries (consistency of the Scope of the Report)
- ii. Ensured that the definitions of the benefit streams covered by the 2012 EITI Report were correctly perceived and understood by the representatives of State reporting entities and extractive companies (shared understanding of the Scope of the Report)
- iii. Collected (submission of EITI templates, reminders, follow-up) the EITI declarations from the State reporting entities, disclosing revenues collected by Congo in 2012. These EITI declarations were presented in accordance with the definitions adopted by the EITI-Congo Executive Committee
- iv. Collected the EITI declarations from the extractive companies, disclosing payments made to Congo in 2012. These EITI declarations were presented in accordance with the definitions adopted by the EITI-Congo Executive Committee
- v. Reconciled the data submitted by State reporting entities and extractive companies, for each company and benefit stream, payment by payment, and date by date

- vi. Resolved the main discrepancies identified through the reconciliation process, in coordination with the EITI Permanent Secretariat and the support of the State reporting entities and extractive companies; these discrepancies were mainly due to reporting or imputation oversights⁷⁸. The remaining discrepancies presented in the reconciliation tables (cf. § 5 - Final reconciliation of data) have not been resolved
- vii. Compiled the final figures for the oil and gas sector and the mining sector in production, and presented the reconciliation of the data submitted by the State reporting entities and the extractive companies, for each benefit stream covered by this EITI Report
- viii. Presented the data provided unilaterally by the extractive companies for the oil and gas sector, for the *Shipping Tax* and *Social Projects*
- ix. Presented the data provided unilaterally by the State reporting entities for the mining sector in exploration, in order to confirm its very limited contribution to the State budget

3.4. Scope limitations

3.4.1. Availability of information

We understand that there is no formal Oil and Gas, nor Mining, Cadastre. Though we have been able to access extracts from the Oil and Mining Registries for 2012, we cannot confirm whether they have been regularly updated and, therefore, cannot state the accuracy of the information presented.

3.4.2. Accessibility of the information

Moreover, some of the documents necessary for our preliminary or contextual analyses were provided with delay, due to an insufficient level of centralisation of information within the administration.

⁷⁸ A table summarising the resolution of discrepancies can be found in Appendix 5

4. SCOPE OF THE 2012 EITI REPORT

The Scope of companies and benefit streams presented below has been defined by the EITI-Congo Executive Committee, who holds full responsibility for it.

It has been discussed with us in Brazzaville, in September 2013.

4.1. Fiscal period concerned

Declarations from State reporting entities and extractive companies had to disclose all payments (as defined in the EITI Scope) made between 1 January 2012 and 31 December 2012.

4.2. Sectors concerned

The 2012 EITI Report covers the oil, gas and mining sectors.

4.3. Scope of extractive companies

4.3.1. Oil and gas sector

Materiality and comprehensiveness criteria

The EITI-Congo Executive Committee has chosen to include all oil and gas companies listed, in 2012, in the Oil Registry of Congo⁷⁹.

This choice has led to the inclusion of the 21 following companies:

A		NATIONAL COMPANY (1)	
1	SOCIETE NATIONALE DES PETROLES DU CONGO (SNPC)		
B		PRODUCTION COMPANIES (13)	
2	AFRICA OIL AND GAS CORPORATION (AOGC)	9	NUEVO CONGO COMPANY
3	CHEVRON OVERSEAS CONGO	10	NUEVO CONGO LIMITED
4	CMS NOMEKO	11	PA RESOURCES CONGO
5	CONGOREP	12	PETRO KOUILOU
6	ENI CONGO	13	TOTAL E&P CONGO
7	MURPHY WEST AFRICA	14	MAUREL & PROM CONGO
8	PRESTOIL		
C		EXPLORATION COMPANIES (7)	
15	CHINA NATIONAL OFFSHORE OIL CORPORATION (CNOOC)	19	PREMIER OIL
16	OPHIR CONGO	20	SOCO EXPLORATION AND PRODUCTION CONGO
17	PERENCO EXPLORATION & PRODUCTION CONGO	21	WING WAH
18	PILATUS		

Scope of oil and gas companies (2012)

The EITI Executive Committee-Congo has chosen to remove partner companies that were not physically present in Congo from the Scope of the 2012 EITI Report: the elaboration of the 2011 EITI Report has indeed confirmed that their contributions were paid directly by the operators to the State⁸⁰.

Given the highly significant contribution of the oil and gas sector, all data submitted by companies listed above have been reconciled with data submitted by the State, with the exception of *Shipping Tax* and *Social Projects*, which are not paid directly to the State⁸¹ and have therefore been declared by oil and gas companies unilaterally.

⁷⁹ In accordance with the Oil Registry provided by the Ministry of Hydrocarbons

⁸⁰ These are BURREN, EXXON MOBIL, PREVAIL, PETROCI, TULLOW OIL for fields in production ; AFREN, GALP, KUFPEC, LUNDIN, NEW AGE, RAFFIA, PUEP, SONANGOL, SVENSKA for fields in exploration

⁸¹ *Shipping Tax* is paid by the ship-owners to the Société Congolaise de Transport Maritime (SOCOTRAM) and to other State reporting entities; the cost of this tax is then invoiced by the ship-owners to the oil and gas companies
Social Projects are directly financed by the extractive companies

4.3.2. Mining sector

Materiality and comprehensiveness criteria

The EITI-Congo Executive Committee has chosen to include all mining companies listed, in 2012, in the Mining Registry of Congo⁸².

This choice has led to the inclusion of the 73 following companies:

A		DEVELOPMENT - PRODUCTION COMPANIES (3)	
1	LULU	3	SOCIETE DE RECHERCHE ET D'EXPLOITATION MINIERE (SOREMI)
2	MAGMINERALS POTASSES CONGO		
B		EXPLORATION COMPANIES (47)	
4	AFRICA MINING DEVELOPMENT (AMD)	28	NRE
5	AFRIMINES	29	NYIVE CONGO
6	AGIL CONGO	30	POTASSES DU CONGO
7	ALECTOR CONGO	31	SAISON ZHONG
8	AVIMA-GOLD	32	SANU RESOURCES
9	CHINA DEVELOPMENT RESOURCES	33	SINO CONGO DEVELOPMENT
10	COMINCO	34	SINO CONGO GOLD
11	CONGO GOLD	35	SINO CONGO MINING
12	CONGO IRON	36	SINO CONGO RESOURCES
13	CONGO MINING	37	SINTOUKOLA POTASH
14	COREDEM	38	SOCIETE AFRICAINE POUR LE DEVELOPPEMENT MINIER (SADEM)
15	COREM	39	SOCIETE DE DISTRIBUTION INTERNATIONALE
16	DMC	40	SOCIETE DES POTASSES ET DES MINES (SPM)
17	ENI CONGO	41	SOCIETE EQUAMINERAL
18	KIMIN CONGO	42	SOCIETE OKY SERVICES INTERNATIONAL
19	KOUYI BAUXITE	43	SOCIETE SAI CONGO
20	LA CONGOLAISE DES MINES	44	SOCIETE CONGOLAISE DES POTASSES
21	LUYAN DES MINES	45	SOCIETE CONGOLAISE DES MINES ET DES POTASSES (SOCOMIP)
22	MACPELA MINING	46	SOCIETE SONECO
23	MILLION WELL HOLDING	47	SREM
24	MINES AURIFERES ET CARRIERES DU CONGO (MACC)	48	WARATA RESSOURCES
25	MOTABA - MINING	49	YUAN WANG
26	MPD CONGO	50	ZHONG JIN HUI DA INV. CO.
27	NEWCO MINING		
C		PROSPECTING COMPANIES (23)	
51	AFRICA MINERALS COMPANY	63	LA CONGOLAISE DE GRAPHITE
52	ALPHA MINERALS	64	MAUD CONGO SA
53	BEVERAGG GROUP	65	MAYOMBE GOLD
54	BIKONGA	66	NIALL MELLON
55	CHINA ENGINEERING CORPORATION	67	NIEL CONGO
56	COMISA	68	OYABI GOLD
57	DIMENSION FINANCE	69	PANEX
58	EQUATEUR MINING	70	QUATAR MINING
59	FIRST REPUBLIC RESOURCES	71	RENAISSANCE COPPER
60	GAN CONGO	72	SEM CONGO
61	GBMG	73	TRANSFRONTIER GROUP COMPANY
62	HINDA METAL CORP		

Scope of mining companies (2012)

Given the very limited contribution of the mining sector⁸³, only data submitted by production companies have been reconciled with data submitted by the State⁸⁴; data from prospecting and exploration companies are presented on the sole basis of the State's EITI declarations.

⁸² In accordance with the Mining Registry provided by the Ministry of Mines and Geology

⁸³ About 0,03% of the extractive revenues declared in 2011, according to the sole EITI declarations of the State
Source: Rapport ITIE 2011 - Réconciliation des paiements et des recettes extractives au titre de l'exercice 2011, Moore Stephens (October 2012), p.36

⁸⁴ No data reconciliation has been undertaken for the mining sector in the 2011 EITI Report

4.4. Scope of benefit streams

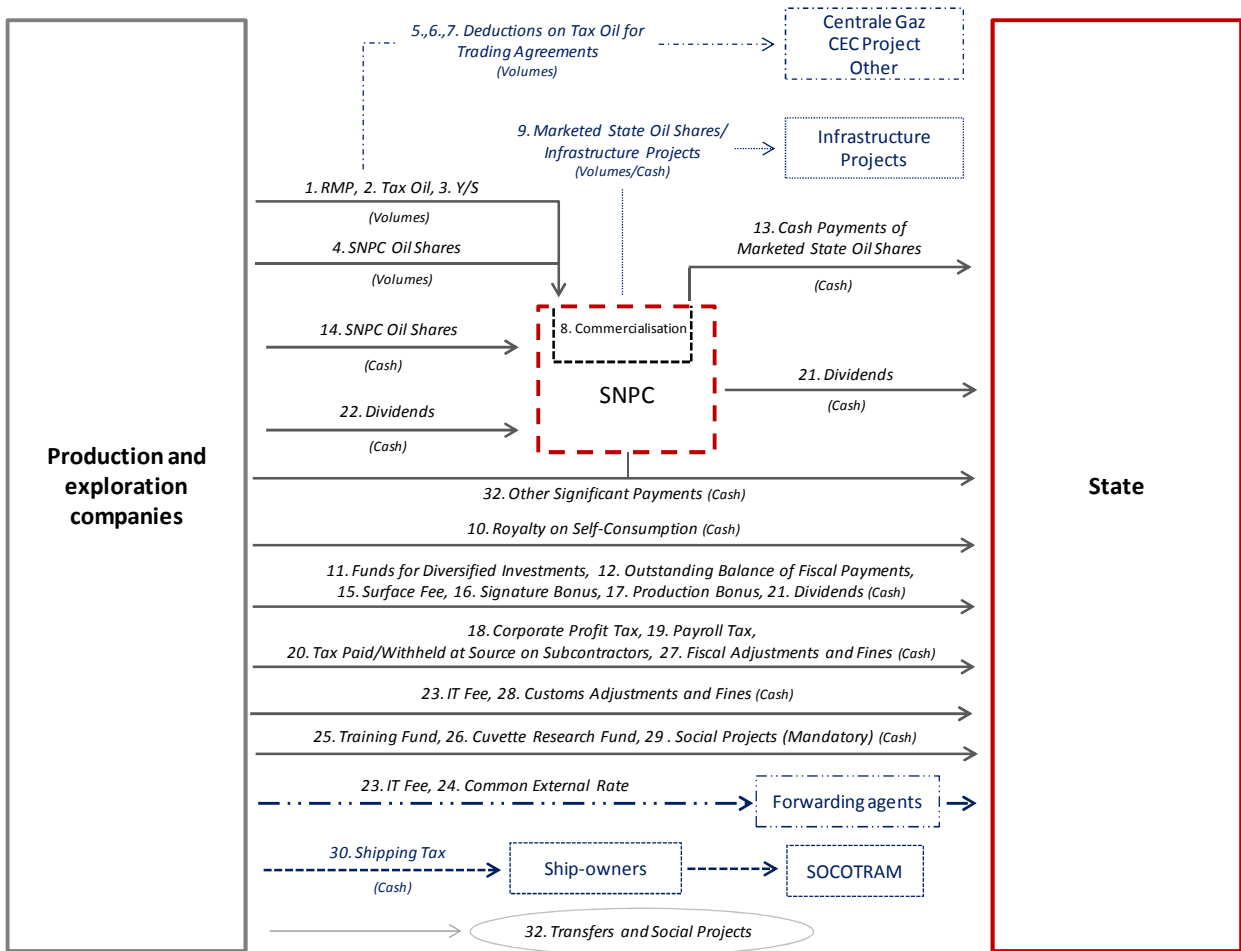
4.4.1. Oil and gas sector

Materiality and comprehensiveness criteria

The EITI-Congo Executive Committee has chosen to include the main benefit streams included in the Oil and Gas Code, as well as the main direct common Law taxes, including *Corporate Profit Tax*.

Moreover, in order to ensure that the 2012 EITI Report covers all significant payments made by the extractive sector, State reporting entities and extractive companies have been asked to declare any *Other Significant Payments*. The materiality threshold for these EITI declarations has been set at 100 000 USD (50 MFCFA) per payment.

