



Final Report

Independent Administrator of EITI in Mozambique

12 February 2018

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List of Abbreviations and Acronyms

AG	<i>Silver</i>
Agt	<i>Agate</i>
AGU	<i>Mineral Water</i>
AGUT	<i>Thermal waters</i>
AL	<i>Aluminium</i>
AMA	<i>Amazonite</i>
AMA1	<i>Anadarko Mozambique Area 1</i>
AME	<i>Amethyst</i>
And	<i>Andaluzite</i>
APA	<i>Apatita</i>
AQU	<i>Sea water</i>
AR	<i>National Assembly</i>
AT	<i>Tax Authority</i>
AU	<i>Gold</i>
AUA	<i>Alluvial Gold</i>
AUM	<i>Gold and associated Minerals</i>
BAS	<i>Basalt</i>
BAU	<i>Bauxita</i>
BEI	<i>European Investment Bank</i>
BEN	<i>Bentonite</i>
BER	<i>Beryl</i>
BI	<i>Bismuth</i>
BME	<i>Basic metals</i>
BR	<i>Official Gazete</i>
BUR	<i>Burgalo</i>
BVM	<i>Mozambique Stock Exchange</i>
CAS	<i>Cassiterita</i>
CAU	<i>Caulim</i>
CB	<i>Columbite</i>
CCA	<i>Gravel and Sand</i>
CCPP	<i>Research and Production Grant Agreement</i>
CDGM	<i>Mozambique Gas Development Company</i>
CDN	<i>Nacala Development Corridor</i>
CEAR	<i>Central East Africa Railway</i>
CER	<i>Ceramic clay</i>
CFM	<i>Mozambique Ports and Railways</i>
CIF	<i>Cost, Insurance and Freight</i>
CIM	<i>Cements of Mozambique</i>
CLA	<i>Clay</i>
CLN	<i>Nacala Logistics Corridor</i>
CLR	<i>Rolled pebble</i>
CLU	<i>Pebbles</i>
CMG	<i>Mozambican Pipeline Company</i>
CMH	<i>Mozambican Company of Hydrocarbons</i>
CNPC	<i>China National Petroleum Corporation</i>
CO	<i>Cobalt</i>
COA	<i>Coal</i>
COM	<i>Coal and Associated Minerals</i>
COR	<i>Corundum</i>
CPF	<i>Processing and Facilitation Center</i>
CPP	<i>Petroleum Production Contract</i>
CPY	<i>Chalcopyrite</i>
Crd	<i>Cordierite</i>
crs	<i>Chysocolla</i>
CRY	<i>Cryolite</i>
CTRG	<i>Ressano Garcia Thermal Power Plant</i>
CU	<i>Copper</i>
DAF	<i>Tax Area Direction</i>
DGI	<i>Tax General Direction</i>
DIA	<i>Diamond</i>
DIPREME	<i>Provincial Direction of Mineral Resources and Energy</i>

DIT	<i>Diatomito</i>
DNM	<i>National Directorate of Mines</i>
DNT	<i>National Directorate of Treasury</i>
DOL	<i>Dolomita</i>
DOT	<i>Dolerito</i>
DPD	<i>Planning and Development Directorate</i>
DS	<i>Disteno</i>
DUAT	<i>Right of Use and Enjoyment of Land</i>
DUM	<i>Dumortierite</i>
EDM	<i>Mozambique Electricity Company</i>
EEA	<i>Eni East Africa</i>
EIA	<i>Environmental Impact Study</i>
EME	<i>Emerald</i>
EMEM	<i>Mozambican Mining Company</i>
ENH	<i>National Company of Hydrocarbons</i>
ENHL	<i>ENH Logistics</i>
ENOP	<i>Public Works Engineering</i>
EP	<i>Public Companies</i>
ep	<i>Epidote</i>
EPCC	<i>Exploration and Production Concession Contract</i>
F	<i>Fluorite</i>
FE	<i>Iron</i>
FEL	<i>Feldspar</i>
FEO	<i>Iron ore</i>
FFM	<i>Mining Development Fund</i>
FMI	<i>International Monetary Fund</i>
g	<i>Stoneware</i>
GAR	<i>Granadas</i>
GB	<i>Gibbsite</i>
Gem	<i>Gems</i>
GEM	<i>Precious stones</i>
Gna	<i>Precious stones</i>
GNC	<i>Compressed Natural Gas</i>
GNL	<i>Liquefied Natural Gas</i>
GR	<i>Granite</i>
GRN	<i>Gabro Anortosito</i>
GRP	<i>Graphite</i>
GSA	<i>Gas Selling Agreement</i>
GUA	<i>Guanos</i>
GYP	<i>Gypsum</i>
Hem	<i>Hematite</i>
HSA	<i>Heavy Sands</i>
IAS	<i>Sisa Municipal Tax</i>
IAV	<i>Vehicle Municipal Tax</i>
ICE	<i>Specific Consumption Tax</i>
ICVL	<i>International Coal Ventures Private Limited</i>
IDE	<i>Foreign Direct Investment</i>
IFC	<i>International Finance Corporation</i>
iGas	<i>South African Gas Development Company Limited</i>
IGEPE	<i>Institute of Management of State Participations</i>
IGM	<i>Mining and Geological Institute</i>
IGN	<i>Ingeneous Rocks</i>
ILM	<i>Ilmenite</i>
INAMI	<i>National Institute of Mines</i>
INE	<i>National Institute of Statistics</i>
INP	<i>National Institute of Petroleum</i>
IPA	<i>Municipal Personal Tax</i>
IPM	<i>Tax on Mining Production</i>
IPP	<i>Tax on Petroleum Production</i>
IPRA	<i>Municipal Property Tax</i>
IRN	<i>National Reconstruction Tax</i>
IRPC	<i>Corporate Income Tax</i>
IRPS	<i>Individual Income Tax</i>

IRRM	<i>Income Tax of the Mining Resource</i>
IS	<i>Stamp duty</i>
ISD	<i>Inheritance and Donation Tax</i>
ISPC	<i>Simplified Tax for Small Taxpayers</i>
ISS	<i>Surface Tax</i>
ITIE	<i>Extractive Industry Transparency Initiative</i>
ITIEM	<i>Extractive Industry Transparency Initiative in Mozambique</i>
IVA	<i>Value Added Tax</i>
JOA	<i>Joint Operations Agreement</i>
JSPL	<i>Jindal Steel and Power Limited</i>
KAO	<i>Kaolinite</i>
KIM	<i>kimberlito</i>
LAM	<i>Lamboanitos</i>
LEP	<i>Lepidolite</i>
LI	<i>Lithium</i>
LIM	<i>Lime</i>
LST	<i>Limestone</i>
MA	<i>Manganese</i>
MAG	<i>Magnesite</i>
MAGTAP	<i>Mining and Gas Technical Assistance Project</i>
MAL	<i>Malachite</i>
MAR	<i>Marbles</i>
MCONS	<i>Construction Materials</i>
MEF	<i>Ministry of Economy and Finance</i>
MF	<i>Finance Ministry</i>
MGC	<i>Matola Gas Company, SA</i>
MGJ	<i>Millions of Gigajoules</i>
MGS	<i>Magnesium</i>
MGT	<i>Magnetite</i>
MI	<i>Associated Minerals</i>
MIC	<i>Mica</i>
MIL	<i>Microlite</i>
MIND	<i>Industrial minerals</i>
MIREME	<i>Ministry of Mineral Resources and Energy</i>
MITADER	<i>Ministry of Land, Environment and Rural Development</i>
MNO	<i>Manganese ore</i>
MNP	<i>Precious minerals</i>
MNS	<i>Semi precious minerals</i>
MO	<i>Molybdenum</i>
MON	<i>Monazita</i>
MOR	<i>Morganita</i>
MOS	<i>Moscovita</i>
MPD	<i>Ministry of Planning and Development</i>
MPS	<i>Precious and semi precious minerals</i>
MSG	<i>Multi- Stakeholder Group</i>
NB	<i>Niobium</i>
NI	<i>Nickel</i>
NME	<i>Noble metals</i>
NSY	<i>Tax number</i>
NUIT	<i>Unic Tax Identification Number</i>
OLI	<i>Olivine</i>
ORN	<i>Ornamental rocks</i>
PB	<i>Lead</i>
PCD	<i>Ports of Cabo Delgado</i>
PD	<i>Palladium</i>
PED	<i>Quarries</i>
PER	<i>Perlite</i>
PGM	<i>Platinum group minerals</i>
PHO	<i>Phosphates</i>
PIB	<i>Gross domestic product</i>
PME	<i>Precious metals</i>
POT	<i>Compost potassium</i>
PPA	<i>Petroleum production contract</i>

PR	<i>President of the Republic</i>
PRIO	<i>Reolitic plates</i>
Pt	<i>Platinum group elements</i>
PT	<i>Platinum</i>
PYR	<i>Pirite</i>
QTZ	<i>Quartzo</i>
QTZM	<i>Quartzo and minerals associated</i>
RBLL	<i>Rovuma Basin LNG Land</i>
RCR	<i>Crystal of rock</i>
Rdn	<i>Rhodonite</i>
Rds	<i>Rodochrosite</i>
REE	<i>Rare lands</i>
REEA	<i>Rare lands and minerals associates</i>
REN	<i>Rhenium</i>
RIO	<i>Riolito</i>
RME	<i>Rare metals</i>
ROMPCO	<i>Pipelines Company of the Republic of Mozambique</i>
RUB	<i>Ruby</i>
RUT	<i>Ruth</i>
S	<i>Sulfur</i>
SA	<i>Anonymous society</i>
SAB	<i>Gravel</i>
SADC	<i>Community for the Development of Southern Africa</i>
SAF	<i>Sapphire</i>
SAN	<i>Sand</i>
SANC	<i>Construction sand</i>
SB	<i>Antimony</i>
SEM	<i>Semi-precious stones</i>
SHA	<i>Clay shale</i>
SICR	<i>Interim Revenue Collection System</i>
Sil	<i>Silica</i>
SIL	<i>Sillimanite</i>
SiO2	<i>Chalcedony</i>
SN	<i>Tin</i>
SOMECS	<i>Cuamba mining society</i>
SPT	<i>Sasol Petroleum Temane</i>
SSA	<i>silty sand</i>
SST	<i>Sandstone</i>
STA	<i>Municipal tributary sistem</i>
STO	<i>Stone for construction</i>
STOSAN	<i>Stone and sand for construction</i>
TA	<i>Administrative court</i>
TAL	<i>Talc</i>
TAM	<i>Tantalite and Minerals Associates</i>
TAN	<i>Tantalite</i>
TANZ	<i>Tanzanite</i>
TCF	<i>Foot-cubic trillions</i>
TI	<i>Titanium</i>
TOP	<i>Topaz</i>
TOU	<i>Tourmaline</i>
TU	<i>Tungsten</i>
U	<i>Uranium</i>
V	<i>Vanadium</i>
W	<i>Wolfram</i>
ZN	<i>Zinc</i>
ZR	<i>Zircon</i>

1. Introduction

1.1 Background

The Extractive Industry Transparency Initiative (EITI) is a global standard that promotes transparency and governance of the extractive sector, thereby enabling countries to better manage resources. By promoting transparency in the extractive industry helps to improve the economic, political and social environment as subsequent effects of the initiative.

According to EITI principles, "*wealth from a country's resources must benefit all its citizens and this requires high levels of transparency and accountability.*"¹

Firstly, the initiative requires that the participating countries publish the reconciliation between the payments made by the companies and the revenues received by the government. Secondly, the initiative also requires participating countries to involve civil society, government entities and private companies to participate in the EITI process. The inclusion of the public and private sectors and citizens, promotes greater transparency and trust between the different stakeholders in the extractive industry.

Officially, EITI was established in 2002, but in relation to Mozambique, the Government of the Republic of Mozambique took on a commitment to implement the initiative in 2009. After submitting the Second Reconciliation Report of EITI and a positive evaluation from the EITI International Council, was awarded the status of "Compliant" to Mozambique, thus demonstrating that the country was successful in reconciling fiscal data of the extractive industry as well as allowing that information to be publicly accessed.

Since the implementation of the initiative in 2009, six EITI reports have been published and since 2012, Mozambique has been recognized as a "*Compliant*" country although it still faces many challenges related to the requirements of the EITI 2016 Standard. Factors contributing to greater economic dynamism include the coal mining projects of Moatize and Benga, in Tete province; production of natural gas from Pande and Temane, in Inhambane province; production of heavy sands in Moma, in Nampula province; and other metals, industrial minerals and precious and semi-precious stones. In addition to these projects, the discovery of natural gas in the Rovuma Basin could make the country one of the largest producers and exporters globally, with the development and operation of the Liquefied Natural Gas (LNG) project in Palma, Cabo Delgado.

For the elaboration of the 7th EITI Report for the 2015 and 2016 fiscal years, the Government of Mozambique, through the Ministry of Mineral Resources and Energy (MIREME), selected Deloitte & Touche (Moçambique) Lda., hereinafter referred to as "Independent Administrator" to prepare the aforementioned report.

¹ Fredrik Reinfeldt, Chair of the EITI Board, 23rd February 2016, page 8 of the EITI Standard 2016

The new EITI standard aims to strengthen EITI's growing reputation as a platform for progress, bringing greater transparency in accountability in all aspects of natural resource management, including **fiscal transparency, in the marketing of petroleum, gas and minerals and in granting of licenses**².

As the Chairman of the EITI Steering Committee indicated, "*publishing EITI reports (such as this 7th report) is not a goal in itself. The reports contain important policy recommendations for the improvement of the sector that are important to be communicated and used by the public to inform and generate debate.*"³ "

² EITI Standard 2016, page 8, paragraph 3

³ Fredrik Reinfeldt, Chair of the EITI Board, 23rd February 2016, page 8 of the EITI Standard 2016

1.2 Objective and Scope

The objective of this process is to produce the 7th EITI Report for Mozambique in accordance with the new EITI International Standard (2016).

The dimensions of the 2016 Standard are summarized in the figure below which reflects the "transparency value chain". The report covers the financial years 2015 and 2016.

According to EITI Standard 2016, the following requirements correspond to the five dimensions of the Standard's transparency value chain, as shown in Figure 1 below. The overview of each of the five dimensions is detailed below.

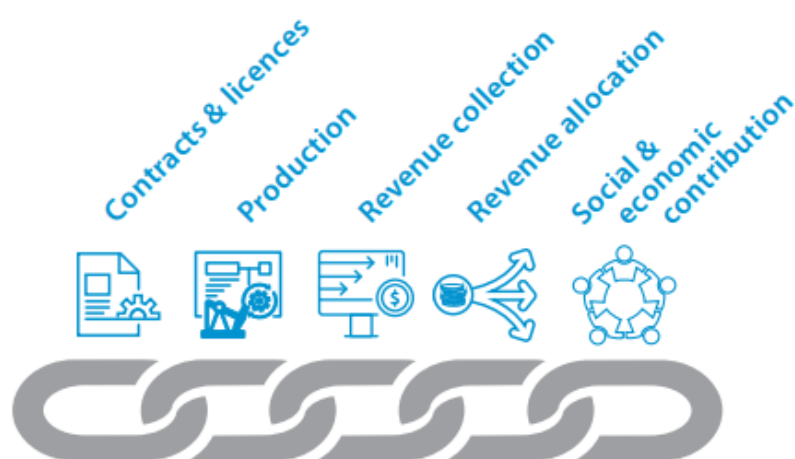


Figure 1: Dimensions Required by the 2016 Standard for the EITI Report

1. The legal framework and the tax regime, including the consignment of licenses and contracts

- Requirement 2.1- Legal framework and tax regime;
- Requirement 2.2- Allocation of licenses;
- Requirement 2.3- Registration of licenses;
- Requirement 2.4- Contracts;
- Requirement 2.5- Beneficial ownership;
- Requirement 2.6- State shareholding in the extractive industry.

Overview: The EITI requires disclosure of information related to management rules for the extractive sector, enabling stakeholders to understand the laws and procedures for the granting of exploration and production rights, the legal, regulatory and contractual framework that apply to the extractive sector, and the institutional responsibilities of the State in the management of the sector. EITI requirements related to the legal framework and assignment of rights of the transparent extractive industry include: (2.1) legal framework and tax regime; (2.2) allocation of licenses; (2.3)

registration of licenses; (2.4) contracts; (2.5) beneficial ownership; and (2.6) state shareholding in the extractive industry.

2. Exploration, production and exports

Requirement 3.1- Information on exploration activities;

Requirement 3.2 - Production data;

Requirement 3.3- Export data.

Overview The EITI requires disclosure of information on exploration and production, allowing stakeholders to understand the potential of the industry. The EITI requirements relating to transparency in exploration and production activities include: 3.1) information on exploration activities; (3.2) production data; and (3.3) export data.

3. Revenue collection

Requirement 4.1 - Comprehensive disclosure of taxes and revenues;

Requirement 4.2 - Sale of the State's production portion or other revenues collected in cash;

Requirement 4.3- Infrastructure provisions and exchange operations;

Requirement 4.4- Transportation revenues;

Requirement 4.5 - Transactions related to State enterprises;

Requirement 4.6 - Subnational payments;

Requirement 4.7- Disaggregation level;

Requirement 4.8- Timeliness of data;

Requirement 4.9 - Data quality and assurance.

Overview An understanding about corporate payments and government revenue can instigate the public debate on the governance of the extractive industry. The EITI requires a comprehensive reconciliation of business payments and government revenues from the extractive industries. EITI requirements related to revenue collection include: (4.1) comprehensive disclosure of taxes and revenues; (4.2) sale of the State production share or other revenues collected in cash; (4.3) infrastructure provisions and exchange operations; (4.4) transportation revenues; (4.5) transactions related to State enterprises; (4.6) subnational payments; (4.7) level of disaggregation; (4.8) timeliness of data; and (4.9) data quality.