This approach has led to the inclusion of 31 benefit streams and *Other Significant Payments*, as presented below:



Circulation of benefit streams, oil and gas sector (2012)

These benefit streams are presented as follows:

A				BENEFIT STREAMS IN VOLUMES (9)			
1	Royalties (RMP)	6	Deduction on Tax Oil for Integrated Project (CEC)				
2	Tax Oil (Profit Oil and Super Profit Oil)	7	Other Deductions on Tax Oil for Trading Agreements				
3	Y/S (15%)	8	Marketed State Oil Shares (Cash Equivalent Paid To The Public Treasury)				
4	SNPC Oil Shares (Volumes)	9	Marketed State Oil Shares for Infrastructure Projects				
5	Deduction on Tax Oil for Centrale Gaz						
B				BENEFIT STREAMS IN CASH (23)			
10	Royalty On Self-Consumption	22	Dividends Paid to the SNPC				
11	Funds for Diversified Investments (PID)	23	IT Fee				
12	Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	24	Common External Rate				
13	Cash Payments of Marketed State Oil Shares	25	Training Fund				
14	SNPC Oil Shares (Cash)	26	Cuvette Research Fund				
15	Surface Fee	27	Fiscal Adjustments and Fines				
16	Signature Bonus	28	Customs Adjustments and Fines				
17	Production Bonus	29	Social Projects (Mandatory)				
18	Corporate Profit Tax	30	Shipping Tax				
19	Payroll Tax (IRPP - TF - TA - FNH)	31	Transfers and Social Projects				
20	Tax Paid/Withheld at Source on Subcontractors	32	Other Significant Payments				
21	Dividends Paid to the State						

Scope of benefit streams, oil and gas sector (2012)

A description of these benefit streams can be found in Appendix 3.

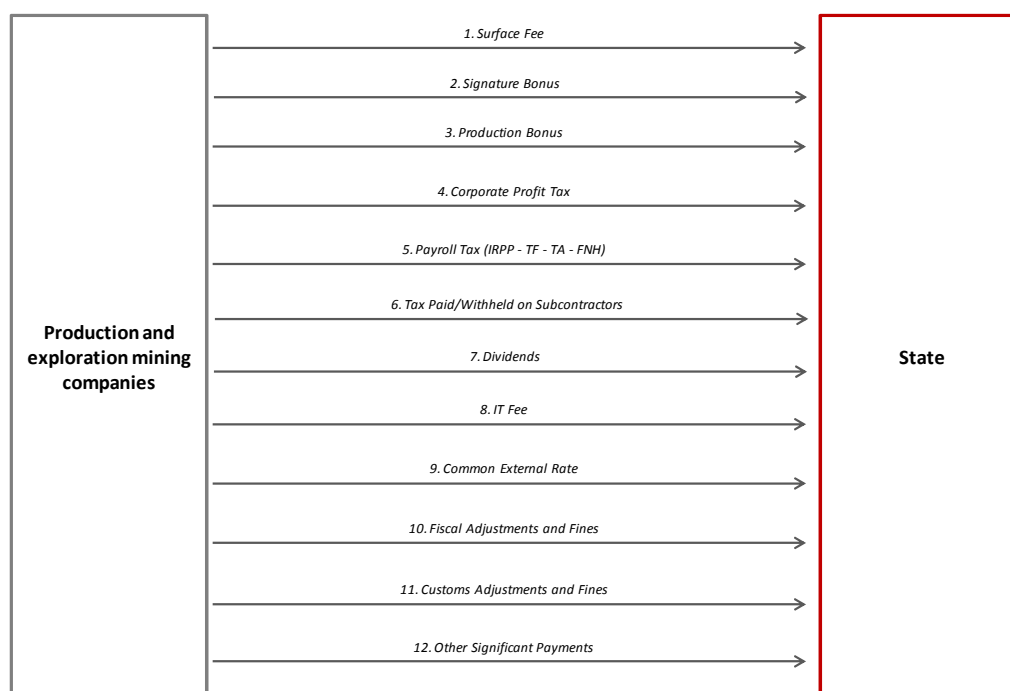
4.4.2. Mining sector

Materiality and comprehensiveness criteria

The EITI-Congo Executive Committee has chosen to include the main benefit streams included in the Mining Code, as well as the main direct common Law taxes, including *Corporate Profit Tax*.

Moreover, in order to ensure that the 2012 EITI Report covers all significant payments made by the extractive sector, the State reporting entities and extractive companies have been asked to declare any *Other Significant Payments*. The materiality threshold for these EITI declarations has been set at 100 000 USD (50 MFCFA) per payment.

This approach has led to the inclusion of 11 benefit streams and *Other Significant Payments*, as presented below:



Circulation of benefit streams, mining sector (2012)

These benefit streams can be listed as follows:

A		BENEFIT STREAMS IN CASH (12)	
1	Surface Fee	7	Dividends
2	Signature Bonus	8	IT Fee
3	Production Bonus	9	Common External Rate
4	Corporate Profit Tax	10	Fiscal Adjustments and Fines
5	Payroll Tax (IRPP - TF - TA - FNH)	11	Customs Adjustments and Fines
6	Tax Paid/Withheld on Subcontractors	12	Other Significant Payments

Scope of benefit streams, mining sector (2012)

A description of these benefit streams can be found in Appendix 3.

4.5. List of State reporting entities

Pursuant to the Scope of benefit streams selected by the EITI-Congo Executive Committee, the SNPC and the State reporting entities listed below have been instructed to declare, on behalf of the State, the payments collected, in 2012, from extractive companies.

A		STATE REPORTING ENTITIES (8)	
1	Société Nationale des Pétroles du Congo (SNPC)	5	Natural Resources Department (<i>Direction des Ressources Naturelles - DRN</i>) <i>Ministry of Economy, Finance, Planning, Public Portfolio and Integration</i>
2	Tax Department (<i>Direction Générale des Impôts - DGI</i>) <i>Ministry of Economy, Finance, Planning, Public Portfolio and Integration</i>	6	Hydrocarbons Department (<i>Direction Générale des Hydrocarbures - DGH</i>) <i>Ministry of Hydrocarbons</i>
3	Public Treasury Department (<i>Direction Générale du Trésor - DGT</i>) <i>Ministry of Economy, Finance, Planning, Public Portfolio and Integration</i>	7	Geology Department (<i>Direction Générale de la Géologie - DGG</i>) <i>Ministry of Mining and Geology</i>
4	Customs Department (<i>Direction Générale des Douanes - DGD</i>) <i>Ministry of Economy, Finance, Planning, Public Portfolio and Integration</i>	8	Mining Department (<i>Direction Générale des Mines - DGM</i>) <i>Ministry of Mining and Geology</i>

List of State reporting entities (2012)

4.6. Level of data disaggregation

The data from State reporting entities and extractive companies was to be disclosed on an entirely disaggregated basis, payment by payment, date by date.

In accordance with previously published EITI Reports, the EITI-Congo Executive Committee has chosen to present, in the 2012 EITI Report, disaggregated data by company, by State reporting entity and by benefit stream.

This approach conforms to Requirement No. 5.2 (e) of the new EITI Standard, according to which “*the multistakeholder group is required to agree the level of disaggregation for the publication of data. It is required that EITI data is presented by individual company, government entity and revenue stream*”⁸⁵.

⁸⁵ The EITI Standard, EITI International Secretariat, (22 May 2013), www.eiti.org (September 2013), p.31

5. FINAL RECONCILIATION OF DATA

5.1. Oil and gas sector

5.1.1. Reconciliation table in volumes

The reconciliation table below presents, after resolution of the discrepancies that could be addressed⁸⁶, the EITI declarations submitted in volumes by State reporting entities, SNPC and oil and gas companies.

(KBb)	Oil and gas sector 2012				
	Declared data				Discrepancies
	Companies	SNPC payer	SNPC collector	State	
	(a)	(b)	(c)	(d)	(a+b-c-d)
1. Royalties (RMP)	10 722	1 291		12 053	(40)
2. Tax Oil (Profit Oil and Super Profit Oil)	36 290	3 641		40 025	(94)
3. Y/S (15%)	1 134	-		1 150	(16)
Total State Oil Shares	48 146	4 932		53 228	(150)
4. SNPC Oil Shares (Volumes)	1 711		1 694		17
Total SNPC Oil Shares	1 711		1 694		17
5. Deduction on Tax Oil for Centrale Gaz	(154)	-		(177)	23
6. Deduction on Tax Oil for Integrated Project (CEC)	(2 052)	-		(2 052)	-
7. Other Deductions on Tax Oil for Trading Agreements	(1 385)	-		(1 385)	-
Total Deductions on Tax Oil for Trading Agreements	(3 591)	-		(3 614)	23
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-	(26 681)		(26 595)	(86)
9. Marketed State Oil Shares for Infrastructure Projects	-	(14 465)		(14 465)	-
Total Marketed Oil Shares	-	(41 146)		(41 060)	(86)

Legend

Not concerned

Reconciliation table in volumes, oil and gas sector (2012)

Based on the information we have had access to and according to our discussions with the EITI-Congo Executive Committee and EITI stakeholders, we understand that:

- i. Total *State Oil Shares* (computation of benefit streams No.1, 2 and 3) are delivered by the operators to SNPC, as fiscal payments (State as public authority)
- ii. Total *SNPC Oil Shares* (benefit stream No.4) are delivered by the operators to SNPC, according to SNPC's shares in PSCs in production (State as a partner)
- iii. Total *Deductions on Tax Oil for Trading Agreements* (computation of benefit streams No. 5, 6 and 7), are subtracted from *State Oil Shares*, pursuant to the agreements signed by Congo with specific operators⁸⁷. The barrels collected are sold directly by the operators, reimbursing previously delivered infrastructure projects

⁸⁶ A table summarising the resolution of discrepancies can be found in Appendix 5

⁸⁷ Mainly ENI, for the Centrale Gaz and CEC

- iv. Total *Marketed Oil Shares* (computation of benefit streams No.8 and 9) cover the entirety of oil shares commercialised by SNPC on behalf of the State, less SNPC's trading commission:
- The *Marketed State Oil Shares, Cash Equivalent Paid to the Public Treasury* (State as a public authority and State as a partner, benefit stream No.8), whose monetary counterpart is deposited directly into the account of Public Treasury
 - The *Marketed State Oil Shares for Infrastructure Projects* (agreement concluded between Congo and the People's Republic of China, benefit stream No.9), whose cash counterpart is deposited directly into an escrow account registered at the Export-Import Bank of China (EXIM BANK), dedicated to the reimbursement of previously delivered infrastructure projects

5.1.2. Reconciliation table in cash

The reconciliation table below presents, after resolution of the discrepancies that could be addressed⁸⁸, the EITI declarations submitted in cash by State reporting entities, SNPC and oil and gas companies.

In order to present consistent reconciliations, the data submitted by the State for OPHIR CONGO and PREMIER OIL (less than 700 KUSD or 350 MFCFA) have not been included in this table, as these companies have failed, to date, to submit their EITI declarations⁸⁹. The absence of EITI declarations from these companies does not appear to significantly impact one's understanding of the extractive's companies level of contribution presented in this Report⁹⁰: OPHIR CONGO has indeed been holding an Exploration Licence since 2006 and PREMIER OIL left the country in 2011⁹¹.

⁸⁸ A table summarising the resolution of discrepancies can be found in Appendix 5

⁸⁹ The EITI templates were provided on 12 September 2013; several reminders were sent after 27 September 2013

⁹⁰ In accordance with the data presented in Appendix 4, the State EITI declarations for these companies amounted to 635 KUSD (324 MFCFA) for OPHIR CONGO and 13 KUSD (7 MFCFA) for PREMIER OIL. This represents 0,02% of the data submitted by extractive companies for this EITI Report

⁹¹ www.premier-oil.com (October 2013)

Oil and gas sector 2012				
Declared data				Discrepancies (a+b-c-d)
Companies (a)	SNPC payer (b)	SNPC collector (c)	State (d)	

(KUSD)

2. Tax Oil (Profit Oil and Super Profit Oil)	112	-		97	15
10. Royalty On Self-Consumption	1 719	-		1 714	5
11. Funds for Diversified Investments (PID)	69 194	1 191		70 238	147
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	92 005	-		87 666	4 339
13. Cash Payments of Marketed State Oil Shares	13 119	2 748 286		2 760 351	1 054
14. SNPC Oil Shares (Cash)	42 058		41 630		428
15. Surface Fee	464	525		1 035	(46)
16. Signature Bonus	32 729	-		32 729	-
17. Production Bonus	6 901	-		6 901	-
18. Corporate Profit Tax	60 609	-		60 610	(1)
19. Payroll Tax (IRPP - TF - TA - FNH)	38 731	2 347		40 958	120
20. Tax Paid/Withheld at Source on Subcontractors	12 966	-		12 667	299
21. Dividends Paid to the State	-	-		-	-
22. Dividends Paid to the SNPC	53 900		53 900		-
23. IT Fee	2 395	-		3 120	(725)
24. Common External Rate	27	-		866	(839)
25. Training Fund	2 234	-		2 335	(101)
26. Cuvette Research Fund	-	-		-	-
27. Fiscal Adjustments and Fines	1 035	-		202	833
28. Customs Adjustments and Fines	200	388		-	588
29. Social Projects (Mandatory)	2 920	-		5 854	(2 934)
32. Other Significant Payments	745	-	-	-	745
Total	434 063	2 752 737	95 530	3 087 343	

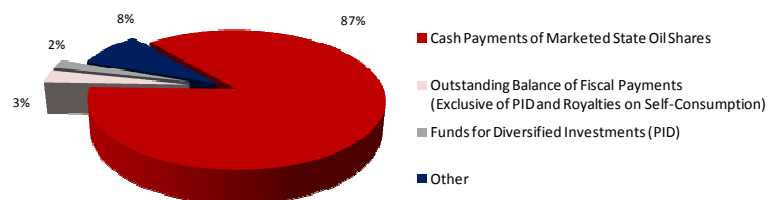
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Not concerned

Reconciliation table in cash, oil and gas sector (2012)

The figure on the right presents the main benefit streams paid to the State by oil and gas companies in 2012.

Cash Payments of Marketed State Oil Shares, made by SNPC to Public Treasury, represent the most significant contribution (2,8 Bn USD or 1 400 Bn FCFA) of the oil and gas sector.



Share of the main benefit streams paid to the State, oil and gas sector (2012)

5.1.3. Overview of the contribution of the oil and gas sector

The total amount of unresolved discrepancies (after our reconciliation work) between the State's EITI declarations and those of the oil and gas companies is not significant (*i.e.* lower than 1% of the total contribution of the extractive sector)⁹².

The EITI declarations received allow us to reasonably conclude that the shares of oil and gas transferred to the State of Congo, via production sharing or taxes paid in volumes in 2012, amount to 53 million barrels.

Of these 53 million barrels:

- v. 18 million barrels, equivalent to approximately 1,9 Bn USD (close to 1 000 Bn FCFA), were allocated to infrastructure projects and are accounted for in the IMF 2012 Central Government Operations Table
- vi. 26,7 million barrels, equivalent to approximately 2,8 Bn USD (close to 1 400 Bn FCFA), were allocated to the State budget and are accounted for in the IMF 2012 Central Government Operations Table
- vii. 6 million barrels, equivalent to approximately 0,6 Bn USD (close to 306 Bn FCFA) were allocated to *Congolaise de Raffinage* (CORAF), the local refinery, pursuant to the performance agreement signed between the refinery and the State, and are not accounted for in the IMF 2012 Central Government Operations Table
- viii. 2,3 million barrels correspond to the variations in the State's equity crude stocks (difference between the State's entitlements and its effective liftings between 1 January 2012 and 31 December 2012)

Beyond these taxes in volumes, in 2012 the taxes collected in cash amounted to 0,3 Bn USD (175 Bn FCFA). They are accounted for in the IMF 2012 Central Government Operations Table.

The total contribution of the oil and gas sector to the revenues of Congo amounted to nearly 5 Bn USD (more than 2 500 Bn FCFA) in 2012, a slight decrease compared to 2011. This contribution accounted for 80% of the total revenues of Congo (for all economic sectors, excluding grants). Furthermore, the oil and gas sector contributed to supporting CORAF, with approximately 0,6 Bn USD, through the provision of crude.

⁹² Based on extractive companies' EITI declarations

	(KBbl)	(KUSD)	(MFCFA)	
Oil and gas sector				
Royalties (RMP)	12 013	1 261 360	643 294	*
Tax Oil (Profit Oil and Super Profit Oil)	39 931	4 192 693	2 138 274	*
Y/S (15%)	1 134	119 103	60 742	*
Total State Oil Shares**	53 078	5 573 156	2 842 310	*
Deduction on Tax Oil for Centrale Gaz	(154)	16 201	8 263	*
Deduction on Tax Oil for Integrated Project (CEC)	(2 052)	215 460	109 885	*
Other Deduction on Tax Oil for Trading Agreements	(1 385)	145 403	74 156	*
Marketed State Oil Shares for Infrastructures Projects	(14 465)	1 518 855	774 616	*
Total deducted from the State Oil Shares for infrastructure projects**	(18 056)	1 895 919	966 920	*
Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)**	(26 681)	2 748 286	1 401 626	
Taxes in cash (e.g. PID, Surface Fee, Corporate Profit Tax, Payroll Tax)**		342 557	174 704	
Sales to the Congolaise de Raffinage (CORAF)	(5 959)	-	-	
Variations of the State's equity crude stocks (1 January - 31 December 2012)***	(2 382)			
Total contribution of the oil and gas sector	(53 078)	4 986 762	2 543 250	
Indirect contributions (Shipping Tax, Non-mandatory Social Projects)		18 627	9 500	

* Rounded numbers valued on the basis of an average barrel of 105 USD
Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013)

** Based on companies declarations

*** Source: Rapports trimestriels KPMG 2012 - Rapport sur les procédures convenues relatives aux encaissements pétroliers sur les comptes du Trésor ; DGH

Oil Shares allocated to the State

Indirect contribution to the State Budget: financing of infrastructure projects = 1,9 Bn USD

Direct contribution in cash to the State Budget = 3,1 Bn USD

Contribution of the oil and gas sector to the revenues of Congo (2012)

5.1.4. Unilateral EITI declarations from oil and gas companies for *Shipping Tax* and *Social Projects*

In accordance with the decisions of the EITI-Congo Executive Committee, oil and gas companies have declared *Shipping Tax* and *Social Projects* on a unilateral basis⁹³.

These payments have not been allocated to nor accounted for in the State budget.

Oil and gas sector 2012	
Declared data	
Companies	
(KUSD)	
30. Shipping Tax	4 262
31. Transfers and Social Projects	14 365

Unilateral EITI declarations, oil and gas sector (2012)

⁹³ *Shipping Tax* is paid by the ship-owners to the Société Congolaise de Transport Maritime (SOCOTRAM) and to other State reporting entities; the cost of this tax is then invoiced by the ship-owners to the oil and gas companies
Social Projects are directly financed by the extractive companies

5.2. Mining sector

5.2.1. Reconciliation table for production companies⁹⁴

The reconciliation table below presents, after resolution of the discrepancies that could be addressed⁹⁵, the EITI declarations submitted in cash by State reporting entities and mining companies.

In order to present consistent reconciliations, the data submitted by the State for LULU (nil declarations⁹⁶) have not been included in this table, as this company has failed, to date, to submit its EITI declarations⁹⁷. The absence of EITI declarations from this company does not appear to significantly impact one's understanding of the extractive's companies level of contribution presented in this Report.

	Mining sector 2012		
	Declared data		Discrepancies
	Companies	State	
(KUSD)	<i>(a)</i>	<i>(b)</i>	<i>(a-b)</i>
1. Surface Fee	12	178	(166)
2. Signature Bonus	-	-	-
3. Production Bonus	-	-	-
4. Corporate Profit Tax	-	-	-
5. Payroll Tax (IRPP - TF - TA - FNH)	351	317	34
6. Tax Paid/Withheld at Source on Subcontractors	0	-	-
7. Dividends	-	-	-
8. IT Fee	6	-	6
9. Common External Rate	-	-	-
10. Fiscal Adjustments and Fines	34	13	21
11. Customs Adjustments and Fines	-	-	-
12. Other Significant Payments	-	-	-
Total	403	508	

Reconciliation in cash, mining sector (2012)

⁹⁴ Only for the companies holding a Production Licence

⁹⁵ A table summarising the resolution of discrepancies can be found in Appendix 5

⁹⁶ The State's EITI declarations for this company amount to 0. They can be found in Appendix 4

⁹⁷ The EITI templates were provided on 12 September 2013; several reminders were sent after 27 September 2013

5.2.2. Unilateral EITI declarations by the State for prospecting and exploration companies⁹⁸

In accordance with the decisions of the EITI-Congo Executive Committee, prospecting and exploration companies have not been subject to any reconciliation.

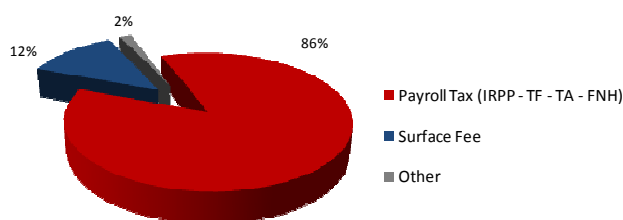
The table below presents the EITI declarations submitted by the State reporting entities for the prospecting and exploration companies.

Mining sector 2012	
Declared data	
State	
(KUSD)	
1. Surface Fee	165
2. Signature Bonus	-
3. Production Bonus	-
4. Corporate Profit Tax	0
5. Payroll Tax (IRPP - TF - TA - FNH)	2 102
6. Tax Paid/Withheld at Source on Subcontractors	-
7. Dividends	-
8. IT Fee	-
9. Common External Rate	-
10. Fiscal Adjustments and Fines	28
11. Customs Adjustments and Fines	-
12. Other Significant Payments	-
Total	2 295

Unilateral EITI declarations by the State for prospecting and exploration companies, mining sector (2012)

The figure on the right presents the main benefit streams paid to the State by mining companies in 2012.

Payroll Tax represents the most significant contribution (2,4 MUSUD or 1 400 MFCFA) of the mining sector.



Share of the main benefit streams paid to the State, mining sector (2012)

5.2.3. Overview of the contribution of the mining sector

The total contribution of the mining sector to the revenues of Congo amounted to nearly 3 MUSUD (1 400 MFCFA) in 2012. This contribution represented 0,04% of the total revenues of Congo (for all economic sectors, excluding grants) and was directly allocated to the State budget.

⁹⁸ Only for the companies holding a Prospecting Authorisation or Exploration Licence

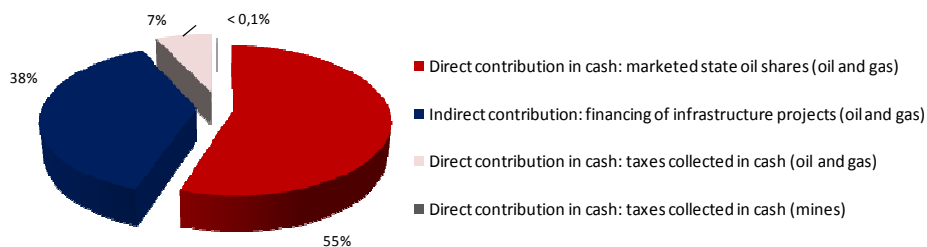
5.3. Total contribution of the extractive sector to the revenues of the Republic of the Congo

The total contribution of the extractive sector to the revenues of Congo amounted to more than 5 Bn USD (close to 2 600 Bn FCFA) in 2012, a slight decrease compared to 2011⁹⁹.

The table below emphasises how this contribution has only partly been paid directly to the State budget:

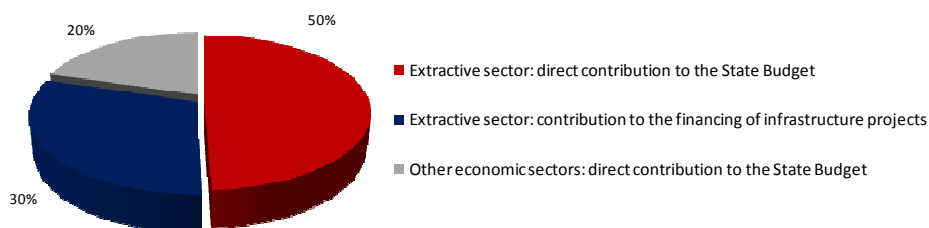
	(KUSD)	(MFCFA)
Oil and gas sector	4 986 650	2 543 191
Indirect contribution to the State Budget <i>Financing of infrastructure projects (benefit streams No.5, 6, 7, 9)</i>	1 895 920	966 919
Direct contribution in cash to the State Budget <i>Marketed State oil shares (benefit streams No.8/13)</i> <i>Taxes collected in cash (benefit streams No.2,10, 11, 12, 15-31)</i>	3 090 730	1 576 272
Mining sector	2 803	1 430
Direct contribution to the State Budget <i>Taxes collected in cash</i>	2 803	1 430
Total contribution of the extractive sector	4 989 453	2 544 621

Contribution of the extractive sector to the revenues of Congo (2012)



Distribution of the contribution of the extractive sector (2012)

In 2012, the total contribution of the extractive sector, provided mainly by oil and gas production companies (99,9%), accounted for nearly 80% of the total revenues of Congo (for all economic sectors, excluding grants).