4. Allocation of revenues

Requirement 5.1 - Revenues distribution from the extractive industries;

Requirement 5.2 - Subnational transfers;

Requirement 5.3- Revenues and expenses management.⁴

⁴ The scoping analysis report excluded requirement 5.3 from the 7th Report scope of work. However, the Independent Administrator included requirement 5.3.a) in the 7th Report.

Overview The EITI requires the disclosure of information related to revenue allocations, enabling stakeholders to understand how revenues are recorded in the National Budget and, when applicable, in subnational budgets, as well as to monitor corporate expenditures. EITI requirements related to revenue allocations include: (5.1) Revenues distribution; (5.2) subnational transfers; and (5.3) revenue and expenditure management.

5. Social and economic expenses

Requirement 6.1- Social expenses by companies;

Requirement 6.2 – Quasi-fiscal expenditures by State enterprises;

Requirement 6.3 - Contribution of the extractive industries to the economy.

Overview EITI encourages the disclosure of information related to revenue and expenditure management, helping stakeholders to assess whether the extractive sector is bringing to desirable social and economic impacts and outcomes. EITI requirements related to social and economic expenses include: (6.1) social expenditure by companies; (6.2) budget expenditures by State enterprises; and (6.3) an overview of the contribution of extractive industries to the economy.

1.3 Methodology

The methodology of the 7th EITI Report followed what was established in the Terms of Reference of the project, which consisted on the following phases of work:

1. Scope of work analysis, including submission of the scoping analysis report⁵.
2. Preliminary analysis including inception report ⁶.
3. Data collection using forms and interviews.
4. Initial reconciliation, including the initial reconciliation report presented at the first meeting of the EITI Multi-Stakeholder Group (MSG)⁷
5. Investigation of inconsistencies, including submission of draft final report.
6. Final report

Following the introduction and framing of the extractive industry in Mozambique, the final report follows the structure and sequence of the five dimensions of the EITI 2016 Standard with the

⁵ Approved by the EITI National Secretariat.

⁶ Approved by the EITI National Secretariat.

⁷ The first meeting of the MSG with the Independent Administrator took place on 30 November 2017

exception of dimension 1 (Effective Supervision by the MSG) which has been defined as being out of scope within the scoping analysis report.

However, for the purposes of its disclosure to the public, the Independent Administrator recommends that the structure be reversed thus beginning with more general or macro-level requirements (such as the contribution of the extractive industry to the economy and the legal and regulatory framework), ending with more specific requirements (such as the social expenditure of enterprises).

Due to the fact that the MSG was not convened at the beginning of the report preparation process (the first meeting was held in November), the Independent Administrator interacted with staff from the acting secretariat of the local EITI regarding the tasks assigned to the MSG by the Terms of Reference and the EITI Standard 2016, which include:

- 1) Use of innovative approaches to enlarge EITI implementation, increase the scope of the EITI Report and public understanding of revenue as well as the encouragement (by MSG / CC) of high standards of transparency and accountability in public life, Government and private sector operations⁸.
- 2) The definition of potential conflicts of interest ⁹.
- 3) The approval of forms (drafts) that companies and entities of the state must complete to report the revenues and payments.
- 4) The definition of materiality levels for each requirement of the standard.
- 5) MSG decisions on which private companies, state and government entities should provide the information ¹⁰.
- 6) The decisions of the MSG on any barriers that may exist to a full accountability of the total revenue received by the State from each of the agreed sources for the scope of the report, including those affecting revenues below the materiality levels decided by MSG¹¹.
- 7) Potentially necessary additional information on revenue and expenditure management (Requirement 5.3) ¹².
- 8) Any required information on beneficial ownership (Requirement 2.5).
- 9) Delivery of contact information of the companies and State entities that are required to provide the information required by the EITI 2016 Standard¹³.
- 10) The support of the MSG to the Independent Administrator to ensure full participation of all companies and entities of the State ¹⁴.
- 11) The MSG should ensure that the reporting process comprehensively addresses the role of the State, including material payments made by petroleum, gas and mining companies and transfers between the State and other government agencies¹⁵.

⁸ Page 55 of the Tender Documents for the preparation of the 7th Report launched by MIREME

⁹ Page 56 of the Tender Documents for the preparation of the 7th Report launched by MIREME

¹⁰ Page 61 of the Tender Documents for the preparation of the 7th Report launched by MIREME

¹¹ Page 61 of the Tender Documents for the preparation of the 7th Report launched by MIREME

¹² Page 64 of the Tender Documents for the preparation of the 7th Report launched by MIREME

¹³ Page 64 of the Tender Documents for the preparation of the 7^t Report launched by MIREME

¹⁴ Page 64 of the Tender Documents for the preparation of the 7th Report launched by MIREME

¹⁵EITI 2016 standard in Portuguese, page 29.

- 12) Requirement 2.5 of the EITI 2016 standard (Beneficial ownership) requires the report to document the MSG discussion about the approach regarding beneficial ownership. Including information on relevant legal provisions, current disclosure practices and any reforms that are planned or in progress in relation to disclosure of beneficiary property.
- 13) The MSG is encouraged to discuss and document its definition of state-owned enterprises taking into account national laws and governmental structures ¹⁶.
- 14) The MSG should define a process to achieve a level of transparency in the budgetary payments of state enterprises, their subsidiaries and consortia (Joint Ventures), in line with what already exists in relation to other payments such as taxation ¹⁷.

¹⁶EITI 2016 standard in Portuguese, page 25.

¹⁷EITI 2016 standard in Portuguese, page 33.

2. Contextualization

Profile of Mozambique

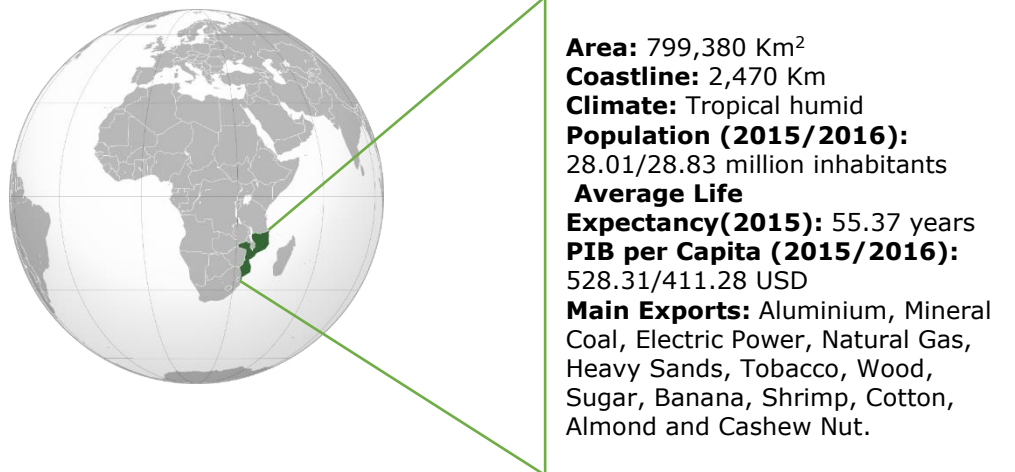


Figure 2: Profile of Mozambique (Source: World Bank and INE)

Mozambique borders with Tanzania, Malawi, Zambia, Zimbabwe, South Africa and Swaziland, with a majority of the population living in rural areas and only 31.9% living in urban areas. It is endowed with agricultural land, water, energy, as well as recently discovered extractive resources such as natural gas, three deep-water ports, and a relatively large pool of labour resources. It is one of the most economically dynamic countries in sub-Saharan Africa. This factor combined with the country's potential for exploration of coal, heavy sands, hydrocarbons and precious stones are the biggest attraction factor of Foreign Direct Investment (IDE) into the country.

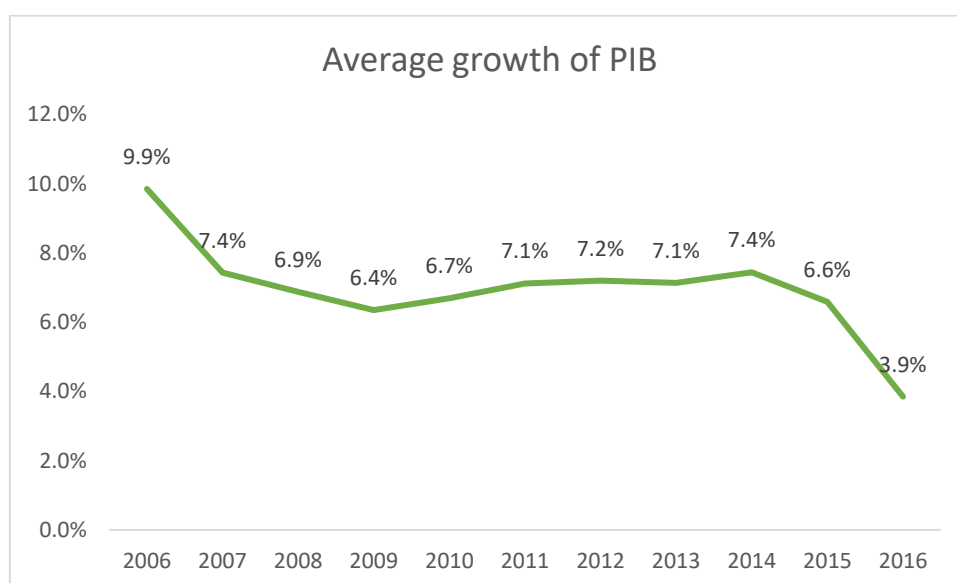
According to estimates by the International Monetary Fund (FMI), Mozambique's gross domestic product (PIB) grew by an average of 7.27% per year between 2006 and 2015, which attracted the interest of foreign investors, but the years 2015/16 were marked by a set of negative shocks that decelerated economic activities in the country, including: (i) political instability in the country, with a negative impact on the movement of people and goods; (ii) falls in international prices of raw materials; (iii) the suspension of external support to the State Budget, and (iv) the period of drought that affected agricultural production. The impact of these shocks was evident in the reduction of the average PIB growth from 7.4% in 2014 to 3.8% in 2016.¹⁸ This deceleration of the economy, combined with the depreciation of the national currency (Metical) and population growth, resulted

¹⁸Markets and Strategies, 2017 & Bank of Mozambique, 2016.

in a drop in per capita income of the country from \$691 in 2014 to \$411 in 2016¹⁹. Debts contracted by the Government without approval of the Parliament reached USD 2.228 billion (equivalent to 17% of PIB in 2015). As a result of this secret sovereign debt issuance, the FMI cancelled its Standby Credit Facility support program and donors froze their support to the State Budget (which represented 2 percent of PIB). The strong depreciation of the Metical (150%) was caused by the lack of macroeconomic transparency that also resulted in an increase in the funding costs to the banking sector²⁰.

On the other hand, the FMI estimates that in early 2020s, PIB will grow, on average, around 15% per year due to the natural gas sector, which is expected to represent about half of the national economy.

The graph below shows the behaviour of average PIB growth from 2006 to 2016:



Graph 1: Average PIB growth (Source: World Bank)

The Mozambican State considers a mineral resource any solid, liquid or gaseous substance formed in the Earth's crust by geological phenomena or linked to it²¹. Among the existing mineral resources in Mozambique they include gold, copper, iron and bauxite, which occur more frequently in Manica, which is in western Mozambique; Natural gas found in the reserves of the Rovuma basin in the northern region of the country, in Cabo Delgado province, in the reserves of Pande and Temane fields, in the southern region of the country in Inhambane province and in the reserve of the Buzi field located in the center of the country in Sofala province; The mineral coal found in the centre of the country in Tete province in the districts of Moatize, Benga, Revuboé and Ncondezi; Heavy sands

¹⁹ Page 98, Standard Bank Group, African Markets Revealed, September 2017.

²⁰ Page 3, African Economic Outlook – Mozambique, 2007

²¹ MIREME, www.mireme.gov.mz

found mostly in the Moma reserves in the northern region of the country in Nampula province. The distribution of mineral resources across the national territory can be seen in the figure below:

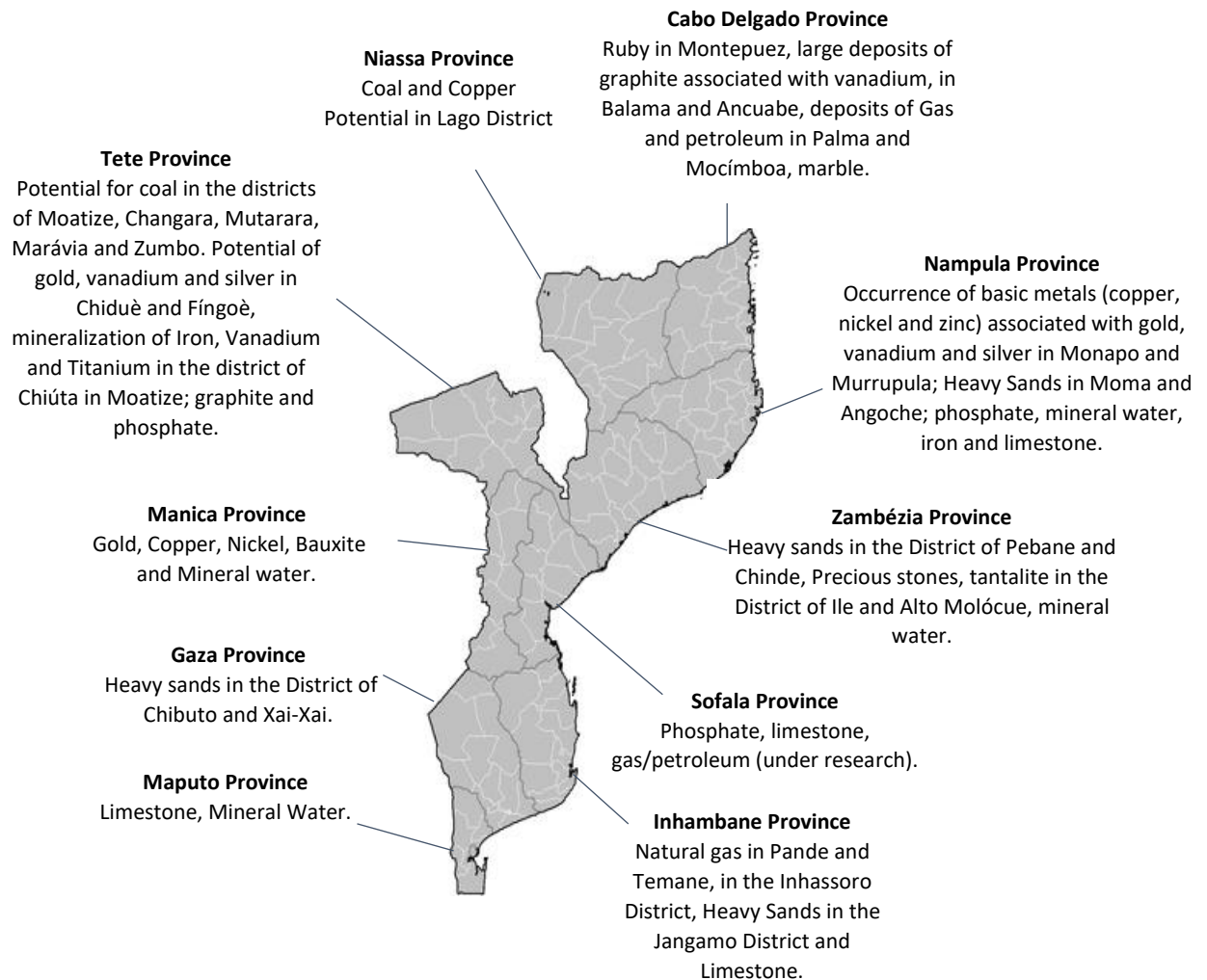


Figure 3: Mineral resources distribution (Source: MIREME)

The extractive sector in Mozambique is organized in (i) industrial production, dominated by large multinational corporations and (ii) handicraft production by individual and associated prospectors. From the multinationals operating in the extractive industry in Mozambique, the following are involved in the mega-projects²²:

Natural gas fields:

- **Anadarko Mozambique Area 1 Limited**, is a subsidiary company of Anadarko Petroleum Corporation based in Texas in the United States of America. It is conducting research and

²² These are investment and production projects with an investment of more than 500 million dollars and with a significant impact on production and trade.

exploration of natural gas, with its first discovery in 2010 in the Offshore Area 1 of the Rovuma Basin, Afunji Peninsula in the district of Palma in Cabo Delgado.

- **Eni East Africa spa** is a subsidiary of Ente Nazionale Idrocarburi (Eni), with its headquarters in Italy. ENI operates in the areas of research and production of petroleum and gas, refinery, trading of energy resources, engineering and construction, as well as in the chemical industry. In Mozambique, it began operations in 2006 in Area 4 (off-shore) in the Rovuma basin (Cabo Delgado).
- **Sasol Petroleum Temane Lda** is a subsidiary company of Sasol Petroleum International of South Africa. It began operations in 2002 in Mozambique, and the portfolio of its activities includes the exploration, development of gas fields in Pande and Temane in Inhambane Province (on-shore), alongside the installation of a Central Processing Facility in Temane.

Mining fields:

- **Kenmare Moma Mining (Mauritius) Limited** is a subsidiary of Kenmare Resources plc, a mining company located in Dublin, Republic of Ireland. Kenmare entered Mozambique in 1986. It began exploration activities in 1987. From 1994 to 1999 it operated the Graphite Mine of Ancuabe and in 2002 signed a contract with the Government of Mozambique for the exploration of heavy sands of Moma, Congolone and Quinga in Nampula Operations began in 2007, but commercial production only began in 2009.
- **Vale Moçambique** is a Brazilian mining company, a subsidiary of Vale Internacional entered Mozambique in 2004 to operate in the Moatize mines in Tete province and started operations in August 2011.
- **Montepuez Ruby Mining** is a mining company with 75% of shares owned by Gemfields plc, a UK-based company specialized in mining, processing and sale of coloured gemstones, mainly rubies and emeralds, it has been in Mozambique since June 2011. The mine is located in the Cabo Delgado Province.