Contribution of the extractive sector to the revenues of Congo (2012)

⁹⁹ The sector's total contribution in 2011 exceeded 5,5 Bn USD (more than 2 600 Bn FCFA), or more than 90% of the total revenues of Congo (for all economic sectors, excluding grants)
Source: Rapport ITIE 2011 - Réconciliation des paiements et des recettes extractives au titre de l'exercice 2011, Moore Stephens (octobre 2012), p.6

6. MAIN CONCLUSIONS

The following observations are based on the information made available to us at the date of publication of this Report by the EITI-Congo Executive Committee, the State and the extractive companies covered by this 2012 EITI Report:

- i. The definitions of the benefit streams covered by the 2012 EITI Report are consistent with the regulatory framework governing the extractive sector in Congo, those described in the EITI Standard as well as with those generally accepted in the oil, gas and mining industry
- ii. The definitions of the benefit streams covered by the 2012 EITI Report have been shared with the representatives of the State reporting entities and extractive companies
- iii. The EITI declarations submitted by the State and the extractive companies have been presented in accordance with these definitions
- iv. The participation rate of the oil and gas companies (14/14 production companies, 5/7 exploration companies) and the mining companies (2/3 development-production companies), along with the declaration of any *Other Significant Payments* exceeding 100 000 USD (50 MFCFA) allow us to consider that the 2012 EITI Report duly covers the significant payments made to the State by the extractive companies
- v. All declarations from oil and gas companies, exclusive of AOGC (production company), PILATUS and WING WAH (exploration companies whose Licences were granted prior to 2012¹⁰⁰) have been signed-off by their external auditors, therefore supporting the reliability and comprehensiveness of the data submitted
- vi. The detailed reconciliation between the EITI declarations of the State and the extractive companies did not reveal any significant inconsistencies
- vii. The EITI declarations submitted by the State reporting entities and the extractive companies are consistent with the figures presented in the main documents we have had access to, specifically:
 - The volumes of total *State Oil Shares* (benefit streams No.1, 2 and 3) presented in § 5.1.1, which are consistent with those presented in KPMG's quarterly Reports for 2012¹⁰¹
 - The volumes of total *Commercialised Oil Shares* by SNPC (benefit streams No.8 and 9) presented in § 5.1.1, which are consistent with those presented in KPMG's quarterly Reports for 2012¹⁰²
 - The amount of *Cash Payments of Commercialised State Oil Shares* (benefit stream No.13) presented in § 5.1.2, which is consistent with the one presented in KPMG's quarterly Reports for 2012¹⁰³
 - The total contribution of the oil and gas sector presented in § 5.1.3, which is consistent with the sector's total contribution presented in the IMF 2012 Central Government Operations Table of Congo¹⁰⁴

¹⁰⁰ The Licences of PILATUS and WING WAH were granted in May 2006 and June 2007, respectively
Source: Tableau des permis de recherche en 2012, Hydrocarbons Department, Ministry of Hydrocarbons (not dated)

¹⁰¹ The annual cumulative amount presented is 53 484 KBbl
Source: Rapports trimestriels KPMG 2012 : Rapports sur les procédures convenues relatives aux encaissements pétroliers sur les comptes du Trésor

¹⁰² The annual cumulative amount presented is 41 423 KBbl
Source: Rapports trimestriels KPMG 2012 : Rapports sur les procédures convenues relatives aux encaissements pétroliers sur les comptes du Trésor

¹⁰³ The annual amount presented is 2,7 Bn USD (1 400 Bn FCFA)
Source: Rapports trimestriels KPMG 2012 : Rapports sur les procédures convenues relatives aux encaissements pétroliers sur les comptes du Trésor

¹⁰⁴ Close to 5 Bn USD (more than 2 500 Bn FCFA)

viii. The EITI declarations of *Other Significant Payments* have allowed us to identify benefit streams that the EITI-Congo Executive Committee may wish to consider when defining the Scope of future EITI Reports (see details in § 7.6)

Source: Republic of the Congo, 2013 Article IV Consultation, IMF (September 2013), p.21

7. MAIN COMMENTS AND RECOMMENDATIONS

7.1. Lack of a regularly updated Cadastre

We understand that no Oil and Gas nor Mining Cadastre exists in Congo. Although we were able to obtain extracts from the Oil and Mining Registries, for 2012 we cannot confirm whether they have been regularly updated and, therefore, cannot state the accuracy of the information presented.

Similarly, the contact details of the various extractive companies covered by the 2012 EITI Report were only partially available from the relevant Ministries at the inception of our assignment. The transmission of some EITI declarations was therefore delayed.

Recommendation 1

We recommend that the EITI-Congo Executive Committee encourages the relevant Ministries in charge of the extractive sector to adopt an Oil and Gas, and Mining Cadastre, which would streamline contact details as well as all available information on extractive companies registered in Congo.

Furthermore, we recommend a regular - ideally systematic - communication between the relevant Ministries - DGH and DRN notably - and the EITI Permanent Secretariat. This would allow the latter to access, in real time, any relevant information on the extractive sector (registered companies, levels of production by mineral, exported quantities, etc). The information collected would contribute usefully to updates of the EITI database and could be made publicly available on the EITI-Congo website.

7.2. Absence of a tax classification for the extractive sector

As mentioned in the previous EITI Reports¹⁰⁵, no tax classification is available for the extractive sector in Congo. In this context, DGT is unable to identify, on a reliable basis, the nature of the payments made by extractive companies. We understand that monthly meetings on tax administration matters are organised with some extractive companies in order to harmonise accounting issues: this situation still hampers the effectiveness of public resources monitoring and should be addressed sustainably.

Recommendation 2

We recommend that the EITI-Congo Executive Committee encourages the Ministry of Economy, Finance, Planning, Public Portfolio and Integration to formally adopt a tax classification for the extractive sector, in order to sustainably reinforce the public monitoring of extractive revenues.

¹⁰⁵ See notably: Rapport ITIE 2011 - Réconciliation des paiements et des recettes extractives au titre de l'exercice 2011, Moore Stephens (October 2012), p.49

7.3. Biased reconciliation for *IT Fee* and *Common External Tarif*

The EITI reconciliation for *IT Fee* and *Common External Rate* is biased, since extractive companies are not the direct payers of these taxes¹⁰⁶: forwarding agents indeed pay both taxes to DGD on behalf of their clients (extractive companies), who then reimburse their forwarding agents according to the corresponding invoices.

The reconciliation between data submitted by DGD - based on fiscal declarations of forwarding agents enclosing multiple companies beyond the Scope of the EITI Report - and those of the extractive companies, based on the received invoices, proves to be a recurring source of discrepancies.

Although the EITI Standard indicates that “any revenue stream or benefit should only be excluded where they are not applicable”¹⁰⁷, it does not specify whether payments made to the State by non-extractive third parties fall into this category. Technical guidelines on this issue from the International Secretariat would undoubtedly be useful.

Recommendation 3

We recommend that the EITI-Congo Executive Committee considers issuing, in time for the next EITI Report, an updated declaration procedure specific to the *IT Fee* and the *Common External Rate*, whose payment cannot be declared by the extractive companies.

7.4. Limited involvement of some EITI stakeholders

The quality of the EITI declarations, initially submitted by certain State reporting entities and extractive companies, proved to be insufficient; corrective EITI declarations have therefore been sought, in some cases repeatedly. Similarly, certain State reporting entities and companies submitted their EITI declarations with several months delay. Finally, 2 oil and gas exploration companies, as well as one mining production company, did not take part in the production of this EITI Report.

These difficulties attest to the insufficient involvement of certain EITI stakeholders, and explain the numerous reminders that had to be sent out, as well as the time-consuming, back and forth correspondence with the declaring parties.

Recommendation 4

We recommend that the EITI-Congo Executive Committee encourages the Ministry of Economy, Finance, Planning, Public Portfolio and Integration to appoint formally, within each State reporting entity, a contact person tasked with the EITI process, thus following the initiative taken by DGI. As the main contact of the EITI-Congo Executive Committee, this contact person would notably be in charge of the annual completion of the EITI declarations, thereby guaranteeing a stronger involvement by stakeholders and, thus, greater effectiveness of the EITI process.

Extractive companies could also be encouraged to follow such a measure, specifically oil and gas exploration companies and mining production companies. Further awareness campaigns for these newcomers, probably still unfamiliar with the national Initiative, could be useful.

¹⁰⁶ With a few very rare exceptions: we understand that 2 oil and gas operators pay an annual fixed amount of *IT Fee* to DGD

¹⁰⁷ The EITI Standard, EITI International Secretariat, (22 May 2013), www.eiti.org (September 2013), p.26

7.5. Insufficient traceability of *Social Projects* by DGH

In its current format, the existing information system does not allow DGH to monitor in real time the level of execution of *Social Projects*. This shortfall highlights the inability of the State to reasonably monitor certain contractual obligations and should be addressed in order to enforce State controls.

Recommendation 5

We recommend that the EITI-Congo Executive Committee encourages the Ministry of Hydrocarbons to take all necessary measures, reinforcement of procedures and information systems as well as capacity building, to allow an updated monitoring of the execution of the contractual obligations binding Congo to oil and gas companies.

7.6. Evolution of the Scope of the EITI Reports

7.6.1. Evolution of the Scope of benefit streams

Through the declarations of *Other Significant Payments*, we have identified *Property Tax* payments submitted by TOTAL¹⁰⁸, amounting to 745 KUSD (380 MFCFA).

Moreover, some extractive companies have declared VAT payments, for a cumulated amount of nearly 8 MUSD (4 Bn FCFA). This indirect payment, which comes out of the sharing of the extractive rent between the State and the extractive companies, and which is generally deducted on the basis of exportations levels, has not been included in our reconciliation work.

7.6.2. Evolution of the Scope of reporting entities

In future Reports, concentrating the EITI declaration process on State reporting entities which effectively record the payments made by extractive companies would be useful.

To this effect, we suggest that DGD becomes the declaring entity, instead of DRN, for *Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)*, benefit stream No.8) and for *Marketed State Oil Shares for Infrastructure Projects* (benefit stream No.9). DGD is indeed present at the terminals and participates directly in the verification of commercialisation levels. It is also the first recipient of information regarding volumes and Reports published by Bureau Veritas. It therefore holds all information needed to accurately declare, on a disaggregated basis, the volumes for the benefit streams mentioned above.

Recommendation 6

We recommend that the EITI-Congo Executive Committee considers the opportunity of including the *Property Tax*, and, if applicable, VAT in the Scope of the next EITI Report.

Moreover, we recommend that the EITI-Congo Executive Committee enforces the EITI declaration process by appointing DGD, instead of DRN, to declare *Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)* and *Marketed State Oil Shares for Infrastructure Projects*.

Finally, we recommend that the EITI-Congo Executive Committee maintains, in future EITI Reports, the principle of the additional *Other Significant Payments* declaration, in order to reinforce the coverage and comprehensiveness of EITI Reports and to enhance the understanding of the extractive industry practices.

¹⁰⁸ This amount is included in the reconciliation table presented in § 5.1.2.

Appendices

- APPENDIX 1: DISTRIBUTION OF LICENCES - OIL AND GAS SECTOR
- APPENDIX 2: SCOPE OF COMPANIES COVERED BY THE 2012 EITI REPORT
- APPENDIX 3: SCOPE OF BENEFIT STREAMS COVERED BY THE 2012 EITI REPORT
- APPENDIX 4: RECONCILIATION TABLES BY DECLARING ENTITY AND BENEFIT STREAM
- APPENDIX 5: TABLE SUMMARISING THE RESOLUTION OF DISCREPANCIES
- APPENDIX 6: MONITORING TABLE OF PAST RECOMMENDATIONS

APPENDIX 1: DISTRIBUTION OF LICENCES - OIL AND GAS SECTOR

PRODUCTION COMPANIES						
	Operator	Licence	Fields	Partners	Grade	Parent Company
1	AOGC (100%)	Pointe-indienne	ND		Djéno Blend	AOGC No available website
2	CMS NOMECCO (25%)	Marine I	Yombo	SNPC (50%), NUEVO CONGO COMPANY (18,75%), NUEVO CONGO LIMITED (6,25%)	Yombo Blend	PERENCO www.perenco.com
3	CONGOREP (100%) CONGOREP (65%)	PNGF PNGF	Emeraude Likouala	ENI (35%)	Djéno Blend Djéno Blend	PERENCO www.perenco.com
4	ENI CONGO (46%) ENI CONGO (50%) ENI CONGO (63%) ENI CONGO (63%) ENI CONGO (100%) ENI CONGO (65%) ENI CONGO (50%) ENI CONGO (65%) ENI CONGO (65%) ENI CONGO (65%) ENI CONGO (35,75%) ENI CONGO (90%)	Kouilou Kouilou Kouilou Kouilou Madingo Madingo Madingo Marine VI Marine VI Marine VI Marine VII Marine X	M'boundi Kouakouala Loufika-Tioni Zingali Ikalou Zatchi Loango Foukanda Djambala Mwafi Kitina Awa Paloukou	BURREN (37%), TULLOW (11%), SNPC (6%) SNPC (25%), BURREN (25%) BURREN (37%) BURREN (37%) TOTAL (35%) TOTAL (50%) SNPC (35%) SNPC (35%) SNPC (35%) SNPC (35%), CHEVRON (29,25%) SNPC (10%)	Nkossa Blend Nkossa Blend Nkossa Blend Nkossa Blend Djéno Blend Djéno Blend Djéno Blend Nkossa Blend Nkossa Blend Djéno Blend Nkossa Blend	ENI www.eni.com
5	MURPHY (50%)	Mer Profonde Sud	Azurite	PA RESOURCES (35%), SNPC (15%)	Azurite Blend	MURPHY www.murphyoilcorp.com
6	PRESTOIL/ PETRO KOUILOU (56%)	Marine III	Tilapia	SNPC (44%)	Nkossa Blend	PETRO KOUILOU No available website
7	SNPC (60%)	Mengo-Kundji-Bindi	Kundji	PANORO (20%), PETROCI (20%)	Djéno Blend	SNPC No available website
8	TOTAL (53,5%) TOTAL (53,5%) TOTAL (53,5%) TOTAL (65%) TOTAL (65%) TOTAL (65%) TOTAL (65%) TOTAL (65%) TOTAL (55%) TOTAL (55%) TOTAL (65%) TOTAL (65%) TOTAL (65%)	Haute Mer Haute Mer B1 Haute Mer D1 PEX PEX PEX PEX PEX PNGF PNGF PNGF PNGF PNGF PNGF	Nkossa Nsoko Moho-Bilondo Kombi Likala Libondo Litanzi Tchibeli Yanga Sendji Louango Ouest (C) Tchibouela Tchibouela-Est Tchendo	CHEVRON (31,5%), SNPC (15%) CHEVRON (31,5%), SNPC (15%) CHEVRON (31,5%), SNPC (15%) ENI (35%) ENI (35%) ENI (35%) ENI (35%) ENI (35%) ENI (35%), SNPC (10%) ENI (35%), SNPC (10%) ENI (35%) ENI (35%) ENI (35%)	Nkossa Blend Nkossa Butane Nkossa Propane Nkossa Blend Nkossa Butane Nkossa Propane Djéno Blend Djéno Blend Djéno Blend Djéno Blend Nkossa Blend Djéno Blend Djéno Blend ND Djéno Blend Djéno Blend	TOTAL www.total.com