2.1 Description of the Extractive Industry in Mozambique

2.1.1 Historical background

Hydrocarbons research in Mozambique dates back to the early 1900s with the discovery of very thick sedimentary basins on the mainland of Mozambique. From 1948 several foreign companies began hydrocarbon research work focusing more on the "onshore" areas. As a result of this research, Pande Gas field was discovered in 1961, and followed the findings of Buzi (1962) and the Field Discovery of Temane (1967). Due to the political instability that the country suffered after its independence, a reduction of research activities was observed until the beginning of the 90's.

Mining in Mozambique dates back to the pre-colonial period, where the country was a territory reserved for the exploration of natural resources. At the beginning of the second millennium, several Industrial Free Zones and Special Economic Zones were created in the country, with emphasis on the Moma Industrial Free Zone, where the Kenmare Moma Heavy Sands Project is being operated; and the Moatize Industrial Free Zone, where the Mega-projects for coal mining were installed (Vale do Rio Doce Company designated by Vale Moçambique and Riversdale Mining, called Riversdale Moçambique). These Mega-projects have significant impacts on the Mozambican economy, environment, culture and social field.

2.1.2 Discoveries

The growing demand for minerals and hydrocarbons in Mozambique has resulted in several findings, which will be presented below:

a) Hydrocarbons area

A total of 14 drills were opened and allocated between Anadarko Mozambique Area 1 Limited in 2015 and Sasol Petroleum Temane in 2016, according to data provided by INP:

Year	Operator	Concession	Drill	Objective	Result	Total
2015	Anadarko Mozambique Area 1	Rovuma Offshore Area 1	Golfinho Atum G_A_OL	Evaluation	Gas	1
			Golfinho Atum G_B_OL	Evaluation	Gas	1
			Golfinho Atum G_C_OL	Evaluation	Gas	1
			Golfinho Atum G_D_OL	Evaluation	Gas	1
			Golfinho Atum G_E_OL	Evaluation	Gas	1
			Golfinho Atum G_F	Evaluation	Gas	1
		Rovuma Offshore Area 1	Kifaru-1	Research	Dry	1
Sub Total 2015						7

Year	Operator	Concession	Drill	Objective	Result	Total
2016	Sasol Petroleum Temane	Pande/Temane (PSA)	Inhassoro-15	Development	Light petroleum	1
			Temane-26	Development	Gas	1
			Temane-26z	Development	Gas	1
			Temane-27	Development	Light petroleum/gas	1
			Temane-27z	Development	Gas	1
			Inhassoro-16	Development	Light petroleum	1
			Inhassoro-15z	Development	Light petroleum	1
Sub Total 2016						7
Total 2015-2016						14

Table 1: Discoveries in the area of hydrocarbons

The hole drilled by Sasol Petroleum Temane, namely Temane-27 resulted in light petroleum and gas. There were also discovered other regions for prospecting, namely:

- Temane West G6A;
- Temane West G11;
- Temane West G11A;
- Temane West G12.

According to data provided by INP, a total of 193.3 trillion cubic feet (TFC) of natural gas reserves were discovered by 2016, allocated as follows:

- Pande Gas Field in Inhambane by the Gulf company in 1961 with 3.4 TCF and currently under production led by Sasol Petroleum Temane.
- Pande Gas Field in Inhambane by the Gulf company in 1967 with 2.1 TCF and currently under production led by Sasol Petroleum Temane.
- The first discovery of light oil in the Inhassoro gas field in Inhambane Province was in 2003
- Rovuma basin in the Area 1 gas field, with 100 TFC by the concessionaire led by Anadarko Mozambique Area 1, Lda with 26.5%, Mitsui E & P Mozambique Area-1 Limited, 16% for ONGC Videsh, 15% for ENH, 10% for BPRL Ventures Mozambique BV, 8.5% for PTT and 4% for Oil India.
- Rovuma Basin in the Area 4 gas field, with 85 TFC. In 2016, the holdings were structured with 50% owned by the ENI operator, 20% by the Chinese National Petroleum Corporation (CNPC) while Galp, ENH and Kogas hold 10% each.
- Inhassoro gas field, where light petroleum was also discovered (in 2017), in Inhambane province, by Sasol Petroleum Temane.

A summary of the active concessions up to 2016 is summarised in the table below, including their shareholding structure.

Operators	Area	Type of contract ²³	Effective from:	Concessionaires (Shareholding)	Phase
Sasol Pande Temane Limitada	Jazigo de Pande e Temane	PPA	26/10/2000	SPT (70%)	Production
				CMH (25%)	
				IFC (5%)	
Sasol Petroleum Mozambique, Limitada	Blocos de Pande e Temane	PSA	01/08/2002	SPM (100%)	Pre-Development
Sasol Petroleum Sofala, Limitada	Blocos 16 e 19	EPCC	01/07/2005	SPS (50%)	Exploration
				ENH (15%)	
				PCMRB (35%)	
ENI East Africa	Área 4 da Bacia do Rovuma	EPCC	01/02/2007	EEA (42.5%)	Pre-Development
				CNPC (28.5%)	
				ENH (10%)	
				Galp (10%)	
				KOGAS (10%)	
Anadarko Moçambique Área 1, Limitada	Área 1 da Bacia do Rovuma	EPCC	01/02/2007	AMA 1 (26.5%)	Pre-Development
				BPRL (10%)	
				Mitsui (20%)	
				ENH (15%)	
				PTT (8.5%)	
				Oil India (10%)	
				ONGC Videsh (10%)	
Wentworth Petroleos Moçambique, Limitada	Área Onshore da Bacia do Rovuma	EPCC	01/09/2007	Wentworth (61%)	Exploration
				Maurel & Prom (24%)	
				Prom (24%)	
				ENH (15%)	
				PTT (10%)	
Sasol Petroleum Sengala, Limitada	Bloco de Sofala	EPCC	01/02/2007	SPS (85%)	Exploration
				ENH (15%)	
BUZI Hydrocarbons	Bloco de Buzi	EPCC	01/04/2009	BH (75%)	Exploration
				ENH (25%)	
Total	Área Offshore 3 e 6 da Bacia do Rovuma	EPCC	01/04/2009	TOTAL (90%)	Exploration
				ENH (10%)	
Sasol Petroleum Mozambique Exploration Limited	Área A Onshore	EPCC	01/06/2011	Sasol (90%)	Exploration
				ENH (10%)	

Table 2: Active concessions in the area of hydrocarbons

²³Type of Contract Explanation:
EPCC – Exploration and Production Concession Contract
PSA – Production Sharing Agreement
PPA – Petroleum Sharing Agreement

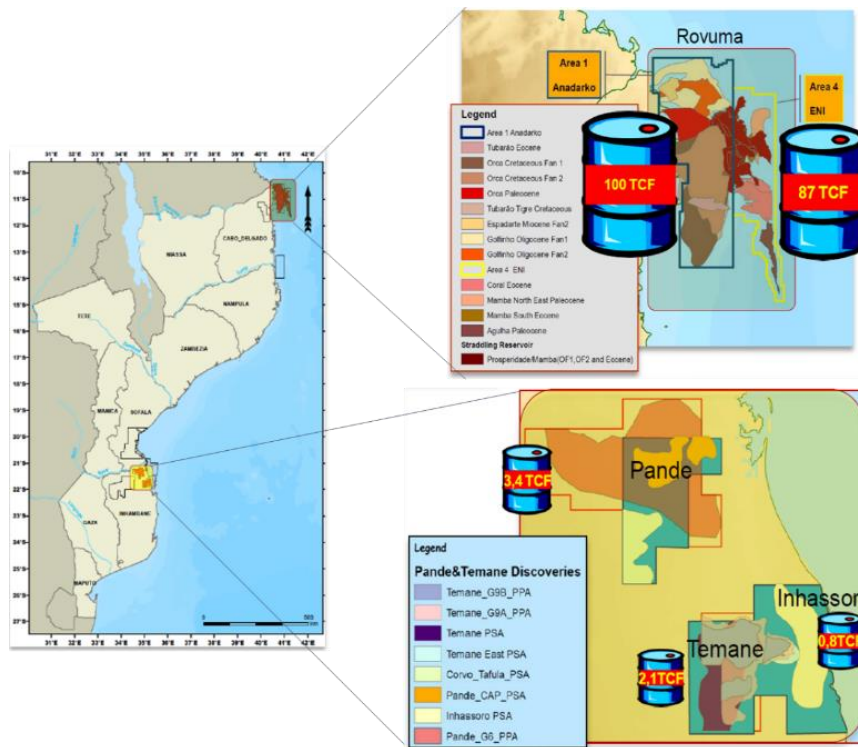


Figure 4: Pande and Temane reserves and Rovuma Basin (Source: INP)

b) Mining sector

Between 2002 and 2007 an extensive geological mapping work was carried out in all Mozambican territory, which was financed by several national and foreign institutions. Due to this investment, several mineral occurrences were discovered and the evaluation of those already known improved significantly. It allowed the identification of reserves of coal, heavy sands, metals such as iron, vanadium, titanium, tantalite, tourmalines, bentonite, pegmatite, marbles, bauxite, graphite, diamonds, gold, precious stones, limestone, phosphates and other minerals.

The figure below shows the occurrence of minerals in Mozambique.

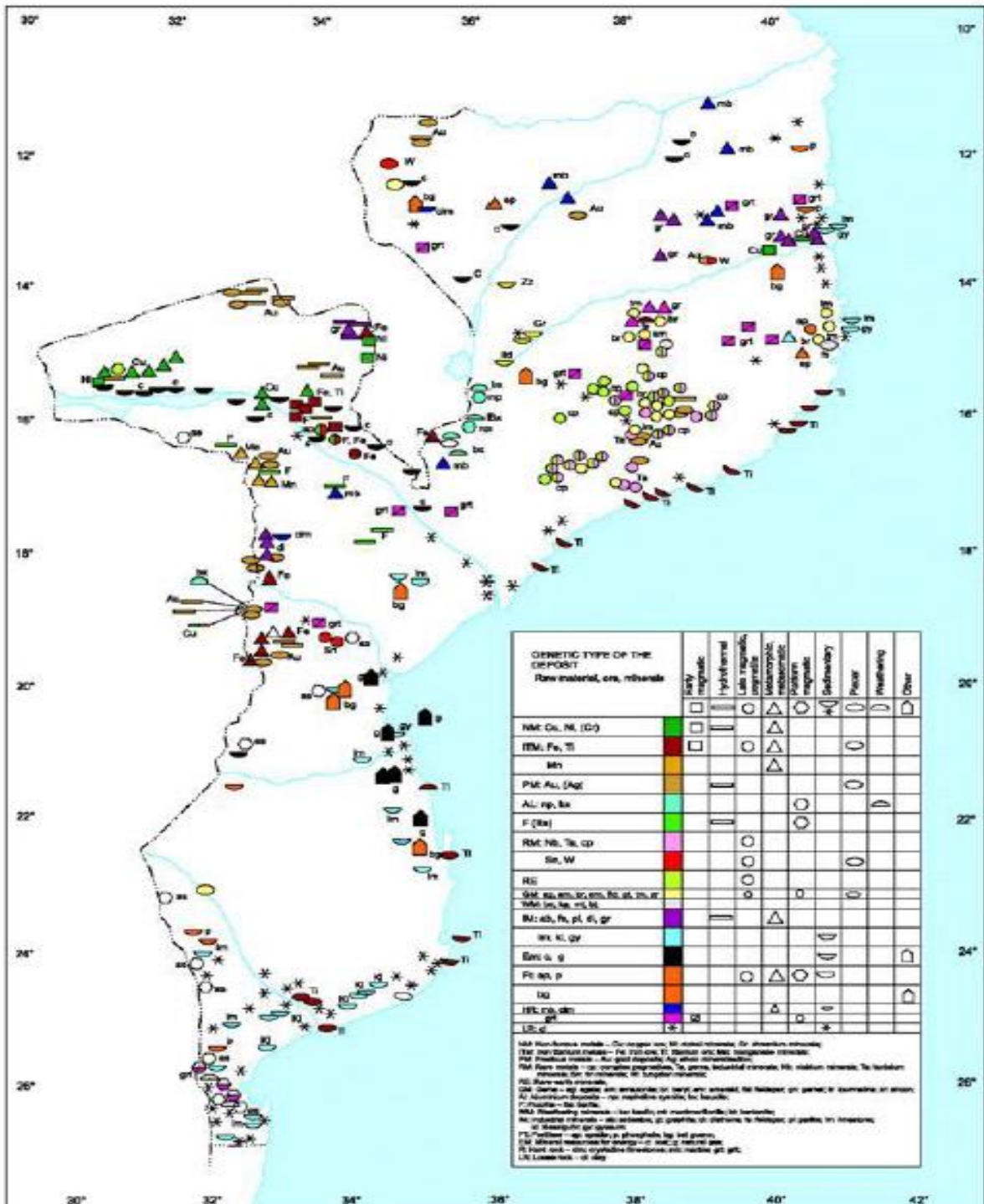


Figure 5: Occurrence of minerals in Mozambique (Source: MIREME)

The mining sector has attracted substantial investors from national and international entities and MIREME had allocated a total of 525 mining licenses in the period under review. A description of the different license types is provided in the table below .

Type of Licenses	Licenses assigned	
	2015	2016
Prospecting and research licenses	58	139
Mining Concession	6	26
Mining Certificate	165	131
Total	229	296

Table 3: Summary of licenses assigned by MIREME

Several recent findings have been made by MIREME, such as the occurrence of diamonds in Gaza in southern Mozambique, in the districts of Massangena, Chicualacuala and Mapai, where twenty companies were licensed for the prospecting activity in 2016²⁴.

2.1.3 Value chain

The value chain can be defined as a set of actions or phases that a product is submitted in order to add value, i.e., the process from the raw material to the distribution and sale to customers.

In the extractive industry, the stages through which the product is submitted before reaching the final customer can be divided into three "Upstream", "Midstream" and "Downstream".

Phase of Value Chain	Hydrocarbons Sector	Mining Sector
<i>Upstream</i>	Related to the exploration and production of oil and gas. It may include the liquefaction process, where the gas is cooled to low temperatures which allows it to condense in order to facilitate its transport.	Related with the exploration and production of minerals Can include the extraction and processing of minerals.
<i>Midstream</i>	Related to the storage and transport of gas or crude oil that can be performed from the exploration area to the refining. At this stage it is possible to use medium or high pressure pipelines, pipelines, tankers, and a combination of two or more means of transport to the refineries.	Related with the transport of minerals before the process of refinement. The transport may occur from the extraction zone to processing centres. In this phase it is possible to use road, rail or maritime transport, or even a combination of different transport mechanisms to arrive at the processing centres

²⁴ News, www.mireme.gov.mz

Phase of Value Chain	Hydrocarbons Sector	Mining Sector
<i>Downstream</i>	Related to low pressure distribution, marketing and delivery to final consumers, whether in bulk or retail, of petroleum products. For crude oil (crude) refers to the distribution and sale of refined products..	Related with the distribution of minerals after processing takes place. Also includes commercialising and delivery of products to the final consumers, wholesale or retail.

Table 4: Generic description of extractive industry value chain

2.1.3.1 Natural gas value chain

The Pande-Temane fields in Inhambane are the only ones that are producing gas in Mozambique. The main parties involved in each of the phases of the value chain (upstream, midstream and downstream) are described below.

- **Upstream**

The Petroleum Production Agreement (CPP) in the Pande-Temane fields was signed on October 26, 2000, in which the Mozambican Government and the National Hydrocarbons Company (ENH) awarded Sasol Petroleum Temane (SPT) and National Company of Hydrocarbons (CMH) the right to conduct oil operations in the Pande and Temane gas fields, where SPT was appointed as the project operator.

In 2002, SPT and CMH signed the Joint Operating Agreement (JOA), which establishes the rights and obligations of each of the parties to the consortium. In this agreement, CMH had a 30% interest in the Pande and Temane gas fields and option of interest in participating in the Gas Processing Center located in Temane.

In 2003, CMH and the World Bank's International Finance Corporation (IFC) entered into a Farm-out Agreement²⁵ under which CMH transferred 5% of its holdings in the Pande and Temane Natural Gas Project, to the FMI, with effect from 1 April 2006. From this date, the interests in the Pande and Temane gas projects were distributed in 70% to SPT, 25% to HCM and 5% to IFC.

In June 2008, CMH became the vehicle through which Mozambicans could participate in the Pande and Temane natural gas project. It opened its share capital to Mozambican natural and legal persons through the sale of 10% of the share capital originally held by ENH. Hence, more than 1,300 Mozambican shareholders²⁶ were incorporated for CMH and in 2009 these shares were listed on the Mozambican Stock Exchange (BVM).

- **Midstream**

²⁵ "Farm out" is an agreement entered into by the owner of one or more mineral concessions, called "farmer", and another company that wishes to obtain a percentage of ownership of that lease or lease in exchange for services, called "farmee"

²⁶ CMH, Insitucional Brochure 2016

In May 2002, there was an expansion project of the existing capacity of the CPF from 120 MGJ to 183 MGj in Temane. In February 2004, the "Joint Venture" *Republic of Mozambique Pipeline Company (ROMPCO)* was created with three shareholders namely *South African Gas Development Company Limited (iGas)*, *Companhia Moçambicana de Gasoduto, S.A. (CMG)* and *Sasol Gas Holding Pty Ltd*, which also acted as the commercial operator of the 865 km high pressure gas pipeline that transports the gas produced in Pande and Temane fields to Secunda for Sasol operations in South Africa.²⁷

- **Downstream**

In 2004, Matola Gas Company, SA (MGC) was founded with ENH, private Mozambican investors and the South African company GIGAJOULE International as shareholders. MGC is dedicated to the transportation, distribution and trading of natural gas produced in Mozambique, which is used as an energy source for the operation of several industrial units such as Mozal's aluminium plant, Cimentos de Moçambique cement plant and 18 other companies located in Machava and Matola (Maputo province).

MGC operates a natural gas transportation and distribution pipeline of approximately 100 km with a capacity of about 8 million gigajoules of natural gas per year, through a concession agreement with the Government of the Republic of Mozambique for distribution to Maputo province.

The MGC gas pipeline starts in Ressano Garcia where it joins the main pipeline from Pande and Temane exploration fields to South Africa. The compression station is 75 km from Matola, where the pressure is reduced to 10 bar.

On January 4, 2011 ENH-Kogas was formed²⁸, a company incorporated with 30% by ENH and 70% by the Korean gas company Kogas. ENH-Kogas is responsible for the gas distribution project in Maputo City and Marracuene district, which ended in June 2015. It aimed to build a gas distribution network with an extension of 62 kilometres, in an investment of USD 38.2 million where more than 1400 connections for industrial, commercial and domestic customers were planned.

The figure below shows the main players in the gas value chain produced in Pande and Temane gas fields:

²⁷ ROMPCO Official website, 2017

²⁸ Boletim da Republica Serie III, Number 94

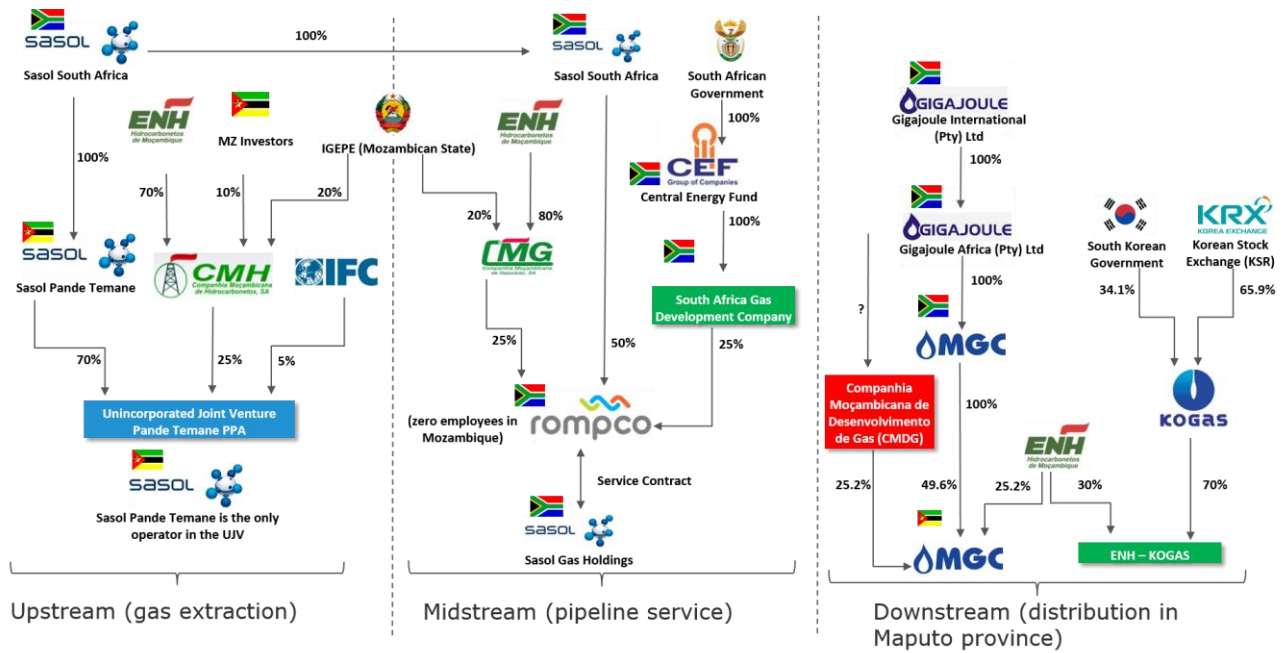
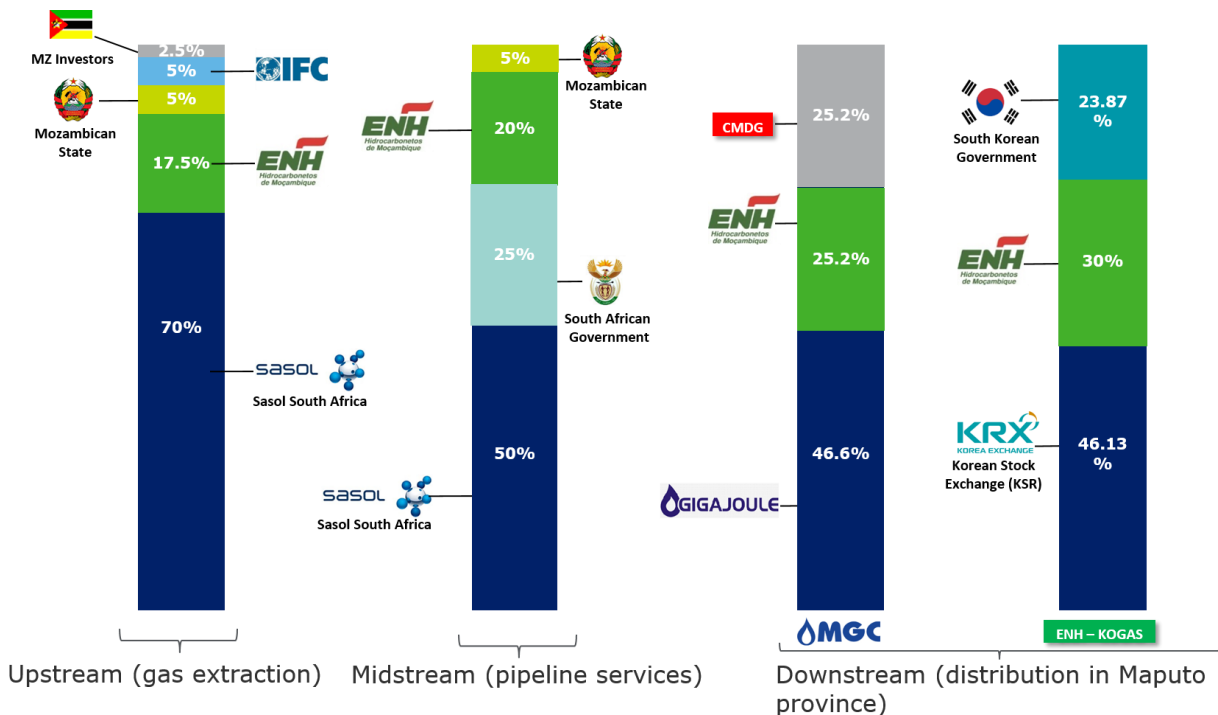


Figure 6: Unconsolidated Gas Value Chain (Source: Deloitte)

Sasol is the main beneficiary of upstream and midstream gas operations and a key downstream element in Mozambique, as can be seen in the chart below the main beneficiaries of the gas value chain produced in Pande and Temane.



Graph 2: Consolidated Gas Value Chain (Source: Deloitte)

2.1.3.2 Value chain from the mineral coal extracted by Vale Mozambique

In order to analyse the mineral coal value chain, the largest coal exploration project in Mozambique was chosen, which is the project to exploit the Moatize coal deposits with an investment of 1.535 billion US dollars²⁹, performed by Vale Mozambique.

In 2004, Vale won the international tender launched by the Government and won the concession on the Moatize mines. In June 2007, the Government of Mozambique signed an agreement with Vale for coal mining in Moatize.

Vale Moçambique is 95% owned by Vale International S.A., with its headquarters in Saint-Prex, Switzerland, a subsidiary of Vale S.A and 5% by the Mozambican Holding Company Mineira S.A (EMEM).³⁰

With the objective of making the coal flow more flexible through the Nacala deep water port, the North Development Corridor (CDN) was created, a corporation incorporated and registered in Mozambique, whose objective is the management, rehabilitation and commercial exploration of the infrastructure of Nacala Port and the rail network of northern Mozambique. It is part of Nacala Corridor Project, which covers the northern region of Mozambique, Malawi and Zambia. It connects the Nacala Port to the northern rail system that connects Malawi, creating an efficient and cost effective service, in order to integrate synergies between inter-modal transport systems, without neglecting the environmental aspects, which are fundamental for sustainable development.³¹

The figure below shows the main players in the Moatize coal value chain operated by Vale Moçambique, both in extraction and transportation services in the years covered by the report.

²⁹ Castel-Branco, C. N e Cavadias, E. (2009), O papel dos mega projectos na estabilidade da carteira fiscal em Moçambique, apresentação feita ao II Seminário Nacional sobre Execução da Política Fiscal e Aduaneira promovido pela Autoridade Tributária. Maputo

³⁰ Bloomberg website,

<https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapid=51703359>

³¹ CDN website, <http://cdn.co.mz/sobre-a-cdn-2/>

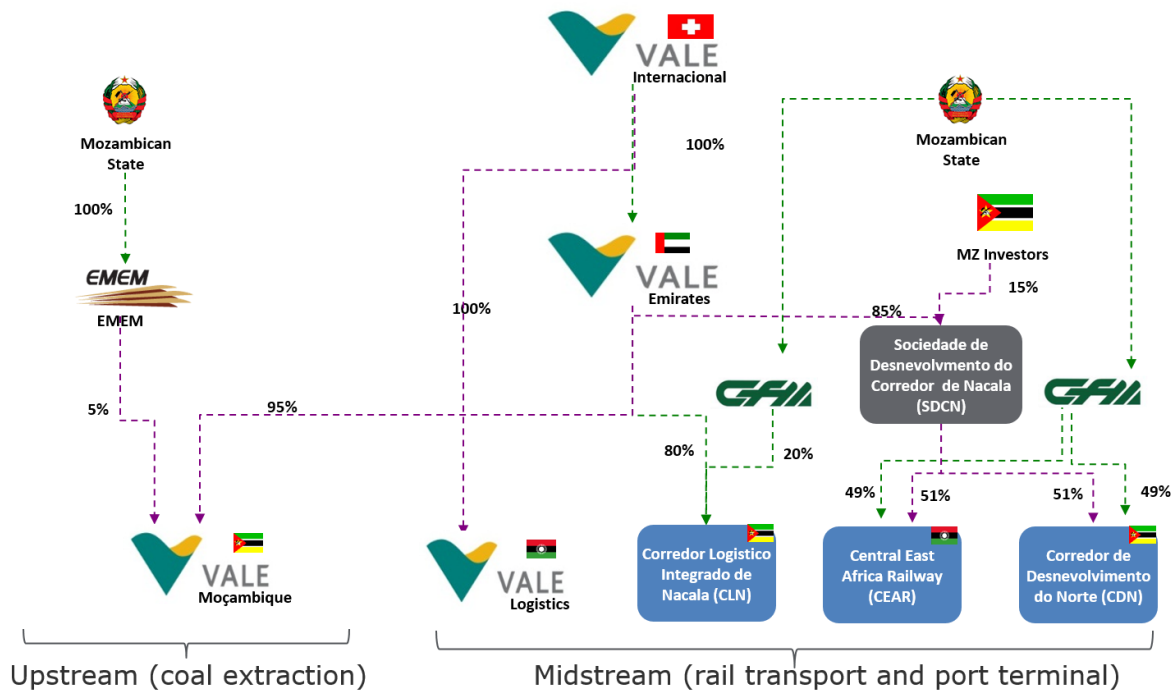


Figure 7: Unconsolidated Coal Value Chain (2015-2016) (Source: Deloitte)

During 2015 and 2016, the state transport company (CFM) was involved in the coal value chain as a shareholder in the 3 key operators, namely CLN, CEAR and CDN. On June 7, 2016, the Government of Mozambique approved the resolution authorizing the sale of all shares in the concessions of CLN, CEAR and CDN³². Hence, in 2017 CFM sold its stake in the concessions to Vale, altering the shareholding structure of the value chain to:

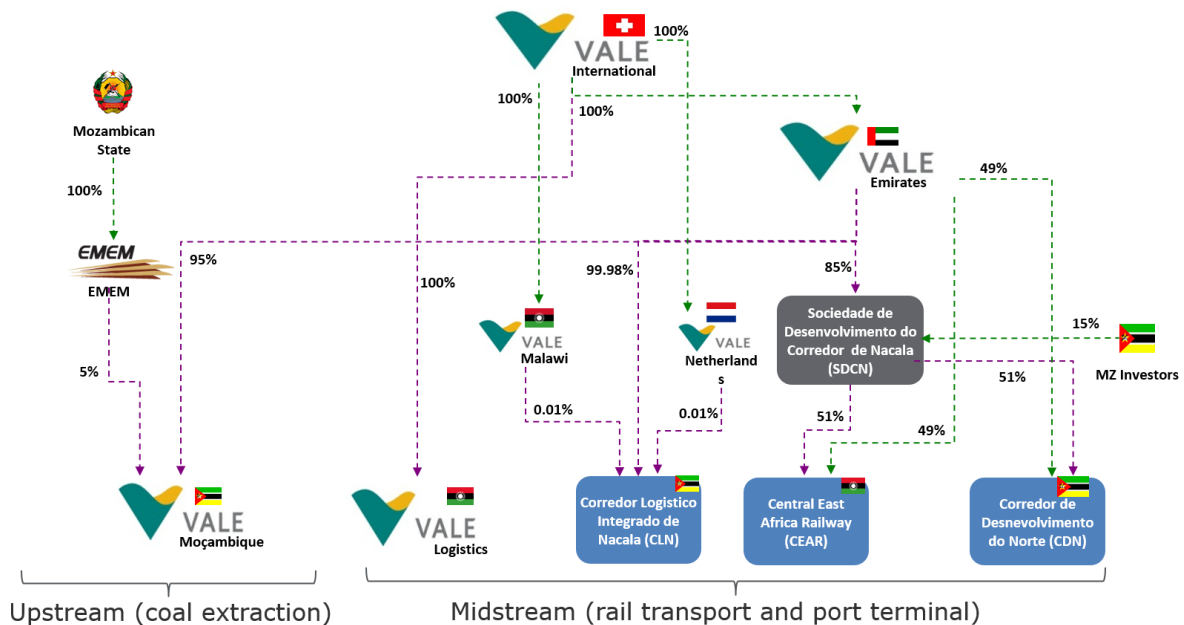
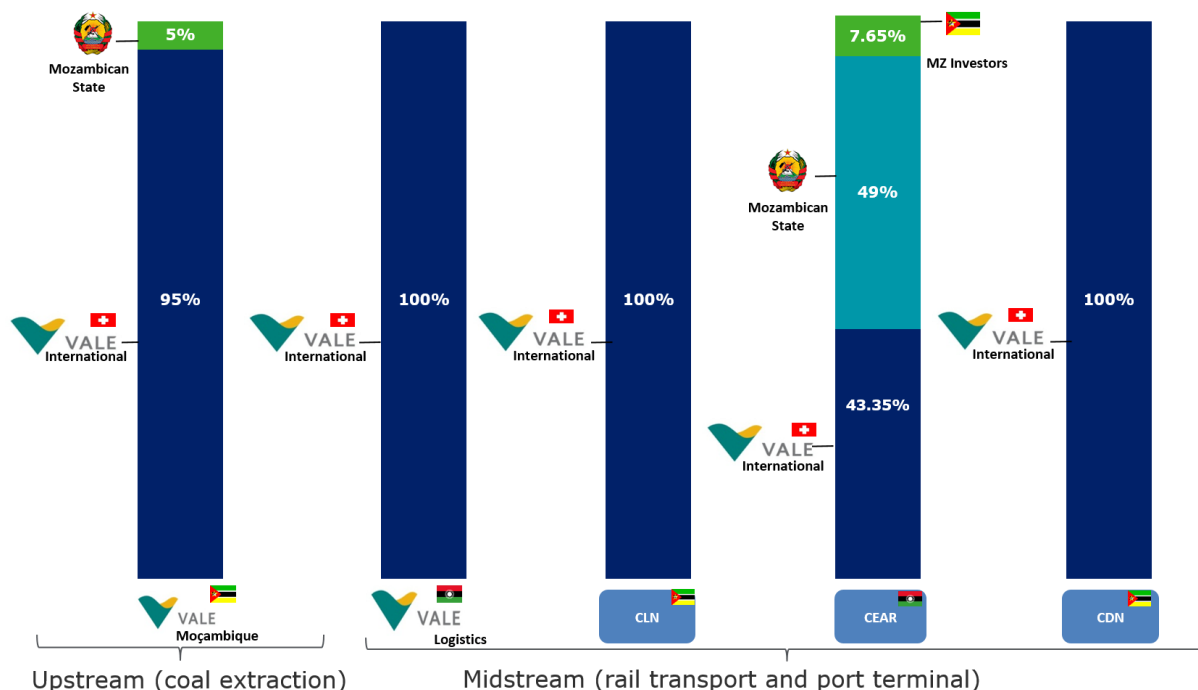


Figure 8: Unconsolidated Coal Value Chain 2017 (Source: Deloitte)

³² Secretariat of Minister's Council, 19th Session

The chart below illustrates the main beneficiaries of the coal value chain extracted by Vale Mozambique for the year 2017.