EXPLORATION COMPANIES						
	Operator	Licence	Fields	Partners	Grade	Parent Company
1	CHEVRON (31,25%)	ND	Lianzi	TOTAL (36,75%), ENI (10%), SONANGOL (10%), SNPC (7,5%), GALP (4,5%)		CHEVRON www.chevron.com
2	CNOOC (45%)	Haute Mer A	CNOOC 1	OPIEC (20%), ORYX (20%), SNPC (15%)		CNOOC www.cnoocLtd.com
3	ENI CONGO (65%)	Marine XII	Nene Marine	SNPC (10%), NEW AGE (25%)		ENI www.eni.com
4	MAUREL & PROM (48,5%)	La Noubi	Kola	ENI (37,5%), AFREN (14%)		MAUREL & PROM www.maureletprom.fr
5	MURPHY (85%) MURPHY (50%)	Mer Profonde Nord Mer Profonde Sud	ND ND	SNPC (15%) PA RESOURCES (35%), SNPC (15%)		MURPHY www.murphyoilcorp.com
1	OPHIR CONGO (48%)	Marine IX	ND	KUFPEC (42%), SNPC (10%)		OPHIR www.ophir-energy.com
2	PERENCO (55,25%)	Marine IV	Mukulungu	SVENSKA (29,75%), SNPC (15%)		PERENCO www.perenco.com
3	PILATUS (90%)	Ngoki	ND	SNPC (10%)		PILATUS ENERGY No available website
4	SNPC (100%)	Mayombe	ND			SNPC No available website
5	SOCO (29%) SOCO (29,4%)	Marine XI Marine XIV	Lideka Est Marine I ND	LUNDIRING (18,75%), RAFFIA (18,75%), SNPC (15%), AOGC (10%), PUEP (8,5%) LUNDIRING (21,55%), RAFFIA (21,55%), SNPC (15%), PA RESOURCES (12,5%)		SOCO INTERNATIONAL www.socointernational.co.uk
6	TOTAL (100%) TOTAL (40%)	Haute Mer C Mer Très Profonde Sud	ND Pegase	ENI (30%), ESSO (30%)		TOTAL www.total.com
7	WING WAH (100%)	Kayo	ND			CHINA CONGO WING WAH PETROCHEMICAL JOINT STOCK COMPANY No available website

NB : The company PREMIER OIL having left Congo in 2012, its activities are not listed above
Source: www.premier-oil.com (October 2011)

APPENDIX 2: SCOPE OF COMPANIES COVERED BY THE 2012 EITI REPORT

1. OIL AND GAS SECTOR

A	NATIONAL COMPANY (1)	
1	SOCIETE NATIONALE DES PETROLES DU CONGO (SNPC)	
B	PRODUCTION COMPANIES (13)	
2	AFRICA OIL AND GAS CORPORATION (AOGC)	9 NUEVO CONGO COMPANY
3	CHEVRON OVERSEAS CONGO	10 NUEVO CONGO LIMITED
4	CMS NOMEKO	11 PA RESOURCES CONGO
5	CONGOREP	12 PETRO KOUILOU
6	ENI CONGO	13 TOTAL E&P CONGO
7	MURPHY WEST AFRICA	14 MAUREL & PROM CONGO
8	PRESTOIL	
C	EXPLORATION COMPANIES (7)	
15	CHINA NATIONAL OFFSHORE OIL CORPORATION (CNOOC)	19 PREMIER OIL
16	OPHIR CONGO	20 SOCO EXPLORATION AND PRODUCTION CONGO
17	PERENCO EXPLORATION & PRODUCTION CONGO	21 WING WAH
18	PILATUS	

2. MINING SECTOR

A		DEVELOPMENT - PRODUCTION COMPANIES (3)	
1	LULU	3	SOCIETE DE RECHERCHE ET D'EXPLOITATION MINIERE (SOREMI)
2	MAGMINERALS POTASSES CONGO		
B		EXPLORATION COMPANIES (47)	
4	AFRICA MINING DEVELOPMENT (AMD)	28	NRE
5	AFRIMINES	29	NYIVE CONGO
6	AGIL CONGO	30	POTASSES DU CONGO
7	ALECTOR CONGO	31	SAISON ZHONG
8	AVIMA-GOLD	32	SANU RESOURCES
9	CHINA DEVELOPMENT RESOURCES	33	SINO CONGO DEVELOPMENT
10	COMINCO	34	SINO CONGO GOLD
11	CONGO GOLD	35	SINO CONGO MINING
12	CONGO IRON	36	SINO CONGO RESOURCES
13	CONGO MINING	37	SINTOUKOLA POTASH
14	COREDEM	38	SOCIETE AFRICAINE POUR LE DEVELOPPEMENT MINIER (SADEM)
15	COREM	39	SOCIETE DE DISTRIBUTION INTERNATIONALE
16	DMC	40	SOCIETE DES POTASSES ET DES MINES (SPM)
17	ENI CONGO	41	SOCIETE EQUAMINERAL
18	KIMIN CONGO	42	SOCIETE OKY SERVICES INTERNATIONAL
19	KOUYI BAUXITE	43	SOCIETE SAI CONGO
20	LA CONGOLAISE DES MINES	44	SOCIETE CONGOLAISE DES POTASSES
21	LUYAN DES MINES	45	SOCIETE CONGOLAISE DES MINES ET DES POTASSES (SOCOMIP)
22	MACPELA MINING	46	SOCIETE SONECO
23	MILLION WELL HOLDING	47	SREM
24	MINES AURIFERES ET CARRIERES DU CONGO (MACC)	48	WARATA RESSOURCES
25	MOTABA - MINING	49	YUAN WANG
26	MPD CONGO	50	ZHONG JIN HUI DA INV. CO.
27	NEWCO MINING		
C		PROSPECTING COMPANIES (23)	
51	AFRICA MINERALS COMPANY	63	LA CONGOLAISE DE GRAPHITE
52	ALPHA MINERALS	64	MAUD CONGO SA
53	BEVERAGG GROUP	65	MAYOMBE GOLD
54	BIKONGA	66	NIALL MELLON
55	CHINA ENGINEERING CORPORATION	67	NIEL CONGO
56	COMISA	68	OYABI GOLD
57	DIMENSION FINANCE	69	PANEX
58	EQUATEUR MINING	70	QUATAR MINING
59	FIRST REPUBLIC RESOURCES	71	RENAISSANCE COPPER
60	GAN CONGO	72	SEM CONGO
61	GBMG	73	TRANSFRONTIER GROUP COMPANY
62	HINDA METAL CORP		

APPENDIX 3: SCOPE OF BENEFIT STREAMS COVERED BY THE 2012 EITI REPORT

1. OIL AND GAS SECTOR

The Scope of companies and benefit streams presented below has been defined by the EITI-Congo Executive Committee, which holds full responsibility for it.

It has been discussed with us in Brazzaville, in September 2013.

Ref.	Benefit streams	Declaration unit	Entities involved	Description
1	Royalties (RMP)	Bbl	Companies/DGH	The company Share (as a partner) in State Oil Shares of RMP.
2	Tax Oil (Profit Oil and Super Profit Oil)	Bbl	Companies/DGH	The company Share (as a partner) in State Oil Shares of Profit Oil and Super Profit Oil.
3	Interests Yanga and Sendji (15%)	Bbl	Partner companies in the Yanga and Sendji fields/DGH	The company Share (as a partner) in State Oil Shares of interests held in the Yanga and Sendji field (15%).
4	SNPC Oil Shares (volumes)	Bbl	Companies/SNPC	For companies (exclusive of SNPC): The company Share (as a partner) in SNPC Oil Shares (SNPC Profit Oil) for the takes held in Production Licences. For SNPC: The SNPC Shares of Profit Oil for Shares held in Production Licences.
5	Deduction on Tax Oil for <i>Centrale Gaz</i>	Bbl	Companies/DGH	Oil Shares deducted from Tax Oil as a reimbursement of the <i>Centrale Gaz</i> project.
6	Deduction on Tax Oil for Integrated Project (CEC)	Bbl	Companies/DGH	Oil Shares deducted from Tax Oil as a reimbursement of the <i>Centrale Électrique du Congo</i> (CEC) project.
7	Other Deductions for Trading Agreements	Bbl	Companies/DGH	Oil Shares deducted from Tax Oil pursuant to any other trade agreement (exclusive of those presented in benefit streams 5 and 6).

Ref.	Benefit streams	Declaration unit	Entities involved	Description
8	Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	Bbl	SNPC/TP	State Oil Shares commercialised by SNPC, whose cash equivalent is paid directly to Public Treasury. These volumes should include barrels allocated to CORAF.
9	Marketed State Oil Shares for Infrastructure Projects	Bbl/FCFA/ USD	Companies/MF	For the companies (exclusive of SNPC): State Oil Shares, in volumes and in cash, commercialised by the company as a reimbursement for previously delivered infrastructure projects. Unlike the benefit streams 5, 6 and 7, deductions are not made on Tax Oil but on delivered State Oil Shares, pursuant to Trade Agreements. For SNPC: State Oil Shares, in volumes and in cash, commercialised by SNPC, whose cash equivalent has not been paid to Public Treasury. NB : Marketed Shares must be valued at market price.
10	Royalty on Self-Consumption	FCFA/USD	Companies/MF	Payments in cash for the Royalties on Self-Consumption.
11	Funds for Diversified Investments (PID)	FCFA/USD	Companies/TP	Payments in cash for the Funds for Diversified Investments (PID).
12	Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	FCFA/USD	Companies/TP	Payments in cash due as the fiscal balance after deduction of Royalty on Self-Consumption and PID.
13	Cash Payments of Marketed State Oil Shares	FCFA/USD	SNPC/TP	Payments in cash made by SNPC to Public Treasury relative to Marketed State Oil Shares. These payments should include the balance relative to benefit stream 9.
14	SNPC Oil Shares (cash)	FCFA/USD	Companies/SNPC	Payments in cash to SNPC for its stakes in Production Licences.
15	Surface Fee	FCFA/USD	Companies/TP	Payments in cash of Surface Fee.
16	Signature Bonus	FCFA/USD	Companies/TP	Payments in cash of Signature Bonus.
17	Production Bonus	FCFA/USD	Companies/TP	Payments in cash of Production Bonus.
18	Corporate Profit Tax	FCFA/USD	Companies/DGI	Payments in cash of Corporate Profit Tax.
19	Payroll Tax (IRPP - TF - TA - FNH)	FCFA/USD	Companies/DGI	Payments in cash of the Personal Income Tax - Flat Rate Tax - Apprenticeship Tax - Housing National Fund.

Ref.	Benefit streams	Declaration unit	Entities involved	Description
20	Taxes Paid/Withheld at Source on Subcontractors	FCFA/USD	Companies/DGI	Payments in cash of Withholding Tax On Subcontractors.
21	Dividends Paid to the State	FCFA/USD	Companies/SNPC	Dividends paid in cash by companies for the stakes held by SNPC.
22	Dividends Paid to the SNPC	FCFA/USD	SNPC/TP	Dividends paid in cash by SNPC to the State, as the main Shareholder of the national company.
23	IT Fee	FCFA/USD	Companies/DGD	Payments in cash of IT Fee.
24	Common External Rate	FCFA/USD	Companies/DGD	Payments in cash of Common External Rate.
25	Training Fund	FCFA/USD	Companies/MH-DGH	Training fund delivered (or executed) in cash by the company to the Ministry of Hydrocarbons. This allowance is included in Production Sharing Contracts.
26	Cuvette Research Fund	FCFA/USD	Companies/MH-DGH	Payments in cash made by companies for the Cuvette Research Fund, aimed at financing research in deep offshore zones and in onshore <i>Bassin de la Cuvette congolaise</i> .
27	Fiscal Adjustments and Fines	FCFA/USD	Companies/DGI	Payments in cash made by companies following breaches in the application of the tax Laws or following tax adjustments.
28	Customs Adjustments and Fines	FCFA/USD	Companies/DGD	Payments in cash made by companies following breaches in the application of the customs Laws or following customs adjustments.
29	Social Projects (Mandatory)	FCFA/USD	Companies/MH-DGH	Payments in cash made by companies for the execution of Social Projects, as included in Production Sharing Contracts.
30	Shipping Tax	FCFA/USD	Companies	Payments in cash Shipping Tax made by companies to the ship-owners.
31	Transfers and Social Projects	FCFA/USD	Companies	Voluntary contributions made by the companies in the form of grants, subventions or infrastructure projects designed for social and local development.
32	Other Significant Payments	FCFA/USD	Companies/ State entities	The State reporting entities and extractive companies are invited to declare any payment exceeding 100 000 USD (50 MFCFA) beyond the benefit streams covered by the 2012 EITI Report, so as to enforce coverage of the Report.

2. MINING SECTOR

Ref.	Benefit streams	Declaration unit	Entities involved	Description
1	Surface Fee	FCFA/USD	Companies/DGT	Payments in cash of Surface Fee.
2	Signature Bonus	FCFA/USD	Companies/DGT	Payments in cash of Signature Bonus.
3	Production Bonus	FCFA/USD	Companies/DGT	Payments in cash of Production Bonus.
4	Corporate Profit Tax	FCFA/USD	Companies/DGI	Payments in cash of Corporate Profit Tax.
5	Payroll Tax (IRPP-TF-TA-FNH)	FCFA/USD	Companies/DGI	Payments in cash of the Personal Income Tax - Flat Rate Tax - Apprenticeship Tax - Housing National Fund.
6	Taxes Paid/Withheld at Source on Subcontractors	FCFA/USD	Companies/DGI	Payments in cash of Withholding Tax On Subcontractors.
7	Dividends	FCFA/USD	SNPC/DGT	Dividends paid in cash to the State, for its stakes in the company.
8	IT Fee	FCFA/USD	Companies/DGD	Payments in cash of IT Royalty
9	Common External Rate	FCFA/USD	Companies/DGD	Payments in cash of TEC.
10	Fiscal Adjustments and Fines	FCFA/USD	Companies/DGI	Payments in cash made by companies following breaches in the application of the tax Laws or following tax adjustments.
11	Customs Adjustments and Fines	FCFA/USD	Companies/DGD	Payments in cash made by companies following breaches in the application of the customs Laws or following customs adjustments.
12	Other Significant Payments	FCFA/USD	Companies/ State entities	The State reporting entities and extractive companies are invited to declare any payment exceeding 100 000 USD (50 MFCFA) beyond the benefit streams covered by the 2012 EITI Report, so as to enforce coverage of the Report.

APPENDIX 4: RECONCILIATION TABLES BY DECLARING ENTITY AND BENEFIT STREAM

1. OIL AND GAS SECTOR

1.1. Reporting entities

1.1.1. SNPC

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b)
4. SNPC Oil Shares (Volumes)	1 711	1 694		17
Total SNPC Oil Shares	1 711	1 694		17

Legend

■ Not concerned

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC collector	State		
(KUSD)	(a)	(b)	(c)	(a-b)
14. SNPC Oil Shares (Cash)	42 058	41 630		428
22. Dividends Paid to the SNPC	53 900	53 900		-
Total	95 958	95 530		

Legend

■ Not concerned

1.1.2. DGI

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC payer	State		
(KUSD)	(a)	(b)	(c)	(a+b-c)
18. Corporate Profit Tax	60 609	-	60 610	(1)
19. Payroll Tax (IRPP - TF - TA - FNH)	38 731	2 347	40 958	120
20. Tax Paid/Withheld at Source on Subcontractors	12 966	-	12 667	299
27. Fiscal Adjustments and Fines	1 035	-	202	833
32. Other Significant Payments	745	-	-	745
Total	114 086	2 347	114 437	

Legend

■ Not concerned

1.1.3. DGT

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC payer	State		
(KUSD)	(a)	(b)	(c)	(a+b-c)
2. Tax Oil (Profit Oil and Super Profit Oil)	112	-	97	15
10. Royalty On Self-Consumption	1 719	-	1 714	5
11. Funds for Diversified Investments (PID)	69 194	1 191	70 238	147
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	92 005	-	87 666	4 339
13. Cash Payments of Marketed State Oil Shares	13 119	2 748 286	2 760 351	1 054
15. Surface Fee	464	525	1 035	(46)
16. Signature Bonus	32 729	-	32 729	-
17. Production Bonus	6 901	-	6 901	-
21. Dividends Paid to the State	-	-	-	-
27. Fiscal Adjustments and Fines	1 035	-	202	833
32. Other Significant Payments	745	-	-	745
Total	218 023	2 750 002	2 960 933	

Legend

Not concerned

1.1.4. DGD

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC payer	State		
(KUSD)	(a)	(b)	(c)	(a+b-c)
23. IT Fee	2 395	-	3 120	(725)
24. Common External Rate	27	-	866	(839)
28. Customs Adjustments and Fines	200	388	-	588
32. Other Significant Payments	745	-	-	745
Total	3 367	388	3 986	

Legend

Not concerned

1.1.5. DRN

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC payer	State		
(KBb)	(a)	(b)	(c)	(a+b-c)
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-	(26 681)	(26 595)	(86)
9. Marketed State Oil Shares for Infrastructure Projects	-	(14 465)	(14 465)	-
Total Marketed Oil Shares	-	(41 146)	(41 060)	

Legend

Not concerned

1.1.6. DGH

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC payer	State		
(KBb)	(a)	(b)	(c)	(a+b-c)
1. Royalties (RMP)	10 722	1 291	12 053	(40)
2. Tax Oil (Profit Oil and Super Profit Oil)	36 290	3 641	40 025	(94)
3. Y/S (15%)	1 134	-	1 150	(16)
Total State Oil Shares	48 146	4 932	53 228	
5. Deduction on Tax Oil for Centrale Gaz	(154)	-	(177)	23
6. Deduction on Tax Oil for Integrated Project (CEC)	(2 052)	-	(2 052)	-
7. Other Deductions on Tax Oil for Trading Agreements	(1 385)	-	(1 385)	-
Total Deductions on Tax Oil for Trading Agreements	(3 591)	-	(3 614)	

Oil and gas sector 2012				
Declared data				Discrepancies
Companies	SNPC payer	State		
(KUSD)	(a)	(b)	(c)	(a+b-c)
25. Training Fund	2 234	-	2 335	(101)
26. Cuvette Research Fund	-	-	-	-
29. Social Projects (Mandatory)	2 920	-	5 854	(2 934)
32. Other Significant Payments	745	-	-	745
Total	5 899	-	8 189	

Legend

Not concerned

1.2. Extractive companies

1.2.1. SNPC

a. Reconciliation table in volumes

	SNPC payer			
	Declared data			Discrepancies
	Company	SNPC payer	State	
(KBbl)	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(b-c)</i>
1. Royalties (RMP)		1 291	1 309	(18)
2. Tax Oil (Profit Oil and Super Profit Oil)		3 641	3 665	(24)
3. Y/S (15%)		-	-	-
5. Deduction on Tax Oil for Centrale Gaz		-	-	-
6. Deduction on Tax Oil for Integrated Project (CEC)		-	-	-
7. Other Deductions on Tax Oil for Trading Agreements		-	-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)		(26 681)	(26 595)	(86)
9. Marketed State Oil Shares for Infrastructure Projects		(14 465)	(14 465)	-
Total		(36 214)	(36 086)	

Legend

Not concerned

b. Reconciliation table in cash

	SNPC payer			
	Declared data			Discrepancies
	Company	SNPC payer	State	
(KUSD)	(a)	(b)	(c)	(b-c)
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption		-	-	-
11. Funds for Diversified Investments (PID)		1 191	1 025	166
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)		-	-	-
13. Cash Payments of Marketed State Oil Shares		2 748 286	2 746 773	1 513
15. Surface Fee		525	525	-
16. Signature Bonus		-	-	-
17. Production Bonus		-	-	-
18. Corporate Profit Tax		-	-	-
19. Payroll Tax (IRPP - TF - TA - FNH)		2 347	1 783	564
20. Tax Paid/Withheld at Source on Subcontractors		-	-	-
21. Dividends Paid to the State		-	-	-
23. IT Fee		-	7	(7)
24. Common External Rate		-	5	(5)
25. Training Fund		-		-
26. Cuvette Research Fund		-		-
27. Fiscal Adjustments and Fines		-	130	(130)
28. Customs Adjustments and Fines		388		388
29. Social Projects (Mandatory)		-	-	-
30. Shipping Tax		-		-
31. Transfers and Social Projects		12 537		12 537
32. Other Significant Payments		-	-	-
Total		2 765 274	2 750 248	

Legend

Not concerned

1.2.2. AFRICA OIL AND GAS CORPORATION (AOGC)

a. Reconciliation table in volumes

AOGC				
Declared data				Discrepancies
Company	SNPC collector	State		
(a)	(b)	(c)	(a-b-c)	
(KBbl)				
1. Royalties (RMP)	-		-	-
2. Tax Oil (Profit Oil and Super Profit Oil)	-			-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-			-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	-		-	-

Legend

Not concerned

b. Reconciliation table in cash

AOGC				
Declared data				Discrepancies
Company	SNPC collector	State		
(a)	(b)	(c)	(a-b-c)	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	135		169	(34)
20. Tax Paid/Withheld at Source on Subcontractors	-			-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-		2	(2)
24. Common External Rate	-		6	(6)
25. Training Fund	-			-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	83		45	38
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-		-	-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	218	-	222	

Legend

Not concerned

1.2.3. CHEVRON OVERSEAS CONGO

a. Reconciliation table in volumes

CHEVRON				
Declared data				Discrepancies
Company	SNPC collector	State		
(a)	(b)	(c)	(a-b-c)	
1. Royalties (RMP)	1 667		1 704	(37)
2. Tax Oil (Profit Oil and Super Profit Oil)	5 519		5 628	(109)
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-		-	-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	7 186	-	7 332	

Legend

Not concerned

b. Reconciliation table in cash

CHEVRON				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	9 562		9 820	(258)
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-			-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	2 000		2 000	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-			-
19. Payroll Tax (IRPP - TF - TA - FNH)	1 881		1 939	(58)
20. Tax Paid/Withheld at Source on Subcontractors	407		344	63
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	1		2	(1)
24. Common External Rate	17		24	(7)
25. Training Fund	-			-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	13 868	-	14 129	

Legend

Not concerned

1.2.4. CMS NOMECO

a. Reconciliation table in volumes

CMS NOMECO				
Declared data				Discrepancies
Company	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b-c)
1. Royalties (RMP)	95		85	10
2. Tax Oil (Profit Oil and Super Profit Oil)	-			-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-	-		-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	95	-	85	

Legend

■ Not concerned

b. Reconciliation table in cash

CMS NOMECO				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	22 812		22 812	-
19. Payroll Tax (IRPP - TF - TA - FNH)	1 905		2 085	(180)
20. Tax Paid/Withheld at Source on Subcontractors	1 396		1 761	(365)
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	386		419	(33)
24. Common External Rate	-		30	(30)
25. Training Fund	-			-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	26 499	-	27 107	

Legend

Not concerned

1.2.5. CONGOREP

a. Reconciliation table in volumes

CONGOREP				
Declared data				Discrepancies
Company	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b-c)
1. Royalties (RMP)	-		-	-
2. Tax Oil (Profit Oil and Super Profit Oil)	3 738		3 677	61
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-			-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	3 738		3 677	

Legend

Not concerned

b. Reconciliation table in cash

CONGOREP				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	52		51	1
11. Funds for Diversified Investments (PID)	6 194		6 191	3
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		6	(6)
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	3 510		3 500	10
20. Tax Paid/Withheld at Source on Subcontractors	271		292	(21)
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	53 900	53 900		-
23. IT Fee	672		734	(62)
24. Common External Rate	-		30	(30)
25. Training Fund	80		80	-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		5	(5)
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-		395	(395)
30. Shipping Tax	507			507
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	65 186	53 900	11 284	

Legend

■ Not concerned

1.2.6. ENI CONGO

a. Reconciliation table in volumes

ENI CONGO				
Declared data				Discrepancies
Company	SNPC collector	State		
	(a)	(b)	(c)	(a-b-c)
(KBbl)				
1. Royalties (RMP)	3 485		3 480	5
2. Tax Oil (Profit Oil and Super Profit Oil)	9 363		9 357	6
3. Y/S (15%)	200		215	(15)
4. SNPC Oil Shares (Volumes)	329	329		-
5. Deduction on Tax Oil for Centrale Gaz	(154)		(177)	23
6. Deduction on Tax Oil for Integrated Project (CEC)	(2 052)		(2 052)	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	11 171	329	10 823	

Legend

Not concerned

b. Reconciliation table in cash

ENI CONGO				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	528		526	2
11. Funds for Diversified Investments (PID)	23 146		23 055	91
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	41 034	40 606		428
15. Surface Fee	326		317	9
16. Signature Bonus	15 000		15 000	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	12 777		13 021	(244)
20. Tax Paid/Withheld at Source on Subcontractors	4 074		3 904	170
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	500		500	-
24. Common External Rate	-		126	(126)
25. Training Fund	759		759	-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		1	(1)
28. Customs Adjustments and Fines	2			2
29. Social Projects (Mandatory)	-		-	-
30. Shipping Tax	561			561
31. Transfers and Social Projects	1 816			1 816
32. Other Significant Payments	-	-	-	-
Total	100 523	40 606	57 209	

Legend

■ Not concerned

1.2.7. MURPHY WEST AFRICA

a. Reconciliation table in volumes

MURPHY				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KBbl)				
1. Royalties (RMP)	163		177	(14)
2. Tax Oil (Profit Oil and Super Profit Oil)	319		347	(28)
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	45	77		(32)
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	527	77	524	

Legend

Not concerned

b. Reconciliation table in cash

MURPHY				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	1 288		1 280	8
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	70		70	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	2		2	-
19. Payroll Tax (IRPP - TF - TA - FNH)	823		768	55
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	265		609	(344)
24. Common External Rate	11		139	(128)
25. Training Fund	195		200	(5)
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	4		9	(5)
28. Customs Adjustments and Fines	198			198
29. Social Projects (Mandatory)	1 827		3 400	(1 573)
30. Shipping Tax	206			206
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	4 889	-	6 477	