Graph 3: Consolidated Coal Value Chain 2017 (Source: Deloitte)

2.1.3.3 Gas-to-power value chain

- Kuaninga – EDM

Mozambique Electricity Company (EDM) is a state-owned company created on August 27, 1977. It is currently the only electricity company in the country, acting in both the production and transportation and distribution of electricity.

As part of Pande-Temane's natural gas exploration, the government allocated to EDM a 3 million Gigajoules per year royalty share for the production of electricity³³.

On November 12, 2013 Kuaninga Energia SA was created as a public limited company³⁴, with Meridional Lda, SPI Ltd, Luminoc Lda, Executive Option Lda, all of domestic capital, which built a natural gas power plant in the district of Chókwè, Gaza province, southern region of Mozambique. The *Kuaniga Natural Gas Thermoelectric Plant*, consists of 10 JMS 724 gas powered engines with a production capacity of 4 MW each, totalling 40 MW. Its construction lasted 15 months, was built by the South African company Group Five, incurred an investment of approximately 111 million US dollars and opened on June 15, 2017. ³⁵

For EDM, it was necessary to build the gas infrastructure consisting of a gas pressure station and metering. For this purpose ADC Projects (South Africa) were selected to provide consultancy services

³³ EDM, Official Website, News

³⁴ Boletim da Republica, number 46, serie III, supplement I.

³⁵ EDM, Official Website, News

for the project, while Cross EPC (South Africa) Pietro Fiorentini (Italy) to carry out the construction, testing and commissioning of the reduction station of gas pressure. The total amount of the investment for the Gas Pressure Reduction Station was approximately US \$ 5.44 million entirely funded by EDM.

Based on the in-kind royalty gas allocated by the government to EDM, it was possible to sign the "*Tolling Agreement*"³⁶ with Kuvananga valid for 16 years, in which EDM supplies the natural gas to the plant. This is then processed into electricity and sold to EDM.

- Ressano Garcia Natural Gas Thermolectric Plant – CTRG

The CTRG construction project, which was launched on August 28, 2014 in Moamba district in the south of Maputo province, was the result of a partnership between EDM and the South African SASOL where EDM is majority shareholder with 51% and SASOL with 49%. The investment cost approximately 250 million US dollars. The production capacity is 175 MW of energy from natural gas.

Natural gas (commercial gas) will be supplied from the Sasol processing center in Temane.

- Gigawatt Moçambique

On 23 December 2010, the Council of Ministers, on behalf of the Government of Mozambique, granted a 25-year concession to Gigawatt Mozambique for generation of 100MW of electricity through natural gas.

The project was implemented by Gigawatt Mozambique, a company incorporated in September 2011, with South African shareholders Gigajoule Power (42%), Mozambican Eagle Holding (32%) and Intelec Holdings Limited with 26% in an investment of 200 million US dollars.

Funding of this project was provided in June 2014, construction works began in August of the same year and the first tests commenced in November 2015.

The power plant began its operations in late 2015, after the successful completion of the last tests on 10 December 2015. The energy produced by this plant is all supplied to the EDM under the terms of the Energy Purchase and Sales Agreement.

The gas (commercial gas) supplied to the Project is ensured through a 20 year Gas Selling Agreement (GSA) with MGC, supported by a 20 year GSA between Sasol and MGC.

- Electrotec

The company Electrotec was founded in 1997, its shareholders are INTELEC Holdings with 50% of the capital stock, Visabeira Global, SGPS, SA with 49% and 1% of Salimo Amad Abdula. The company operates in the energy sector in the country, in the implementation of energy distribution infrastructure, in high, medium and low voltage.

³⁶ A tolling agreement with a raw material owner exists to process the raw material at a rate specified in a product where the raw material and the product are owned by the supplier of the raw material.

Electrotec has a contract for the construction and management of a gas-fired power generator at Ressano Garcia, in partnership with EDM, which is expected to produce 100 MW of electricity by 2016.³⁷

- Aggreko Moçambique

Aggreko Moçambique, Limitada, was established on 15 March 2012 with the following shareholders: Aggreko Middle East Limited, FZE with 99% and the remaining 1% belonging to Aggreko Finance, Limited, a company registered in Scotland, United Kingdom.

They built an electricity generation plant in the Ressano Garcia Park in 2012.

For electricity generation at the power station it uses the gas (commercial gas) supplied by Matola Gas Company (MGC), currently with capacity of 122 MW. The energy generated in the Aggreko park is shared between Mozambique Electricity Company (EDM) and NamPower Namibia's public power company at a proportion of 32 MW to EDM and 90 MW to NamPower³⁸.

The figure below illustrates the main players in the gas-to-power value chain and the main beneficiaries:

³⁷ <http://www.speed-program.com/wp-content/uploads/2015/03/2014-SPEED-Report-042-Analysis-of-the-Power-Crisis-and-its-Impact-on-the-Business-Environment-EN-04032015.pdf>

³⁸ <http://www.rm.co.mz/index.php/programacção/100-arquivo1/10046-namibia-vai-comecar-a-receber-energia-electrica-produzida-em-mocambique>

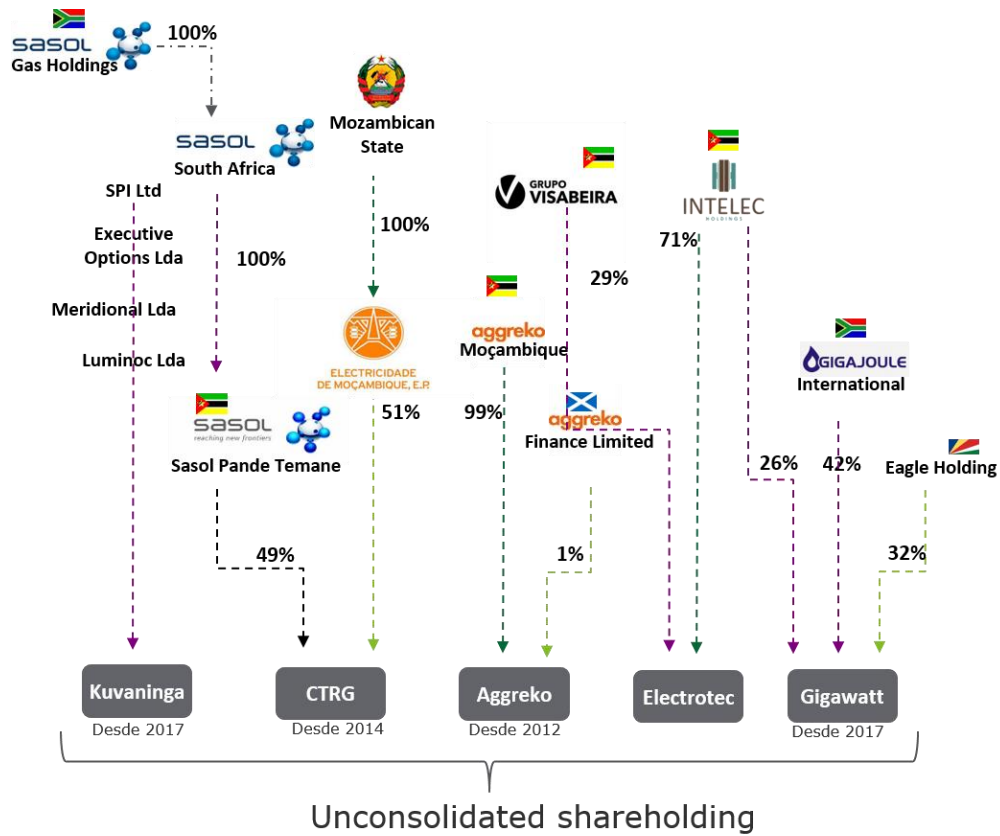
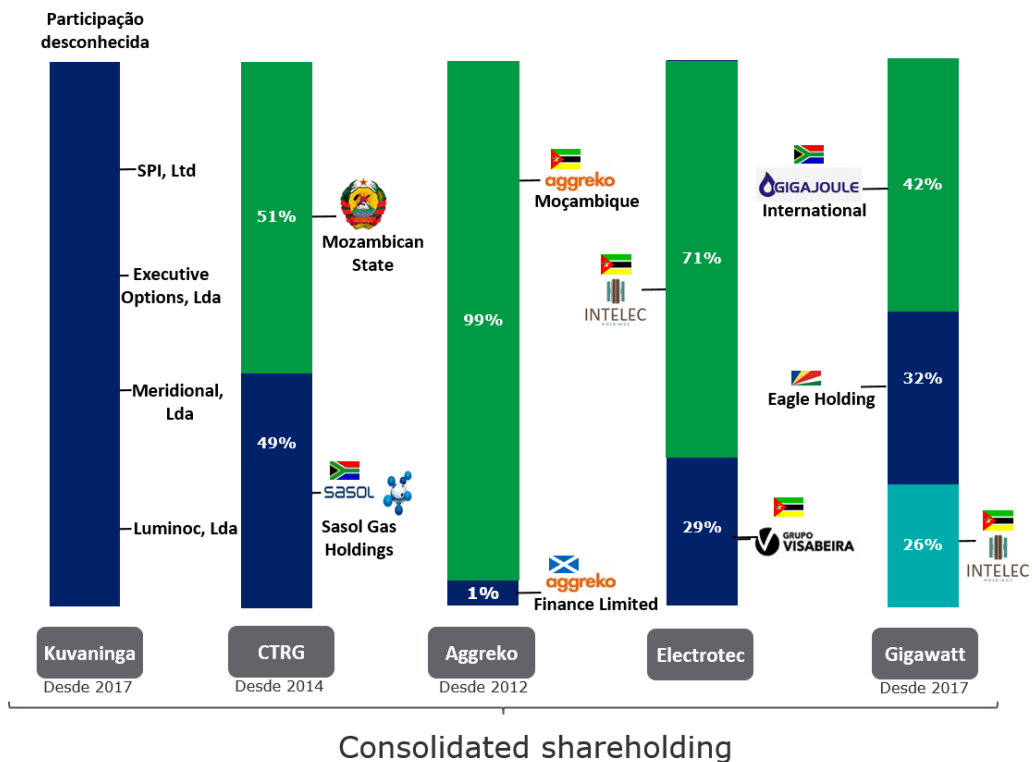


Figure 9: Unconsolidated Shareholding Value Chain (Source: Deloitte)

The chart below shows the main beneficiaries of the gas-to-power value chain extracted by Vale Mozambique in the years covered by the report (2015/2016).



Graph 4: Consolidated Gas-to-power Value Chain (Source: Deloitte)

2.2 Legal Context

In compliance with requirement 2.1 of the EITI Standard, we present in this section a summary of the specific legal instruments of the Extractive Industry as well as a summary of recent legislative changes and planned reforms.

In chapter 3, we will analyze in more detail the Mozambican tax system and the fiscal regime applicable to the mining and hydrocarbons sector.

2.2.1 Legal Instruments

On the table below different relevant legal instruments were identified for the mineral and hydrocarbon sector. Some legal instruments are listed below although they are not in force on the date of this report, they were in force in the year 2015 and/or 2016.

Mining Area		
Designation	Legal Instrument	Description
LAW	Act no. 20/2014, of August 18	Mining Law
	Law no.28/2014, of September 23	Specific Taxation Regime and Tax Benefits of the Mining Activity
RESOLUTIONS	Resolution no. 89/2013, December 31	Define the principles and the main actions of management and mineral resource exploration to contribute to the economic and social development of Mozambique.
	Resolution no. 21/2014, May 16	Approves the social corporative responsibility for mineral resource of Mining Industry
DECREE	Decree no. 26/2004, August 20	Environmental Regulation for Mining Activities
	Decree no. 61/2006, December 26	Technical and Health Safety Regulation for Geological-Mining Activities
	Decree no. 62/2006, December 26	Mining Law Regulation
	Decree no. 5/2008, April 9	Regulation of Specific Mining Activity Taxes
	Decree no. 20/2011, June 1	Regulation of Mineral Product Trade
	Decree no. 63/2011, December 7	Regulation of Hiring Outland Nationals in the Petroleum and Mining Sector
	Decree no. 7/2013, of April 4	Extinguish to Mining Promotion Fund (FFM) and creates Geological Mining Institutes (IGM).
	Decree no. 13/2015, of July 3	Regulation of Petroleum and Mineral Work.
	Decree no. 28/2015, of December 28	Regulation of Taxation Specific Regime and Tax Benefits of Mining Activities.
	Decree no. 25/2015, of November 22	Regulation of Diamond and Gemstone Commercialization
Decree no. 31/2015, December 31	Regulation of Mining Law	
DIPLOMAS	Ministerial Diploma no. 189/2006, December 14	Basic Environmental Norms for Mining Activities
	Ministerial Diploma no. 92/2007, June 11	Rules and Procedures of Eligible Technicians entry on New Research Report and Work Programmes in Mining Projects

Table 5: Legal Instruments in Mining Area

Hydrocarbon Area		
Designation	Legal Instrument	Description
LAW	Law no. 21/2014, de 18 de Agosto	Petroleum Law
	Law no. 27/2014, September 23	Specific Taxation Regime and Tax Benefits of Petroleum Operations
RESOLUTIONS	Resolution no. 40/2008, October 15	Ratifies the Agreement between the Republic of Mozambique and Angola in domain of Petroleum and Natural Gas.
	Resolution no. 27/2009, June 8	Strategy for concessions of areas for Petroleum Operations.
	Resolution no. 64/2009, November 2	Strategy for Gas Marketplace Development in Mozambique.
LAW-DECREE	Law-Decree no. 2/2014, December 2	Legal and Special Contractual Regime applied to Liquefied Natural in Area 1 and 4 of Rovuma Basin.
DECREE	Decree no. 24/2004, August 20	Regulation of Petroleum Operations (in force until disclosure of Decree n.º34/2015, December 31)
	Decree no. 44/2005, of 29 th November	Regulation of Distribution and Commercialization of Natural Gas.
	Decree no. 4/2008, April 9	Tax Regulation on Petroleum Production (repealed by Decree n.º32/2015, December 31)
	Decree no. 56/2010, November 22	Environmental Regulation for Petroleum Operations
	Decree no. 63/2011, December 7	Regulation to employ foreign nationality citizens in the Petroleum and Mining sector.
	Decree no. 45/2012, December 28	Define the regime to which activities are subject to production, import, export, receipt, storing, handling, distribution, commercialization, transportation, petroleum export and re-export and repeals Decrees no. 9/2009, April 1, and no.63/2006, December 26
	Decree no. 25/2014, September 23	Authorization Law Act regarding Natural Gas Liquefaction Projects in Area 1 and 4 of Rovuma Basin.
	Decree no. 13/2015, July 3	Regulation of Mining and Petroleum Work.
	Decree no. 32/2015, December 31	Regulation of Specific Taxation Regime and Tax Benefits of Petroleum Operations.
DIPLOMAS	Decree no. 34/2015, December 31	Regulation of Petroleum Operations
	Ministerial Diploma no. 272/2009, December 30	Regulation of Licensing of Installations and Petroleum Activities.
	Ministerial Diploma no. 31/2014, March 19	Regulation on Licensing of Petroleum Technician Staff
	Ministerial Diploma no. 210/2012, September 12	Regulation about determination of maximum price for selling natural gas
	Ministerial Diploma no. 142/2012, de August 28	Approves the contract model for fuel supply between vendors and purchasers, including fuel station proprietors and retail dealers.

Hydrocarbon Area		
Designation	Legal Instrument	Description
	Ministerial Diploma no. 176/2014, de October	Approves the construction, exploration and safety on fuel supply stations.
	Ministerial Diploma no. 66/2008, July 23	Approves the specific regulation for depots for Petroleum.

Table 6: Legal instruments in the sector of Hydrocarbons

2.2.2 Recent legislative changes and Proposals/Provisions for legislative changes

The following legal acts have recently been published with an impact on the extractive industry:

- Decree no. 14/2017 of 28 December 2017 which amends the Specific Taxation Regime and Tax Benefits for Petroleum Operations. We highlight the following main changes:
 - Elimination of the reduction of 50% of the Tax on Petroleum Production, when the production is destined to the domestic industry, foreseen in no. 2 of article 10;
 - Increase in the taxable base of gains arising from the sale of shares and taxation on an autonomous basis. With this standard, the resulting gains will be taxed at 100%, contrary to the current standard that only taxes 50% of them and allows them to be included in the taxable amount and can be diluted in the eventual losses;
 - Limitation of fiscal stability to project that have made a proven investment equivalent to USD 100,000,000.00 (one hundred million US dollars) and for a period of 10 years from the start of commercial production;
 - Introduction of the possibility of presenting, with the authorization of the Minister of Economy and Finance, the US dollar bills, provided that they have made an investment equal to or greater than the equivalent of USD 500,000,000.00 (five hundred million US dollars) and that more than 90% of transactions are in dollars.

- Decree no. 15/2017 of 28 December 2017 which amends the Specific Taxation Regime and Tax Benefits of Mining Activity. We highlight the following main changes:
 - Elimination of the 50% reduction of the Mining Tax, when the production is destined for the domestic industry, provided for in Article 12 (2);
 - Alteration of the Surface Tax rate for mineral water, currently set at 85,000.00MZN/ha, to 85,000.00MZN for each Mining Title;
 - Reduction of the Taxes on Surface, making them less burdensome for the mining concession and certified mining;
 - Increase in the taxable base of capital gains arising from the sale of shares and taxation on an autonomous basis. Based on this provision, the resulting gains will be taxed at 100%, contrary to the previous normative which taxed only 50% of the capital gains whenever the income was obtained by non-residents and allowed to include the capital gains in the taxable amount which could be offset with eventual losses;

- Limitation of fiscal stability to projects that have made a proven investment equivalent to USD 5,000,000.00 (five million US dollars) and for a period of 10 years from the start of commercial production;
 - Introduction of the possibility of presenting, with the authorization of the Minister of Economy and Finance, the US dollar bills, provided that they have made an investment equal to or greater than the equivalent of USD 500,000,000.00 (five hundred million US dollars) and that more than 90% of transactions are in dollars.
- Decree no. 78/2017 of 28 December 2017 which approves the Regulation of the VAT refund. One of the main changes proposed to eliminate VAT refunds in the Extractive industry, since the large extractive industry projects represent about 80% in the global volume of VAT refund requests around 80%. In order to reverse this situation, the regulation provides for a mechanism for the regularization of VAT paid on the invoices of the suppliers of goods and services of those companies, who pay the invoice price of the goods or service, net of VAT, against the delivery of a note of regularization of this tax.
This regime applies only to mining and oil companies in the production phase, whose exports represent at least 75% of their sales in the previous year and which have formally required the tax authorities to comply with the special regime for the regularization of VAT paid by their suppliers of goods and services.

In terms of proposals or forecasts of legislative changes to the current legal framework with an impact in the extractive industry, we highlight the Local Content Law Bid.

This proposal of Law aims to establish norms to be observed in the supply of goods and services to enterprises operating in national territory, with national content, as a way to promote the development of national business. The objective is to value the goods and services produced internally, incorporating national factors of production, namely capital, raw materials and labour. The proposal aims to cover all sectors and not only the extractive industry.

3. Tax System in Mozambique

The tax system in force in Mozambique is the result of a reform started in 1998 and was structured to meet the financial needs of the State and other public entities, to achieve the objectives of the State's economic policy and to ensure a fair distribution of income and of wealth.

The basis and the main guiding principles of the Mozambican tax system are set out in Law No. 15/2002, of June 26th (Tax System Basic Law) and Law No. 2/2006 of March 22nd (General Tax Law), resulting in the introduction of the principle of generality, equality, legality, non-retroactivity, material justice and the efficiency and simplicity of the tax system.

The tax system is subdivided into two, according to the territorial scope of taxes, i.e. the national tax system and the local tax system.

The tax system in Mozambique is made up of different types of taxes, fees and contributions that affect:

- Income: such as Corporate Income Tax (IRPC), Individual Income Tax (IRPS) and Simplified Tax for Small Taxpayers (ISPC);
- Consumption, as is the case of Value Added Tax (IVA) and Excise Duty;
- Property, through the Municipal Property Tax (IPRA), Municipal Vehicle Tax (IAV), Inheritance and Donation Tax (ISD);
- Acts/Contracts, via the collection of Stamp Duty (IS);
- Licensing and services provided by Local Authorities through specific rates and contribution of improvements;
- Specific Activities, as is the case of the Mining and Petroleum activities;
- Residents with working ability, through minimum tax contributions (National Reconstruction Tax and Municipal Personal Tax).

The table below shows the taxes of the Mozambican Tax System that we will discuss in this chapter:

Mozambican Tax System	
National Tax System	Municipal Tax System
Corporate Income Tax	Municipal Personal Tax
Individual Income Tax	Municipal Property Tax
Simplified Tax for Small Taxpayers	Municipal Vehicle Tax
Value Added Tax	Sisa Municipal Tax
Excise Duty	Tax on Economic activities
Fuel tax	Improvement contribution
Custom Duties	Tax on Granted Licenses
Stamp Duty	Tax on Services Provided
Inheritance and Donation Tax	
National Reconstruction Tax	
Other taxes and charges specific to certain activities	

Table 7: Mozambican Tax System

3.1 Description of the National Tax System

Corporate Income Tax - IRPC

The IRPC is levied on the income earned, it is a direct tax that is levied on the income, even if obtained through illicit acts, during the taxable period, by the respective taxable persons.

Are taxed under IRPC:

- commercial or civil companies in commercial form and other legal persons governed by public or private law with their registered office or central administration in the Mozambican territory, for the totality of its revenues including those earned outside the national territory, without prejudice to the rules for the prevention of international double taxation applicable - international conventions established with Portugal, Italy, Mauritius, United Arab Emirates, South Africa, Botswana, India, Macao and Vietnam;
- entities with or without legal personality that do not have a registered office or central administration within the national territory, only relative to the portion of the respective income earned in the country and which have not been subject to IRPS or IRPC.

In the case of taxable persons resident or with permanent establishment in Mozambique, the taxable amount is obtained by deducting of the profits or income related to the activities carried out from the tax losses and other tax benefits.

The IRPC Code imposes corrections in the determination of the taxable amount, including special provisions on transfer pricing (whose regulations on this matter were approved this year, with the anticipation of its entry into force on January 1st, 2018), thin capitalization, payments to non-resident entities subject to a privileged tax regime and profits allocation of companies residents in countries with a privileged tax regime (Controlled Foreign Companies).

The IRPC rate is 32%. However, until 31st December 2015³⁹, agricultural and livestock farming activities benefited from a reduced rate of 10%. It should be noted that, in the extractive industry, the IRPC rate might differ from the general rate, according to the agreed terms in the contracts with the State prior to the entry into force of the Special Taxation and Tax Benefits Regime applicable to the Mining Activity and Petroleum Operations²⁴, i.e. 1st January 2015.

In the case of non-resident entities without a permanent establishment in Mozambique, income from intellectual property, capital and services in general that have been realized or used in Mozambique shall be subject to withholding tax at the rate of 20%, except when deriving from the following services or contracts where the rate is reduced to 10%:

³⁹ Law no. 27/2014, of 23 September - Specific Regime of Taxation and Tax Benefits of Petroleum Operations. Law no. 28/2014, of September - Specific Taxation Regime and Tax Benefits of the Mining Activity.

- Telecommunications and international transport services;
- Construction and rehabilitation of infrastructures for the production, transportation and distribution of electricity in rural areas in the context of public rural electrification projects;
- Chartering of maritime vessels for fishing and cabotage;
- Securities listed on the Mozambique Stock Exchange, except for treasury bills and debt securities.

Should be noted that capital gains arising from the transfer, either direct or indirect, at cost or for free, between non-resident entities, arising from the transfer of shares representing the share capital or other participatory interests and rights, involving assets located within Mozambican territory, regardless of the location where the transfer occurs, are taxed in Mozambique at the rate of 32%. However, in the case of non-residents the capital gain are only taxed in 50% of its value as they are qualified as immovable gain under the Special Taxation Regime.

Individual Income Tax- IRPS

Individual Income Tax (IRPS) is levied on the overall annual value of the respective income, expressed either in cash or in kind, regardless of where they are obtained, the currency and the manner in which they are earned, even if arising from illegal acts, classified in the following categories:

- First Category: Employment Income;
- Second Category: Business and Professional income;
- Third Category: Capital income and capital gains;
- Fourth Category: Real estate income;
- Fifth Category: Other income.

Individuals residing in the national territory are subject to IRPS, for all their income, including those produced outside that territory, and non-residents, for the income earned here.

With a view to simplifying procedures for the compliance with tax obligations and broadening the tax base, the IRPS Code⁴⁰ was amended based on Law no. 20/2013, of December 31st, and, as from January 1st, 2014:

- Employment income, became taxed autonomously and shall not be included in other income, being subject to definitive withholding tax, that is, no additional payment or reimbursement is due;
- Capital income obtained by residents and those resulting from isolated acts shall be subject to withholding tax, without giving rise to additional payment or reimbursement;
- On the other incomes with additional payment or reimbursement, the minimum limit of taxation becomes 500,000.00 MZN;
- Death allowance shall be exempt of IRPS;

⁴⁰ Approved by Law no. 33/2007, of 31st December

- In the case of married couples, each spouse will individually submit his income statement;
- The non-taxable minimum shall be set at a fixed annual value of 225,000.00 MZN⁴¹.

The table of withholding tax rates was adjusted to the following:

Monthly Gross Salary Range Limits (MZN)	IRPS value to retain for the lower end of the range of the gross salary per number of dependents (MZNs)					Coefficient applicable to each additional unit of the lower limit of the gross salary
	0	1	2	3	4+	
Until 20.249.99	-	-	-	-	-	-
From 20,250.00 to 20,749.99	0	-	-	-	-	0.10
From 20,750.00 to 20,999.99	50.00	0	-	-	-	0.10
From 21,000.00 to 21,249.99	75.00	25	0	-	-	0.10
From 21,250.00 to 21,749.99	100	50	25	0	-	0.10
From 21,750.00 to 22,249.99	150	100	75	50	0	0.10
From 22,250.00 to 32,749.99	200	150	125	100	50	0.15
From 32,750.00 to 60,749.99	1,775	1,725	1,700	1,675	1,625	0.20
From 60,750.00 to 144,749.99	7,375	7,325	7,300	7,275	7,225	0.25
From 144,750.00 onwards	283,75	28,325	28,300	28,275	28,225	0.32

Table 8: Withholding tax (IRPS)

Note: The (-) sign means there is no tax to withhold and the coefficient does not apply. The (0) means that only the coefficient applies.

The tax withheld on a monthly basis on employment income is now composed by the sum of IRPS value determined according to the number of dependents of the taxable person and their gross monthly income and other, resulting from the application of a variable coefficient on the value of the difference between the gross monthly salary and the minimum value of the scale in which it falls, according to the formula below:

$$IRPS = \text{Value to be withheld per no. of dependents} + (\text{gross monthly salary} - \text{lower limit of the monthly gross salary range} * \text{Coefficient})$$

For the other income categories subject to aggregation, the general annual rates, which remain unchanged since 1st January 2008, varying from 10% to 32% depending on the taxable income brackets, apply.

Non-resident taxable persons earning income in Mozambique are, generally, subject to withholding tax⁴² at the rate of 20% or 10% in the case of interest on term deposits of income from listed securities, with the exception of debt securities, and remuneration earned by artists or from games.

⁴¹According to the Notice issued on January 1st, 2014 by the Communication and Image Office of the Tax Authority of Mozambique

⁴² Capital gains arising from the transfer of assets, shareholdings are not subject to withholding tax. In the case of property income, although subject to withholding tax, this has the nature of tax on account.

Simplified Tax for Small Taxpayers – ISPC

The Simplified Tax for Small Taxpayers (ISPC) is a direct tax and applies to natural or legal persons carrying out agricultural, industrial or commercial activities in the national territory, including the provision of services, the annual turnover which is equal to or less than 2,500,000.00 MZN.

The taxation of taxable persons in the (ISPC) is optional, and for those who choose this regime on the transfer of goods and services that are IVA exempt and on the income obtained, there is neither IRPC or IRPS.

The annual rate of (ISPC) is 75,000.00 MZN alternatively the taxable person can opt for the applicable rate of 3% on turnover.

Value Added Tax – VAT (“IVA”)

Value added tax is levied on the value of transfers of goods and services effected in the national territory, for consideration, by a taxable person acting as such, as well as on imports of goods.

Taxable persons are any natural or legal persons who:

- Independently and as a matter of course, carry out an economic activity profit-making or not and are resident or have a permanent establishment;
- Independently, carry out any taxable transaction, provided that such transaction is related to the exercise of its business activities, in the case of non-residents without a permanent establishment;
- Independently, whether residents or not, carry out any transaction taxable under the IRPC or IRPS;
- Fall within the previous paragraphs and acquire the following services from non-resident entities without a permanent establishment:
 - the assignment or authorization for the use of copyrights, licenses, trademarks and other similar rights;
 - advertising services;
 - telecommunication services;
 - consulting, engineering, lawyer, economist and accounting services, research offices in all areas including organization, research and development;
 - processing of data and provision of information;
 - banking, financial and insurance and reinsurance operations;
 - the availability of personnel;
 - the services of intermediaries acting on behalf of and for the account of others in the provision of services listed in those points;

- the obligation not to carry on, even in part, a professional activity or a right mentioned in those points;
- the leasing of movable tangible property, as well as the leasing of the same assets;
- services carried out by electronically;
- import goods according to customs legislation;
- unduly mention VAT on invoice or equivalent document.

The VAT rate is unique and is 17%. The taxable amount of the transfer of goods and provision of services is the value of the consideration obtained or to be obtained from the buyer, recipient or a third party. However, in the case of goods or services subject to the fixed price regime (energy, water, fuel, services whose price is fixed by aeronautical fees), as well as in certain public works services, VAT is levied on a fraction of the invoice or price, thus reducing the tax base.

The VAT Code approved by Law no. 32/2007 of December 31st was recently amended by Law no. 13/2016 of December 30th, which entered into force on the 1st of January 2017. From the new rules and procedures adopted, we highlight the following:

- Extension of the national territory definition for the purpose of taxation of operations that has been aligned with the IRPC Code, covering all areas where, in accordance with Mozambican law and international law, the Republic of Mozambique has sovereign rights for the prospecting, research and exploration of natural resources, the seabed, its subsoil and overlying waters;
- Extension of the incidence of tax to services rendered via electronic means;
- Extension of the exemption application period granted to the sugar, and soap and oil industries up to 31st December 2019;
- Introduction of new exemptions in domestic operations, imports and exports, with major changes in the area of health and agriculture. It should be noted, however, in the extractive industry, the introduction of tax exemption on the transmission of domestic gas;
- Repeal of the exemption granted to the acquisition of services related to drilling, research and construction of infrastructures in the scope of mining and oil activity in the exploration and research phases;
- Reduction of the tax base on which VAT is levied, namely in the provision of sanitation, agricultural hydraulics and inspection of the same services, resulting in an effective rate of 6.8% and in the case of supply of drinking water, the rate changed to 12.75%;
- Supply of goods and services carried out in the framework of agricultural activity are fully exempt, allowing deduction of VAT on passive operations;
- Introduction of new deadlines for the submission of periodic declarations when the clearance results in a tax credit are in favour of the taxable person;
- Change to the period and the credit limit for the taxable person. The taxable person will be able to request the tax refund if, after four months for the period in which the credit situation

occurred, credit persists in excess of 100,000.00 MZN, or in any month, when the credit exceeds 500,000.00 MZN.

Excise Duty – “ICE”

The Excise Duty is levied on certain goods, produced locally or imported, which are considered luxurious, superfluous, harmful to health or hazardous for human consumption or the environment, such as motor vehicles, beverages, beers and tobacco.

The last change made to the Excise Duty Code approved by Law no. 17/2009, of September 10th, is dated January 7th, 2015 with the approval of Law no. 2/2013 which, among other changes, introduced "*ad valorem*" taxes. Depending on the commodity, the rates may be "*ad valorem*", minimum values due per specific tax unit or a combination of the two.

Fuel Tax

The fuel tax is levied on fuel produced or imported and traded in the national territory, and it is divided by:

- Refiners, importers or distributors who industrially produce or otherwise trade fuel within Mozambican territory;
- Individual importers, natural persons in national territory by land or sea, fuel for own use or others.

The rates on fuels vary according to the product and, are fixed per unit of measure and must be updated quarterly by dispatch of the Minister of Planning and Finance according to the variation of the inflation rate, however the updates tend to be annual.

Customs Duties

Customs duties are levied on the value (determined in accordance with the applicable customs rules) of the goods imported or exported across national borders, for this purpose defined as "customs territory". When importing, the reference base is, as a rule, the CIF value (cost, insurance and freight) and the rates vary between 2.5% and 20%.

The Customs Tariff of Mozambique has recently been amended and republished by Law no. 11/2016 of December 30th, corresponding to the sixth edition of the Nomenclature of the Harmonized Commodity Description and Coding System, an instrument of the World Customs Organization (WCO) and came formally into force in 1 January 2017, but its practical application was only possible in the middle of the 2017, when it was loaded onto the "Single Window" Electronic System.

The recent changes introduced intended to provide incentives for various sectors of the economy, in particular the agricultural and livestock sectors, but also to adapt the national practices to the requirements of international trade.

It should be noted that imports of products bearing SADC (South African Development Community) certificates of origin are exempt from customs duties.

Stamp Duty

The Stamp Duty is regulated by the Stamp Duty Code and its Table, approved by Decree no. 6/2004, of April 1st that came into force on July 1st, 2004, and by Decree no. 38/2005, of 29th August, which introduced the latest amendments to it.

The Stamp Duty is imposed on all documents, contracts, titles, books, papers and acts designated in the Table attached to the respective Code, provided that they are issued, celebrated or carried out in national territory, and not subject to and exempt from IVA. The mentioned acts will also be subject to Stamp Duty when, occurring outside the Mozambican territory, should they be presented for legal purposes in Mozambique.

Taxable persons are entities with an economic interest that bear the corresponding charge, and in the case of a common economic interest, the tax shall be apportioned between the parties.

Depending on the nature of the documents, acts and taxable transactions, the applicable rates are " *ad valorem* " or fixed amounts.

Inheritance and Donation Tax - ISD

The Inheritance and Donation Tax is levied on the transfer of the property rights on movable and immovable property, by inheritance succession, legacy, or by any legal transaction that transmits the property free of charge and between living natural persons, even if ownership is transferred separately from usufruct, use or housing. ISD is payable by the natural persons to whom the referred right is transmitted.

The tax rates vary from 2% to 10% depending on the beneficiary, the lower the rate the higher the relationship.

National Reconstruction Tax - IRN

The National Reconstruction Tax (IRN) covers the nature of the general tax of capitation, legally defined as "representing the minimum contribution of each citizen to public expenditures". The tax is levied on all persons residing in the national territory, even if foreign, when the circumstances of age, occupation, ability to work and other conditions established in the respective Code are verified.

The tax rates, which are of a negligible amount, are established annually by the Minister of Finance, based on proposals from each Provincial Government, and are diversified in order to take into account the degree of development and socio-economic conditions prevailing in each district or region.

With the entry into force of the Municipal Tax System in 2001, the incidence of this tax has reduced to areas of the country that are not yet municipalized, being formally exempt "taxpayers who provide

proof of payment or exemption from the Municipal Personal Tax in the territorial constituency of the respective residence".