Legend

Not concerned

1.2.8. PRESTOIL

a. Reconciliation table in volumes

PRESTOIL				
Declared data				Discrepancies
Company	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b-c)
1. Royalties (RMP)	2		-	2
2. Tax Oil (Profit Oil and Super Profit Oil)	-		-	-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-	-		-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	2	-	-	-

Legend

Not concerned

b. Reconciliation table in cash

PRESTOIL				
Declared data				Discrepancies
Company	SNPC collector	State		
(a)	(b)	(c)	(a-b-c)	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)	112		97	15
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	26		26	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)			-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	935	935		-
15. Surface Fee	39		39	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		1	(1)
19. Payroll Tax (IRPP - TF - TA - FNH)	126		131	(5)
20. Tax Paid/Withheld at Source on Subcontractors	7		-	7
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-		8	(8)
24. Common External Rate	-		4	(4)
25. Training Fund	45		40	5
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	1 290	935	346	

Legend

■ Not concerned

1.2.9. NUEVO CONGO COMPANY

a. Reconciliation table in volumes

NUEVO CONGO COMPANY				
Declared data				Discrepancies
Company	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b-c)
1. Royalties (RMP)	82		73	9
2. Tax Oil (Profit Oil and Super Profit Oil)	-		-	-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-			-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	82	-	73	


Legend

Not concerned

b. Reconciliation table in cash

NUEVO CONGO COMPANY				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	20 023		20 023	-
19. Payroll Tax (IRPP - TF - TA - FNH)	-		-	-
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-			-
24. Common External Rate	-			-
25. Training Fund	-			-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	20 023	-	20 023	

Legend

 Not concerned

1.2.10. NUEVO CONGO LIMITED

a. Reconciliation table in volumes

NUEVO CONGO LIMITED				
Declared data				Discrepancies
Company	SNPC collector	State		
	(a)	(b)	(c)	(a-b-c)
(KBbl)				
1. Royalties (RMP)	27		24	3
2. Tax Oil (Profit Oil and Super Profit Oil)	-		-	-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-			-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	27	-	24	

Legend

Not concerned

b. Reconciliation table in cash

NUEVO CONGO LIMITED				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	6 771		6 771	-
19. Payroll Tax (IRPP - TF - TA - FNH)	-		-	-
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-			-
24. Common External Rate	-			-
25. Training Fund	-			-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	6 771	-	6 771	

Legend

Not concerned

1.2.11. PA RESOURCES

a. Reconciliation table in volumes

PA RESOURCES				
Declared data				Discrepancies
Company	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b-c)
1. Royalties (RMP)	-		-	-
2. Tax Oil (Profit Oil and Super Profit Oil)	-		-	-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-			-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	-	-	-	-

Legend

Not concerned

b. Reconciliation table in cash

PA RESOURCES				
Declared data				Discrepancies
Company	SNPC collector	State		
(a)	(b)	(c)	(a-b-c)	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	358		349	9
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	-		-	-
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-			-
24. Common External Rate	-			-
25. Training Fund	-			-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	569		-	569
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	927	-	349	

Legend

Not concerned

1.2.12. PETRO KOUILOU

a. Reconciliation table in volumes

PETRO KOUILOU				
Declared data				Discrepancies
Company	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b-c)
1. Royalties (RMP)	-		-	-
2. Tax Oil (Profit Oil and Super Profit Oil)	-		-	-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-			-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	-		-	-


Legend

Not concerned

b. Reconciliation table in cash

PETRO KOUILOU				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	2		2	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	89	89		-
15. Surface Fee	-		-	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	-		-	-
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-			-
24. Common External Rate	-			-
25. Training Fund	-		40	(40)
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	91	89	42	

Legend

 Not concerned

1.2.13. TOTAL E&P CONGO

a. Reconciliation table in volumes

	TOTAL			
	Declared data			Discrepancies
	Company	SNPC collector	State	
(KBbl)	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>
1. Royalties (RMP)	5 200		5 200	-
2. Tax Oil (Profit Oil and Super Profit Oil)	17 351		17 351	-
3. Y/S (15%)	934		934	-
4. SNPC Oil Shares (Volumes)	1 336	1 288		48
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	(1 385)		(1 385)	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	23 436	1 288	22 100	


Legend

Not concerned

b. Reconciliation table in cash

	TOTAL			
	Declared data			Discrepancies
	Company	SNPC collector	State	
(a)	(b)	(c)	(a-b-c)	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	1 139		1 137	2
11. Funds for Diversified Investments (PID)	28 618		28 489	129
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	92 005		87 666	4 339
13. Cash Payments of Marketed State Oil Shares	13 119		13 578	(459)
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	15 729		15 729	-
17. Production Bonus	6 901		6 901	-
18. Corporate Profit Tax	11 000		11 000	-
19. Payroll Tax (IRPP - TF - TA - FNH)	16 604		16 612	(8)
20. Tax Paid/Withheld at Source on Subcontractors	6 330		6 004	326
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	518		588	(70)
24. Common External Rate	-		455	(455)
25. Training Fund	672		675	(3)
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	376		8	368
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	2 989			2 989
31. Transfers and Social Projects	12			12
32. Other Significant Payments	745	-	-	745
Total	196 757	-	188 842	

Legend

 Not concerned

1.2.14. MAUREL & PROM CONGO

a. Reconciliation table in volumes

MAUREL & PROM				
Declared data				Discrepancies
Company	SNPC collector	State		
(KBbl)	(a)	(b)	(c)	(a-b-c)
1. Royalties (RMP)	-		-	-
2. Tax Oil (Profit Oil and Super Profit Oil)	-		-	-
3. Y/S (15%)	-		-	-
4. SNPC Oil Shares (Volumes)	-			-
5. Deduction on Tax Oil for Centrale Gaz	-		-	-
6. Deduction on Tax Oil for Integrated Project (CEC)	-		-	-
7. Other Deductions on Tax Oil for Trading Agreements	-		-	-
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-		-	-
9. Marketed State Oil Shares for Infrastructure Projects	-		-	-
Total	-		-	-


Legend

Not concerned

b. Reconciliation table in cash

MAUREL & PROM				
Declared data				Discrepancies
Company	SNPC collector	State		
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>	
(KUSD)				
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	12		12	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	273		374	(101)
20. Tax Paid/Withheld at Source on Subcontractors	163		62	101
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	1		5	(4)
24. Common External Rate	-		2	(2)
25. Training Fund	132		132	-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-		799	(799)
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	581	-	1 386	

Legend

 Not concerned

1.2.15. CHINA NATIONAL OFFSHORE CORPORATION (CNOOC)

	CNOOC			
	Declared data			Discrepancies
	Company	SNPC collector	State	
(KUSD)	(a)	(b)	(c)	(a-b-c)
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	3		3	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	88		66	22
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-		122	(122)
24. Common External Rate	-		36	(36)
25. Training Fund	50		50	-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		1	(1)
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	52		399	(347)
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	193	-	677	

Legend

Not concerned


1.2.16. OPHIR CONGO

OPHIR CONGO			
Declared data			Discrepancies
Company	SNPC collector	State	
(a)	(b)	(c)	(a-b-c)

(KUSD)

2. Tax Oil (Profit Oil and Super Profit Oil)	<i>Non transmis</i>			
10. Royalty On Self-Consumption	<i>Non transmis</i>		-	
11. Funds for Diversified Investments (PID)	<i>Non transmis</i>		-	
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	<i>Non transmis</i>		-	
13. Cash Payments of Marketed State Oil Shares	<i>Non transmis</i>		-	
14. SNPC Oil Shares (Cash)	<i>Non transmis</i>			
15. Surface Fee	<i>Non transmis</i>		6	
16. Signature Bonus	<i>Non transmis</i>		-	
17. Production Bonus	<i>Non transmis</i>		-	
18. Corporate Profit Tax	<i>Non transmis</i>			
19. Payroll Tax (IRPP - TF - TA - FNH)	<i>Non transmis</i>		18	
20. Tax Paid/Withheld at Source on Subcontractors	<i>Non transmis</i>		24	
21. Dividends Paid to the State	<i>Non transmis</i>		-	
22. Dividends Paid to the SNPC	<i>Non transmis</i>			
23. IT Fee	<i>Non transmis</i>		4	
24. Common External Rate	<i>Non transmis</i>		-	
25. Training Fund	<i>Non transmis</i>		100	
26. Cuvette Research Fund	<i>Non transmis</i>			
27. Fiscal Adjustments and Fines	<i>Non transmis</i>		3	
28. Customs Adjustments and Fines	<i>Non transmis</i>			
29. Social Projects (Mandatory)	<i>Non transmis</i>		479	
30. Shipping Tax	<i>Non transmis</i>			
31. Transfers and Social Projects	<i>Non transmis</i>			
32. Other Significant Payments	<i>Non transmis</i>	-	-	
Total		-	634	

Legend

 Not concerned

1.2.17. PERENCO EXPLORATION & PRODUCTION CONGO

	PERENCO			
	Declared data			Discrepancies
	Company	SNPC collector	State	
(KUSD)	(a)	(b)	(c)	(a-b-c)
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	6		-	6
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-			-
19. Payroll Tax (IRPP - TF - TA - FNH)	-		1	(1)
20. Tax Paid/Withheld at Source on Subcontractors	138		139	(1)
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	52		67	(15)
24. Common External Rate	-		1	(1)
25. Training Fund	100		100	-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-		-	-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	296	-	308	

Legend

Not concerned

1.2.18. PILATUS

PILATUS			
Declared data			Discrepancies
Company	SNPC collector	State	

(KUSD)	(a)	(b)	(c)	(a-b-c)
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		55	(55)
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	-		-	-
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-		45	(45)
24. Common External Rate	-		-	-
25. Training Fund	-		60	(60)
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-		-	-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	-	-	160	

Legend

Not concerned

1.2.19. PREMIER OIL

PREMIER OIL				
Declared data				Discrepancies
Company	SNPC collector	State		
(KUSD)	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(a-b-c)</i>
2. Tax Oil (Profit Oil and Super Profit Oil)	<i>Non transmis</i>			
10. Royalty On Self-Consumption	<i>Non transmis</i>		-	
11. Funds for Diversified Investments (PID)	<i>Non transmis</i>		-	
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	<i>Non transmis</i>		-	
13. Cash Payments of Marketed State Oil Shares	<i>Non transmis</i>		-	
14. SNPC Oil Shares (Cash)	<i>Non transmis</i>			
15. Surface Fee	<i>Non transmis</i>		-	
16. Signature Bonus	<i>Non transmis</i>		-	
17. Production Bonus	<i>Non transmis</i>		-	
18. Corporate Profit Tax	<i>Non transmis</i>		-	
19. Payroll Tax (IRPP - TF - TA - FNH)	<i>Non transmis</i>		5	
20. Tax Paid/Withheld at Source on Subcontractors	<i>Non transmis</i>		-	
21. Dividends Paid to the State	<i>Non transmis</i>		-	
22. Dividends Paid to the SNPC	<i>Non transmis</i>			
23. IT Fee	<i>Non transmis</i>		1	
24. Common External Rate	<i>Non transmis</i>		2	
25. Training Fund	<i>Non transmis</i>			
26. Cuvette Research Fund	<i>Non transmis</i>			
27. Fiscal Adjustments and Fines	<i>Non transmis</i>		6	
28. Customs Adjustments and Fines	<i>Non transmis</i>			
29. Social Projects (Mandatory)	<i>Non transmis</i>			
30. Shipping Tax	<i>Non transmis</i>			
31. Transfers and Social Projects	<i>Non transmis</i>			
32. Other Significant Payments	<i>Non transmis</i>	-	-	
Total		-	14	


Legend

Not concerned

1.2.20. SOCO EXPLORATION AND PRODUCTION CONGO

	SOCO			
	Declared data			Discrepancies
	Company	SNPC collector	State	
(KUSD)	(a)	(b)	(c)	(a-b-c)
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	8		8	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-			-
19. Payroll Tax (IRPP - TF - TA - FNH)	610		509	101
20. Tax Paid/Withheld at Source on Subcontractors	181		161	20
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-		12	(12)
24. Common External Rate	-		8	(8)
25. Training Fund	200		200	-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	1		1	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	1 042		861	181
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	2 042	-	1 760	

Legend

 Not concerned

1.2.21. WING WAH

WING WAH			
Declared data			Discrepancies
Company	SNPC collector	State	

(KUSD)	(a)	(b)	(c)	(a-b-c)
2. Tax Oil (Profit Oil and Super Profit Oil)				-
10. Royalty On Self-Consumption	-		-	-
11. Funds for Diversified Investments (PID)	-		-	-
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	-		-	-
13. Cash Payments of Marketed State Oil Shares	-		-	-
14. SNPC Oil Shares (Cash)	-			-
15. Surface Fee	-		-	-
16. Signature Bonus	-		-	-
17. Production Bonus	-		-	-
18. Corporate Profit Tax	-		-	-
19. Payroll Tax (IRPP - TF - TA - FNH)	-		-	-
20. Tax Paid/Withheld at Source on Subcontractors	-		-	-
21. Dividends Paid to the State	-		-	-
22. Dividends Paid to the SNPC	-			-
23. IT Fee	-			-
24. Common External Rate	-			-
25. Training Fund	-			-
26. Cuvette Research Fund	-			-
27. Fiscal Adjustments and Fines	-		-	-
28. Customs Adjustments and Fines	-			-
29. Social Projects (Mandatory)	-			-
30. Shipping Tax	-			-
31. Transfers and Social Projects	-			-
32. Other Significant Payments	-	-	-	-
Total	-	-	-	-