3.2 Description of the Municipal Tax System

The Municipal Tax System (MTS) was reformulated by Law no. 1/2008, of January 16th, with a view of harmonising with the Basic Law on the Tax System⁴³, as well as to make changes to comply with Law No. 9/2002, of February 12th, a Law that approves the System of Financial Administration of the State. The municipalities, currently 43, are created by law to carry out decentralized public administration activities, have their own assets and revenues, with the supervision of the State.

In this chapter, are detailed the various taxes and fees that constitute the Municipal tax system, which are applicable to residents of the Municipalities.

Municipal Personal Tax –IPA

The Municipal Personal Tax (IPA) replaces the National Reconstruction Tax, in the Municipalities, on all national or foreign persons resident in the respective Municipality, aged between 18 and 60 years and for them, circumstances of occupation and ability to work must be verified.

The IPA rates are annual and revised annually, and the rates in force are:

- 4% for level A Municipalities;
- 3% for level B Municipalities;
- 2% for level C Municipalities;
- 1% for level D settlements and villages;

The value of the IPA is determined by applying the rates indicated in the previous number, according to the Municipalities classification, on the highest national minimum wage, in force on June 30th of the previous year, in 2016 of 8,750.00 MZN.

Municipal Property Tax –IPRA

The Municipal Property Tax (IPRA) is levied on the asset value of urban buildings situated within the territory of the respective Municipality. The asset value of urban buildings is considered the value on the property registers. In the absence of these, it will be the value declared by the owner, unless it deviates from the normal market price.

Taxable persons are the holders of the property right as at December 31st of the previous year to which the tax relates, covering the persons in whose name the buildings are registered in the building matrix or who are in possession of any title on that date.

The value of IPRA is achieved by applying a rate of 0.4% to the equity value, in the case of buildings exclusively for housing and 0.7%, in other cases.

⁴³ Law 15/2002 of July 26th

Municipal Vehicle Tax - IAV

The Municipal Vehicle Tax (IAV) covers the use and fruition of the vehicles, mentioned below, registered at the competent services in Mozambique, or, irrespective of registration, as soon as, after 180 days from the date of entry into the same territory, are in circulation or used under normal conditions :

- Light vehicles and heavy trucks of 25 years or less;
- Passenger motorcycles with or without car of 15 years or less;
- Motor-powered aircrafts for private use;
- Motor-powered recreational boats for private use.

The owners of the vehicles, (natural or legal persons, whether public or private) resident in the Municipality, on whose behalf the vehicles are registered, are taxable persons under the IAV.

The rates of the IAV are annual and are fixed by Decree No. 63/2008 of December 30th, varying according to criteria established depending on the type of vehicle and fuel used, engine capacity, power, age, cargo capacity or number of passengers, maximum take-off weight for aircraft and propulsion power in recreational craft, among others.

Sisa Municipal Tax

Sisa Municipal Tax applies to the onerous transfer of the right of ownership or partial representation of this right, over an immovable property (urban buildings situated within national territory).

Subjectively, the Sisa Municipal Tax, affects the natural or legal persons to whom the rights are transferred over urban buildings.

The tax rate is 2% and focuses on the asset value of urban buildings.

Improvement Contribution

The Improvement Contribution is a special contribution that covers the execution of certain works carried out by the Municipality, with the same due by the beneficiary of the works.

The Municipal Council of the Municipality or Settlement approves the procedures for launching and collecting the Improvement Contribution in a specific regulation. The calculation of the Improvement Contribution will be based on the cost of the work distributed by the owners of the benefited properties.

Other taxes

Under the basic law of the Municipal Tax System⁴⁴, the Municipalities may charge fees:

- by the concession of licenses and by economic activity, whose values are fixed by proposal of the President of the Municipal Council or of Population; and

⁴⁴ Approved by Law no. 1/2008 of January 16

- for the provision of services in cases where they are under direct management of the provision of a certain public service, and the Town Council is responsible for fixing them.

3.3 Specific Taxes, Fees and Contributions Applicable to the Extractive Industry

The extractive industry has specific taxes, rates and contributions that were approved by Law 27/2014 and Law 28/2014, both of September 23, which are identified in the table below:

Mining Area	Hydrocarbon Area
• Tax on Mining Production (IPM)	• Tax on Petroleum Production (IPP) in cash
• Tax on Surface (ISS)	• Tax on Petroleum Production in kind
• Mining Resource Tax (IRRM)	• Licensing Rates and Permits
• Licensing Fees and Records	

Table 9: Extractive Industry Specific Taxes, Fees and Contributions

3.3.1 Mining Sector

As of January 1, 2015, the new Specific Regime of Taxation and Tax Benefits of the Mining Activity entered into force, approved by Law no. 28/2014, of September 23. However, the respective implementing regulation only came into force one year later, i.e. on 1 January 2016 with the publication of Decree No 28/2015 of 28 December.

The Specific Regime of Taxation and Tax Benefits applies to the natural or legal persons that carry out the Mining Activity in Mozambique, who are subject, in addition to the specific tax regime, to the general tax regime.

The Mining Tax (IPM), the Surface Tax (ISS) and the Mining Income Tax (IRRM) are the three mining-specific taxes that will be covered in this chapter. It should also be noted that the Specific Regime introduces specific provisions for Income Taxes, all of which will be mentioned.

In addition, this chapter identifies the fees applicable to the licensing of the activity.

➤ Tax on Mining Production (IPM)

The IPM is a monthly tax levied on the extracted mining product, concentrates and mineral water, resulting from mining activity carried out in Mozambican territory, whether or not under a mining title.

The value of the mining product is determined on the basis of the price of the last sale made by the taxable person, which must correspond to the reference price of the international market.

The IPM rates vary depending on the mineral extracted, as detailed in the table below:

Rates (*)	
Diamonds	8%
Precious Metals, Precious and semi-precious stones and heavy sand	6%
Basic metals, coal, ornamental stones and other mineral products	3%
Sand and Stone	1.5%
(*)Rates are reduced by 50% when products are used in the country for the development of local industry.	

Table 10: Mining Production Tax Rates

➤ Surface Tax (ISS)

The ISS is an annual tax levied on the area of mining activity, that is, on the geographically demarcated area and assigned to the beneficiary of the mining title where the activity is carried out. In the case of mineral water, the ISS is levied on each mineral title, i.e., prospecting and research license, mining concession or mining certificate..

The ISS taxable base corresponds to the number of hectares of the area subject to the prospecting and research license, mining concession or mining certificate and is graduated based on the seniority of the securities, as detailed in the table below:

Title of Type of Miner :	Rate
Prospecting and research licenses for all minerals:	
In the 1st and 2nd year	17.50 MZN/ha
In the 3rd year	43.75 MZN/ha
In the 4th and 5th year	91.00 MZN/ha
In the 6th year	105.00 MZN/ha
In the 7th and 8th year	210.00 MZN/ha
Mining Concession:	
For mineral water:	85,000.00 MZN/ha
For other mineral resources:	
- 1st to 5th year	30.00 MZN/ha
- From 6th onwards	60.00 MZN/ha
Mining Certificate	
From 1st to 5th year	17,500.00 MZN/ha
From the 6th onwards	25,000.00 MZN/ha

Table 11: Surface Tax Rates

➤ Income Tax on the Mining Resource (IRRM)

The Income Tax on the Mining Resource is due by the holders of a mining concession or mining certificate when there are net cash gains accumulated at the end of the fiscal year

The IRRM rate is 20% on the net cash gains accumulated during the year.

It should be noted that ISS taxpayers are exempt from payment of the annual land use tax relative to the mining title area, provided that the boundaries of the area of the respective title coincide with the area of title to land use and utilization.

➤ Specific Rules – IRPC/IRPS

The Specific Taxation Regime and Tax Benefits for the Mining Industry regime establishes specific rules for determining the IRPC, namely:

- The profit must be determined by each mining title, in an individual form (ring fencing), being entirely independent of each other the fiscal obligations of each Prospecting and Research License, Mining Certificate and Mining Concession;
- Each title must correspond to a specific NUIT, not being allowed the compensation of losses in a certain mine or area covered by a mining title, through gains obtained in another mining area or title;
- Specific amortization rates are defined.

➤ Tax Benefits

The developments under the Mining Law benefit during five fiscal years, from the date of mining start of exemption of:

- Customs duties due on imports of equipment for exploration and mining operations classified in class K of the Customs Tariff;
- Customs duties due on imports of goods listed in Annex II of Law No 28/2014 of 23 September, assimilated to goods in class K of the Customs Tariff.

It should be noted that developments carried out prior to the entry into force of the Specific Taxation Regime and Tax Benefits of the Mining Activity approved by Law No. 28/2014 of 23 September, could still benefit from exemption from IVA and ICE on imports above.

➤ Other Fees

Different rates are established related to the processing of the mining titles and required authorizations, which are established by the Mining Law Regulation.

The following table identifies the rates in force since December 31, 2015, which were approved by the Regulation of the Mining Law (Decree 31/2015, of December 31) and the previous rates under the repealed Decree No. 62/2006 of 26 December.

Type of Mining Title:	Decree no.31/2015, of 31/12	Decree no.62/2006, of 26/12
Amount (MZN)		
Prospecting and research licenses:		
Registration fee for order	4,000.00	2,000.00
Rate of issue of title	4,000.00	850.00
Late submission fee for extension request	10,000.00	600.00
Extension fee	10,000.00	500.00

Type of Mining Title:	Decree no.31/2015, of 31/12	Decree no.62/2006, of 26/12
	Amount (MZN)	
Mining Concession:		
Registration fee for order	5,000.00	2,000.00
Rate of issue of title	7,000.00	1,200.00
Late submission fee for request for extension	20,000.00	600.00
Rate of extension	50,000.00	850.00
Mining Issuing License:		
Registration fee of the order	10,000.00	-
Rate of issue of title	15,000.00	-
Late submission fee for extension request	30,000.00	-
Rate of extension	60,000.00	-
Mining Processing License:		
Order registration fee	10,000.00	-
Rate of issue of title	15,000.00	-
Late submission fee for extension request	30,000.00	-
Rate of extension	60,000.00	-
Mining Certificate:		
Application registration fee	2,000.00	-
Rate of issue of title	2,000.00	-
Late submission fee for request for extension	5,000.00	-
Rate of extension	5,000.00	-
Mining Pass		
Order registration fee	1,000.00	-
Rate of issue of title	1,000.00	-
Rate of late submission of request for extension	3,000.00	-
Rate of extension	3,000.00	-
Authorization for Extraction of Mineral Resources for Construction/Geological Research or Scientific Studies		
Rate of registration of order	2,000.00/1,500.00	-
Rate of issue of title	2,000.00/1,500.00	-
Rate of late submission of request for extension	5,000.00/3,000.00	-
Rate of extension	5,000.00/3,000.00	-
Rates for Transmission of Securities		
Prospecting and Research License	200,000.00	5,000.00
Mining Concession	300,000.00	5,000.00
Mining Certificate	50,000.00	2,500.00
Mining Pass	5,000.00	-
Area Extension Request Registration Fees		
Area Extension Request Registration Fees	150,000.00	850.00

Type of Mining Title:	Decree no.31/2015, of 31/12	Decree no.62/2006, of 26/12
	Amount (MZN)	
Mining Concession	200,000.00	850.00
Mining Certificate	30,000.00	250.00
Mining Pass	5,000.00	-
Area Extension Request Registration Fees		
Prospecting and Research License	200,000.00	1,000.00
Mining Concession	300,000.00	2,000.00
Mining Certificate	100,000.00	750.00
Area Extension Averting Rates		
Prospecting and Research License	20,000.00	750.00
Mining Concession	30,000.00	2,000.00
Mining Certificate	10,000.00	500.00
Certified copy of any license/certificate	1,000.00	200.00
Authenticated copy/extract of any archived record (per page)	2,000.00	200.00
Registry Operator and Subcontractor Fees		
Prospecting and Research License	100,000.00	-
Mining Concession	300,000.00	-
Mining Certificate	50,000.00	-

Table 12: Rates of processing of mining titles and permits

3.3.2 Hydrocarbon Sector

As of January 1st, 2015, the new Special Taxation and Tax Benefits Regime for Petroleum Operations entered into force, approved by Law no. 27/2014 of September 23rd, and the respective regulations approved by Decree No. 32/2015, of 31st December, entered into force one year after the date of its publication.

The Specific Taxation and Tax Benefits Regime applies to natural or legal persons who carry out petroleum operations in Mozambique under a concession contract, which are subject, in addition to the specific tax regime, to the general taxation.

The Specific Taxation and Tax Benefits Regime for Petroleum Operations introduces the Tax on Petroleum Production, establishes specific rules on Corporate Income Tax, as well as the mechanisms for sharing production and defining the applicable tax benefits.

In addition, this chapter identifies the fees applicable to the licensing of the Activity.

➤ Petroleum Production Tax (IPP)

The PPI is a monthly tax levied on the production of oil produced in the area of the concession contract.

The value of the oil produced shall be determined on the basis of the weighted average prices to which it was sold or otherwise disposed of by the producer and his contractors in the month to which the tax to be settled corresponds.

The IPP rates vary depending on the product extracted, as detailed in the table below:

Rates (*)	
Crude Oil	10%
Natural gas	6%
(*)Rates are reduced by 50% when products are used in the country for the development of local industry	

Table 13: Petroleum Production Tax Rates

It should be noted that contracts signed prior to the entry into force of Law 12/2007, of 27 June, benefit from lower fees.

Payment of the PPI is usually made in cash. However, the Government may establish by notification its payment in kind.

➤ Specific rules – IRPC/IRPS

The Specific Taxation Regime and Tax Benefits of Petroleum Operations establishes specific rules for determining the IRPC, namely:

- Profit must be determined by each concession area, in an individualized form (ring fencing);
- For each concession contract, a specific NUIT must correspond, not allowing the compensation of losses in a particular contract, through gains obtained in another concession contract;
- Specific amortization rates are defined;
- The IRPS and IRPC withholding tax rate of 10% applicable on services related to the concession contract and provided by non-residents when paid by resident concessionaires or with a permanent establishment located in Mozambique is reduced.
- Capital gains obtained by non-residents, with or without a permanent establishment, arising from the direct or indirect free or onerous alienation of oil rights in Mozambican territory, at the rate of 32%, are taxed.

➤ Production sharing

The Specific Taxation Regime and Tax Benefits of Petroleum Operations establishes production sharing mechanisms so that the State and the concessionaire are entitled, in undivided participatory quotas, to the oil available for sale by the concessionaire in a given period.

➤ Tax Benefits

Developments under the Petroleum Law benefit from five tax years, from the date of approval of the respective development plan, exemption from:

- Customs duties due on imports of equipment intended for use in petroleum operations, classified in class K of the Customs Tariff;
Customs duties due on imports of goods listed in Annex II of Law 27/2014 of 23rd September, assimilated to goods in class K of the Customs Tariff.
- It should be noted that developments carried out prior to the entry into force of the Specific Taxation Regime and Tax Benefits of Petroleum Operations approved by Law 27/2014 of 23rd September, could still benefit from exemption from IVA and ICE on imports above.

➤ Other Fees

Different fees related to the processing of the required processes and authorizations are established by the Regulation of the Petroleum Operations Law.

The following table identifies the rates in force since December 31, 2015, which were approved by the Regulation of the Petroleum Operations Law (Decree no. 34/2015, of December 31st) and the previous rates under the repealed Decree n 24/2004, of 20th August.

Designation of procedure:	Decree n.º34/2015, of 31/12	Decree n.º24/2004, of 20/08
	Amount (MZN)	
Presentation of the application for the allocation of the right to exercise Petroleum Operations	2,000,000.00	500,000.00
Consideration of the request for renewal of the Concession Agreement	500,000.00	125,000.00
Assessment of the request for extension of the Concession Contract Research Period	125,000.00	-
Appraisal of the Development Plan	1,000,000.00	500,000.00
Review of the Development Plan	125,000.00	-
Authorization for the entry into operation of infrastructures	500,000.00	125,000.00
Approval of the Demobilization Plan	500,000.00	250,00000

Table 14: Applicable rates in the Hydrocarbons sector

3.3.3 Other Extractive Industry Payments and Contributions

In addition to the taxes and fees referred to in the previous sections, the prospecting and research, development, exploration and processing contracts establish other payments to the Mozambican State of various orders. In addition, the activities deriving from the extractive industry influence the environmental components, thus requiring authorization from the competent authorities.

Obligations to the State that derive from activities in the extractive industry can be classified as follows:

- **Signature Bonus:** An award fee or signature bonus of not less than 0.5% and not more than 5% of the fair value of the assets assigned by the State in respect of public-private

partnerships and concessions for the exploration of national resources. This payment is made once upon signature of the contract.

- **Production Bonuses⁴⁵:** Concessionaires are responsible for the payment of production bonuses whenever production targets are met. When the production of the contract area reaches for the first time in a period of one month a daily average of 20,000 BOE⁴⁶ and whenever the production of the contract area reaches for the first time in a period of one month an additional average tranche of 50,000 BOE per day.
- **Environmental License:** The Environmental License is the document that gives the project environmental viability. The environmental license is issued by the Ministry of Land, Environment and Rural Development (MITADER), in compliance with the Regulation on the Environmental Impact Assessment Process, Decree 54/2015. Mining activities and oil operations are governed by specific environmental regulations, namely Decree No. 26/2004 and Decree No. 56/2010, respectively.
- **Taxation of capital gains:** The gains obtained by non-residents in Mozambican territory, with or without a permanent establishment, resulting from the onerous or gratuitous disposal of petroleum and mining rights in Mozambican territory, are subject to IRPC tax of 32%.