Legend

Not concerned

2. MINING SECTOR

2.1. Extractive companies

2.1.1. LULU

	LULU		
	Declared data		Discrepancies
	Companies	State	
(KUSD)	(a)	(b)	(a-b)
1. Surface Fee	<i>Non transmis</i>	-	-
2. Signature Bonus	<i>Non transmis</i>	-	-
3. Production Bonus	<i>Non transmis</i>	-	-
4. Corporate Profit Tax	<i>Non transmis</i>	-	-
5. Payroll Tax (IRPP - TF - TA - FNH)	<i>Non transmis</i>	-	-
6. Tax Paid/Withheld at Source on Subcontractors	<i>Non transmis</i>	-	-
7. Dividends	<i>Non transmis</i>	-	-
8. IT Fee	<i>Non transmis</i>	-	-
9. Common External Rate	<i>Non transmis</i>	-	-
10. Fiscal Adjustments and Fines	<i>Non transmis</i>	-	-
11. Customs Adjustments and Fines	<i>Non transmis</i>	-	-
12. Other Significant Payments	<i>Non transmis</i>	-	-
Total	-	-	-

2.1.2. MAGMINERALS POTASSES CONGO

	MAGMINERALS		
	Declared data		Discrepancies
	Companies	State	
(KUSD)	<i>(a)</i>	<i>(b)</i>	<i>(a-b)</i>
1. Surface Fee	7	-	7
2. Signature Bonus	-	-	-
3. Production Bonus	-	-	-
4. Corporate Profit Tax	-	-	-
5. Payroll Tax (IRPP - TF - TA - FNH)	95	-	(18)
6. Tax Paid/Withheld at Source on Subcontractors	-	-	-
7. Dividends	-	-	-
8. IT Fee	-	-	-
9. Common External Rate	-	-	-
10. Fiscal Adjustments and Fines	27	-	17
11. Customs Adjustments and Fines	-	-	-
12. Other Significant Payments	-	-	-
Total	129	123	

2.1.3. SOCIETE DE RECHERCHE ET D'PRODUCTION MINIERE (SOREMI)

	SOREMI		
	Declared data		Discrepancies
	Companies	State	
(KUSD)	<i>(a)</i>	<i>(b)</i>	<i>(a-b)</i>
1. Surface Fee	5	178	(173)
2. Signature Bonus	-	-	-
3. Production Bonus	-	-	-
4. Corporate Profit Tax	-	-	-
5. Payroll Tax (IRPP - TF - TA - FNH)	256	204	52
6. Tax Paid/Withheld at Source on Subcontractors	-	-	-
7. Dividends	-	-	-
8. IT Fee	6	-	6
9. Common External Rate	-	-	-
10. Fiscal Adjustments and Fines	7	3	4
11. Customs Adjustments and Fines	-	-	-
12. Other Significant Payments	-	-	-
Total	274	385	

APPENDIX 5: TABLE SUMMARISING THE RESOLUTION OF DISCREPANCIES

	Initial declarations (A)					Adjustments (B)				Data after adjustments (A+B)					Origin of the initial discrepancy
	Companies	SNPC payer	SNPC collector	State	Discrepancies	Companies	SNPC payer	SNPC collector	State	Companies	SNPC payer	SNPC collector	State	Discrepancies	
(KBbl)															
1. Royalties (RMP)	9 055	1 049		-	10 104	1 667	242		12 053	10 722	1 291		12 053	(40)	b, c, d
2. Tax Oil (Profit Oil and Super Profit Oil)	30 771	3 361		-	34 132	5 519	280		40 025	36 290	3 641		40 025	(94)	b, c, d
3. Y/S (15%)	1 134	-		-	1 134	-	-		1 150	1 134	-		1 150	(16)	d
Total State Oil Shares	40 960	4 410		-	45 370	7 186	522		53 228	48 146	4 932		53 228	(150)	
4. SNPC Oil Shares (Volumes)	2 367		-		2 367	(656)		1 694		1 711		1 694		17	b, c, d
Total SNPC Oil Shares	2 367		-		2 367	(656)		1 694		1 711		1 694		17	
5. Deduction on Tax Oil for Centrale Gaz	(154)	-		-	(154)	-	-		(177)	(154)	-		(177)	23	d
6. Deduction on Tax Oil for Integrated Project (CEC)	(2 052)	-		-	(2 052)	-	-		(2 052)	(2 052)	-		(2 052)	-	d
7. Other Deductions on Tax Oil for Trading Agreements	1 385	-		-	1 385	(2 770)	-		(1 385)	(1 385)	-		(1 385)	-	d
Total Deductions on Tax Oil for Trading Agreements	(821)	-		-	(821)	(2 770)	-		(3 614)	(3 591)	-		(3 614)	23	
8. Marketed State Oil Shares (Cash Equivalent Paid to the Public Treasury)	-	(23 821)		-	(23 821)	-	(2 859)		(26 595)	-	(26 681)		(26 595)	(86)	c, d, e
9. Marketed State Oil Shares for Infrastructure Projects	-	(13 604)		(14 465)	861	-	(861)		-	-	(14 465)		(14 465)	-	e
Total Marketed Oil Shares	-	(37 425)		(14 465)	(22 960)	-	(3 721)		(26 595)	-	(41 146)		(41 060)	(86)	
Total	42 506	(33 016)		(14 465)	23 956	3 760	(3 198)	1 694	23 019	46 266	(36 214)	1 694	8 554	(196)	

Legend:

a Exchange rate difference

The use of an average annual exchange rate for reconciliation works creates artificial and non significant discrepancies between the declarations of the State (presented in FCFA) and those of the companies (usually presented in USD). The receipt numbers and dates of payments can confirm the consistency of the amounts declared by the administrations and the companies.

b Omissions or imputation mistakes

Some declarations are obviously incomplete, or present some obvious imputation mistakes (payment declared in the wrong EITI reporting template). Those difficulties, which, most of the time, are due to human mistakes when filling the EITI reporting templates, are easily overcome by the submission of corrective declarations.

c Accrual basis disclosure

Some declarations are presented on an accrual basis disclosure: the administration or the company declare what it should have received/paid, and not what it actually received/paid. Those difficulties, which, most of the time, are due to a misunderstanding of the EITI process, are easily overcome by the submission of corrective declarations.

d Payments not reported by the State

Payments declared by the company, confirmed or not by supporting documents, which was not found in the accounts of the State.

e Payments not reported by the company

Payments declared by the administration, confirmed or not by supporting documents, which was not found in the accounts of the company.

f Lack of a common frame of reference

Specific case of customs tariffs (IT Fee and Common External Rate) which are not all directly paid by the extractive companies to the administration, but most of the time by forwarding agents, who pay the due amounts. Data declared by the administration (who declares what some companies or the forwarding agents paid) and by the extractive companies (who declare what they paid/what the forwarding agents billed) does not fall under the same frame of reference and makes it difficult to resolve the identified discrepancies.

	Initial declarations (A)					Adjustments (B)				Data after adjustments (A+B)					Origin of the initial discrepancy
	Companies	SNPC payer	SNPC collector	State	Discrepancies	Companies	SNPC payer	SNPC collector	State	Companies	SNPC payer	SNPC collector	State	Discrepancies	
(KUSD)															
2. Tax Oil (Profit Oil and Super Profit Oil)	112	-	-	16 069	(15 957)	-	-	-	(15 971)	112	-	-	97	15	a, b
10. Royalty On Self-Consumption	1 719	-	-	1 730	(11)	-	-	-	(15)	1 719	-	-	1 714	5	b
11. Funds for Diversified Investments (PID)	59 632	1 025	-	119 142	(58 485)	9 562	166	-	(48 904)	69 194	1 191	-	70 238	147	a, b, f
12. Outstanding Balance of Fiscal Payments (Exclusive of PID and Royalties on Self-Consumption)	92 005	-	-	-	92 005	-	-	-	87 666	92 005	-	-	87 666	4 339	b
13. Cash Payments of Marketed State Oil Shares	13 119	2 800 369	-	2 688 550	124 938	-	(52 083)	-	71 801	13 119	2 748 286	-	2 760 351	1 054	b, f
14. SNPC Oil Shares (Cash)	42 058	-	41 630	-	428	-	-	-	-	42 058	-	41 630	-	428	
15. Surface Fee	462	-	-	-	462	3	525	-	1 035	464	525	-	1 035	(46)	b, d, e, f
16. Signature Bonus	30 729	-	-	31 729	(1 000)	2 000	-	-	1 000	32 729	-	-	32 729	-	a
17. Production Bonus	6 901	-	-	6 901	-	-	-	-	-	6 901	-	-	6 901	-	
18. Corporate Profit Tax	60 609	-	-	60 610	(1)	-	-	-	-	60 609	-	-	60 610	(1)	
19. Payroll Tax (IRPP - TF - TA - FNH)	36 539	2 347	-	40 958	(2 072)	2 192	-	-	-	38 731	2 347	-	40 958	120	b, e
20. Tax Paid/Withheld at Source on Subcontractors	12 447	-	-	12 667	(220)	519	-	-	-	12 966	-	-	12 667	299	b, e
21. Dividends Paid to the State	-	-	-	58 797	(58 797)	-	-	-	(58 797)	-	-	-	-	-	b
22. Dividends Paid to the SNPC	53 900	-	55 566	-	(1 666)	-	-	(1 666)	-	53 900	-	53 900	-	-	a
23. IT Fee	2 390	-	-	-	2 390	5	-	-	3 120	2 395	-	-	3 120	(725)	g
24. Common External Rate	11	-	-	-	11	17	-	-	866	27	-	-	866	(839)	g
25. Training Fund	2 052	-	-	-	2 052	182	-	-	2 335	2 234	-	-	2 335	(101)	b
26. Cuvette Research Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27. Fiscal Adjustments and Fines	1 009	-	-	1 173	(164)	26	-	-	(971)	1 035	-	-	202	833	b
28. Customs Adjustments and Fines	200	-	-	-	200	-	388	-	-	200	388	-	-	588	b
29. Social Projects (Mandatory)	1 827	-	-	-	1 827	1 093	-	-	5 854	2 920	-	-	5 854	(2 934)	b
32. Other Significant Payments	745	44	-	13	776	(1)	(44)	-	(13)	745	-	-	-	745	
Total	418 466	2 803 785	97 196	3 038 339	86 716	15 598	(51 048)	(1 666)	49 006	434 063	2 752 737	95 530	3 087 343	3 927	

Legend:

a Exchange rate difference

The use of an average annual exchange rate for reconciliation works creates artificial and non significant discrepancies between the declarations of the State (presented in FCFA) and those of the companies (usually presented in USD).
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APPENDIX 6: MONITORING TABLE OF PAST RECOMMENDATIONS

The recommendations made in Congo's 2011 EITI Report¹⁰⁹, as well as their implementation to date, are presented as follows:

No.	Recommendations of the 2011 EITI Report	Level of implementation
1	<i>We have observed, during our scoping study, the absence within DGH and DGT of a computerised system for processing data on extractive revenues</i>	Pending**
2	<i>We recommend the implementation of an information system interconnecting the various relevant State reporting entities. This would ensure a complementary monitoring of extractive revenues and a smoother circulation of information between State reporting entities.</i>	Has been integrated for implementation in the EITI-Congo 2014 work plan (activity 5.4)*
3	<i>The monthly oil and gas [cash] payments made by companies to Public Treasury are not subject to the systematic deliverance of a "balance of receipts". We recommend that a balance of receipts be systematically delivered for each payment made by extractive companies.</i>	Launch pending**
4	<i>We recommend a review of the legal framework regulating custom levies, in order to guarantee a better traceability of these payments.</i>	No action yet**
5	<i>Fines and penalties are not registered in the information system, unlike all other taxes. These payments are still identifiable and are supported by manual receipts. We recommend that these fines and penalties [levied by DGD and DGI] be registered in the information system for future exercises, in order to ensure a complementing monitoring of these receipts.</i>	Launch pending**
6	<i>The services of the Ministry of Hydrocarbons do not possess a rigorous monitoring process for the implementation of Social Projects by oil companies, as defined in Production Sharing Contracts. We recommend the creation of a financial monitoring structure for Social Projects implemented by oil companies pursuant to their PSC obligations.</i>	Has been integrated for implementation in the EITI-Congo 2014 work plan (activity 5.1)*
7	<i>Monthly declaration of oil and gas fiscal payments from extractive operators does not respect a standardised format. We recommend the adoption of a standard template listing all required information from the State reporting entities, and which could be used by all operators.</i>	Has been integrated for implementation in the EITI-Congo 2014 work plan (activity 5.1)*
8	<i>The monthly oil and gas [cash] payments made to Public Treasury are not subject to a systematic deliverance of a "balance of receipts" to the company. We recommend that a balance of revenue be systematically sent out for each payment made by extractive companies.</i>	Launch pending**
9	<i>In order to allow a better use of the data published in the reconciliation report, we recommend that the EITI Report includes an analysis of:</i> - <i>the discrepancies between EITI revenue and extractive revenues presented in IMF's Central Government Operations Table;</i> - <i>the impact of extractive revenues on public and social spending.</i>	Has been integrated for implementation in the EITI-Congo 2014 work plan (activity 6.1)*

* 2014 Work Plan, EITI-Congo Executive Committee (not dated)

** Based on information communicated by State reporting entities

¹⁰⁹ Rapport ITIE 2011 - Réconciliation des paiements et des recettes extractives au titre de l'exercice 2011, Moore Stephens (October 2012), pp.43-45



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