The gains derived from the transfer, onerous or gratuitous, direct or indirect, of companies representing companies that have a petroleum or real estate oil assets are considered to have been obtained in Mozambican territory, (e.g. deposits and deposits) as well as mining titles located in Mozambican territory, irrespective of the place where said divestiture occurs. The responsibility for the payment of this tax arising from gains obtained by a non-resident entity and without a permanent establishment in Mozambique is jointly and severally imputed to the acquiring entity or to the holder of the petroleum or mining right.

- **Dividends paid to the State:** refers to the delivery of part of the profits that the State is responsible for, as a result of its participation in the enterprise, through some public entity that represents it.
- **Non-tax contributions:** In the light of the concession contracts, hydrocarbons companies must make three types of payments that are channelled to the INP, which manages them. These are contributions to the Support and Training Program, Social Projects and Institutional Support⁴⁷ The basis for the establishment of these amounts varies according to the contract established between the State and the companies.
- **Contribution to the Support and Training Program :** These are annual payments made during the period of exploration by the Concessionaire to the State (channelled by the INP),

⁴⁵ Model of the Contract of Concession of Research and Natural Gas Production (CCPP) – 5th round

⁴⁶ Petroleum Barrels Equivalent

⁴⁷ According to the CCPP Model – 5th Round

whose values are determined in the contracts. This fund aims to develop training programs in the hydrocarbon sector (see table 58, page 141).

- **Contribution to the Social Projects:** These are payments made during the exploration period by the Concessionaire to the State (channelled by INP), whose values are determined in the contracts. This fund aims to implement social projects in the areas covered by oil operations (see table 58, page 142).
- **Contribution to Institutional Support :** These are payments made by the Concessionaire to the State whose values are determined in the contracts. This contribution is intended to provide institutional support to the entities involved in the promotion and administration of Petroleum Operations (see table 58, page 142).

3.3.4 Taxes levied on the transmission of participatory interests

For the period of 2015 and 2016, we detail in the table below the participatory interest transactions that occurred in the Extractive Industry, with the respective tax revenues confirmed by the State.

Stakeholders		Amount				
Assignor	Acquirer	% of Particip.	Sale Value	Type of Tax	Amount of Tax (MZN)	Payment Year
Petronas Carigali		40%	MZN 2,600,000,000	IRPC	221,990,000	2014
Buzi Hydrocarbon of Singapore	Energia M.Persada	15%	USD 6,000,000	IRPC	-	2015
Vale Moçambique. S.A	MITSUI & Co.	50%	-	Stamp Duty	50,356,257	2016

Table 15: Transmission of participatory interests

It should be noted that in the case of Petronas Carigali Mozambique E & P, the transaction occurred in 2016, but the tax was paid in advance in 2014, due to the fact that the authorization to obtain from MIREME lacked proof of payment of the respective taxes. Accordingly, no reconciliation of amounts recorded for tax purposes was made because the scope of this report covers only payments made in 2015 and 2016.

As far as the sale of Buzi Hydrocarbon's productions in Singapore was concerned, there were no capital gains, so there was no tax payable.

Finally, in the case of Vale Moçambique, SA, the tax paid in respect of a stamp duty with a share issue in favor of Mitsui & Co., it should be noted that the payment was confirmed by Vale Moçambique, SA, with no discrepancy.

3.3.5 Tax refund level/legislative powers

The legislative powers to create or regulate taxes, at national or local level, are held by the Assembly of the Republic and by the Council of Ministers.

They Municipalities have administrative, financial and property autonomy. The financial and property autonomy of the local municipalities include, namely, the following powers:

- Elaborate, approve, change and execute activity plans and budgets;
- To have own revenues and to collect any others that are intended by law;
- Ordering and processing budget expenditures;
- Make public investments;
- Prepare and approve the respective management accounts;
- Manage the Municipal patrimony;
- Borrow loans, according to the law.

In the exercise of tax activity, the Municipal bodies must, within the limits of the powers assigned to them and in accordance with the purposes for which they were conferred:

- Obey the principles of equality, generality, equity and material justice; and
- To guide its action in close compliance with the Constitution, the legal and regulatory precepts and the general principles of law.

Under the powers conferred to local municipalities some fees, namely the fees for licenses granted and economic activity are fixed by the Municipal Assembly, upon proposal of the President of the Municipal Council or Population of the respective Municipality.

4. Licensing Process

This chapter is intended to address the themes set out in requirements 2.2, 2.3 and 2.4 of the EITI standard which relate to the allocation process, the registration of licenses and the publication of contracts.

4.1 Mining Sector

4.1.1 Legal Framework

The Mozambican legislative process is regulated by the Constitution of the Republic of Mozambique and by the Assembly of the Republic (Approved by Law no. 12/2016 of 30 December).

According to these legal acts, the process of formation and disclosure of ordinary laws follows the following steps:

- **Project/proposal deposit⁴⁸**: this is the initial phase of the legislative process consisting of submitting the draft or the proposed law to the President of the Assembly of the Republic, in physical and digital format, containing the respective reasons, which are then forwarded to the Commissions relevant to the matter with a view to their analysis and distribution to Members.

In this regard, it is important to emphasize that the Assembly of the Republic (AR) presents an inefficiency in the legislative production that consists in the fact that at the moment it is the executive power that presents itself as the main proponent of the laws that simultaneously guarantees its approval without difficulties in a plenary in that the party in power holds a parliamentary majority. This institutional context undermines the much-vaunted principle of separation and independence of powers. One of the main reasons is the fact that the Government has more financial resources and inter-ministerial technical teams and consultants/advisors in charge of research and development of proposed laws.

- **Discussion and approval of the project/proposal in general**: after reviewing the project/proposal and drawing up the opinion by the competent Commission, it follows its submission to the plenary of the AR for discussion. In the discussion phase, the project/proposal is generally evaluated, consisting of a discussion about the axiological principles and the systematics of the project/proposal that ends with general approval.

⁴⁸ Legislative initiatives take the form of draft when submitted by Members and proposal when submitted by the Government (Article 120 of the Assembly of the Republic)

- **Discussion and approval of the project /proposal in the specialty:** the debate in the specialty, which can be done in Plenary or in Commission, corresponds to the assessment of the draft/proposed law by article, number by number or point by success specialty.
- **Voting:** after the vote on the specialty, by the Commission or the Plenary, the final text is submitted to the Plenary for the global vote.
- **Promulgation:** The draft/proposal approved by the HR Plenary is sent to the President of the Republic for promulgation, which is why this body examines whether the law approved by the AR is in conformity with the Constitution of the Republic of Mozambique.

Since the law is in accordance with the legal and constitutional framework in force, the PR orders its publication. If there is unconstitutionality, this body exercises its right of presidential veto, ordering its return to the HR for re-examination.

- **Publication:** If the law is not vetoed by inexistence of any vice of unconstitutionality, it is obligatory the promulgation by the PR with a view to its publication in the official Gazette (*Boletim da República* - "BR"), which is the official newspaper in the Republic of Mozambique. Publication is the final stage of the legislative process and the law, once published, may enter into force immediately or after the expiry of the vacancy term defined in the legal diploma itself or under the general regime provided for in Law 6/2003, of 18 of April.

Regarding mining licensing in Mozambique, the basis of this process is established by Law (which is the exclusive competence of the Assembly of the Republic), namely, by the Mining Law 20/2014 of August 18, 2014, jurisdiction for the respective regulation to the Government, which exercised it by approving the Regulation of the Mining Law through Decree no. 31/2015 of December 31.

Thus, the Mining Law establishes the types of securitization/mining titles⁴⁹ and, in turn, the Mining Regulation establishes the procedures to be followed for the processing of the various types of mining licenses in the Mozambican legal system, the same being distinct depending on the type of license you wish to obtain, namely:

- Prospecting and research license;
- Mining concession;
- Mining certificate;
- Mining Pass;
- Mining treatment license;
- Mining processing license;
- Commercialization license for mining products.

⁴⁹ As a result of the approval of Law no. 20/2014 of 18 August, there is no longer a Recognition License as a form of securitization

4.1.2 Analysis of the Legal Process of Mining Licensing

Prospecting and Research License

Scope

The prospecting and research license is granted to legal entities incorporated and registered in accordance with Mozambican legislation, with technical and financial capacity, that wish to carry out exploration and research operations.

The criteria that are being used by INAMI to evaluate the technical and financial capacity of the competitors are listed in Annex 10 of the Mining Law Regulation.

Proceedings

- For the processing of this type of license, the documentation requested and patented in article 30 of the Regulation of the aforementioned Mining Law is organized, which exhaustively enumerates the documentation to be submitted by the applicant to the National Institute of Mines, with the particularity of this application be addressed to the Minister of Mineral Resources and Energy.
- The aforementioned entity will acknowledge receipt of the process by means of a proof stamp on the receipt of the application containing the code assigned by the Institute.
- Upon receipt of this application by INAMI, the mining process must be registered in the mining register, with an indication of the mining activity required, as well as the mining cadaster, and, in the presence of the applicant, the procedure is in order and, if it is not the case, request the amendment of the same, ordering, in case of conformity of the process, that the payment of the processing fee of the application, sign the book and the form together with the applicant , as well as produce a receipt containing the assigned code, the geographical coordinates and outline of the area, which should also be signed by both.
- Within 48 hours, the notice of edicts by INAMI must be issued to be published in a newspaper with the largest circulation, which in Mozambique is *Jornal Notícias*.
- Upon receipt of the notice of edicts, the applicant has a period of 15 days to submit proof of publication to the newspaper of circulation to the mining register, otherwise the application will be considered null and void.
- This procedure seeks to ensure that the rights of third parties are safeguarded, and for this purpose, within 30 days, they may pronounce themselves on the existence of any claim.
- The Minister pronounces on the application for Prospecting and Research License within 90 (ninety) days from the date of submission to the National Institute of Mines, whose decision is notified to the interested party within a maximum period of ten (10) days.
We do not have information that will allow us to verify if this period of 90 (ninety) days is being fulfilled or not.

- The Prospection and Research License is delivered to the interested party after payment of the taxes and fees due, provision of financial guarantee and proof of publication of the assignment order.
- However, if after the communication of the license assignment the applicant does not carry out the survey within 60 days, it is considered cancelled and the area is free and available.

Mining Concession

Scope

The mining concession is a permit for the exploration of mineral resources attributed to the legal entity incorporated in Mozambique, with technical and financial capacity, fulfilling the legal requirements.

Proceedings

- The Mining Concession request has the particularity of being able to be or not to be emerged from the Prospection and Research License. This, as well as the license, is addressed to the Minister and submitted by the applicant to the National Institute of Mines on the area intended for registration and processing.
- For this purpose, the process should contain the information and documentation detailed in article 45 numbers 4 and 5 of the Mining Law Regulation.
- The requested documentation highlights the mining plan and the technical-economic feasibility study, which are two fundamental pieces to be joined in the process, the detailed information required of which is referred to in Articles 46 and 47 of the Mining Law Regulation.
- Upon receipt of the application, the employee of the registry must, in the presence of the applicant, verify that the suit is in compliance and, if not, request an amendment thereof within a period of 30 days, the lack of rectification of which gives rise to requesting, in case of compliance of the process, payment of the processing fee of the application, signature of the book and of the form together with the applicant, and production of a receipt containing the code assigned to the geographical coordinates, outline of the an area that should equally be signed by both.
- A notice of edicts must be issued within 45 (forty-five) hours for publication in the major circulation newspaper. After 30 days have elapsed since the publication of edicts, the process of assigning a mining title will be followed if there is no complaint.
- The issue of the Mining Concession must be preceded by the opinion of the Government of the Province with jurisdiction over the area in which the concession is sought.
- After the opinion of the Provincial Government with jurisdiction over the area, the decision will be taken by the Minister of Mining Resources and Energy within 180 (one hundred and eighty) days, to take the decision, which must be notified to the applicant within the term of ten (10) days.

- The Prospection and Research License is delivered to the interested party after payment of the taxes and fees due, provision of financial guarantee and proof of publication of the assignment order.
- However, if after the communication of the award of the concession the applicant does not carry out the survey within 60 days, it is considered cancelled and the area is free and available.

Mining Certificate

Scope

The Mining Certificate is issued to the national legal or natural person who has proven technical and financial capacity for small-scale mining operations.

Similar to other mining licenses, the assessment of the technical and financial capacity to assign the mining certificate is made based on the criteria set out in Annex 10 of the Mining Law Regulation.

Proceedings

- The Mining Certificate is granted to nationals who wish to carry out small-scale mining operations, and the nationals referred to in number 1 of article 98 of the Mine Law Regulation may be natural or legal persons. registration of a company for the attribution of a mining certificate. For this purpose, the following are considered:
 - Do not exceed, in the case of extraction of mineral resources for construction, a gross annual production of 100,000 tons;
 - Not exceeding, in the case of exploration of precious metals, a gross annual production of 12 kg and, in the case of gems, a gross annual production of 250 kg;
 - Do not have underground works of more than 20 meters deep or galleries with more than 50 meters of compliance and employ more than 15 workers in the fronts of production;
 - The area should not exceed 198 hectares for quarries and 297 hectares for sandbanks and other mineral resources.
- The request for a mining certificate containing all the information and documentation contained in article 100 of the Mining Law Regulation should be addressed to the Minister and submitted to the National Mining Institute or addressed to the Governor of the Province and submitted to the Provincial Directorate of Mineral Resources, in the case of mining certificates for mineral resources of construction.
- The documentary requirements for obtaining the mining certificate include the Technical-Economic Assessment and the Exploration Plan, whose detailed information is reflected in Articles 101 and 102, respectively, of the Mining Law Regulation.
- Once the file has been received, the registrar must, in the presence of the applicant, verify that the file is in compliance and order, in case of compliance of the process, that the payment of the processing fee of the application, signature of the book and the form together

with the applicant, as well as produce a receipt containing the code assigned the geographical coordinates, outline of the area that should also be signed by both.

- A notice of edicts must be issued within 45 (forty-five) hours for publication in the major circulation newspaper. After 30 days have elapsed since the publication of edicts, the process of assigning a mining title will be followed if there is no complaint.
- The decision on the request shall be made by the Minister or the Provincial Governor with jurisdiction over the area within 60 (sixty) days after the application is submitted and notified to the interested party within a maximum period of 10 (ten) days from the date of the decision.
- The mining certificate is delivered to the interested party after payment of fees and taxes due, provision of financial guarantee and proof of publication of the award order.
- However, if after the communication of the attribution of the certificate the applicant does not carry out the survey within 30 (thirty) days, it is considered cancelled and the area is free and available.

Mining Pass

Scope

The Mining Pass is granted to a national, natural or legal person with legal capacity who proves to have technical and financial capacity for artisanal mining operations. For the Mining Pass processes, the designated area should not exceed 90 hectares.

Proceedings

- The application must be addressed to the Governor of the Province with jurisdiction over the area and submitted to the respective Provincial Directorate.
- Once the file has been received, the registrar must, in the presence of the applicant, verify that the file is in compliance and, if it is not the case, request the amendment of the file within a period of 30 days, whose lack of rectification request, ordering in case of compliance of the process that the payment of the processing fee of the application, signature of the book and the form together with the applicant, as well as produce a receipt containing the code assigned the geographical coordinates, outline of the area, which should also be signed by both.
- A notice of edicts must be issued within 45 (forty-five) hours for publication in the major circulation newspaper. After 30 days have elapsed since the publication of edicts, the process of assigning a mining title will be followed if there is no complaint.
- The decision on the application shall be made by the Provincial Governor with jurisdiction over the area within 30 (thirty) days after the application is submitted and notified to the interested party within a maximum period of 10 (ten) days from the date of the decision.
- The Mining Pass is delivered to the interested party after payment of processing and issue fees.

- However, if after notifying the assignment of the Mining Pass, the applicant does not proceed to the survey within 60 (sixty) days, it is considered cancelled and the area is free and available.

Mining Treatment License

Scope

This license is granted to the legal entity incorporated and registered that proves to possess the technical and financial capacity for mining treatment operations. Holders of the mining concession, mining certificate or mining pass are allowed to develop mining treatment activities with exemption from ore treatment license.

Proceedings

- For this type of license, the documentation requested and patented in article 70 of the Regulation of the aforementioned Mining Law is organized, which exhaustively lists the documentation to be submitted by the applicant to the National Institute of Mines, with the particularity of this request being addressed to the Minister of Mineral Resources and Energy.
- The aforementioned entity will acknowledge receipt of the process by means of a proof stamp on the receipt of the application containing the code assigned by the Institute.
- Upon receipt of this request, the registrar must, in the presence of the applicant, verify that the process is in order and, if not, request an amendment thereof, ordering, in case of compliance of the proceeding, that the processing fee be paid of the application, signature of the book and the form together with the applicant, as well as produce a receipt containing the code assigned the geographical coordinates, outline of the area that should equally be signed by both.
- Within 48 hours (2 days) the notice of edicts to be published in the newspaper of great circulation, which in our Country is *Jornal de Notícias*, must be issued.
- Upon receipt of the notice of edicts, the applicant has a period of 15 days to submit proof of publication to the newspaper of circulation to the mining register, under penalty of being considered null and void.
- This procedure seeks to ensure that the rights of third parties are safeguarded, and for this purpose within 30 days they can pronounce on the existence of any claim.
- The Minister pronounces the request for a License within 180 (one hundred and eighty) days from the date of submission to the National Institute of Mines, whose decision is notified to the interested party within a maximum period of 10 (ten) days.
- The License is delivered to the interested party after payment of fees and taxes due, provision of financial guarantee and proof of publication of the award order.
- However, if after the communication of the license assignment the applicant does not carry out the survey within 60 days, it is considered cancelled.

Mining Processing License

The procedures and duties for obtaining the Mining Processing License, are the same for the Mining license.

License for Commercialization of Mining Products

The License for Commercialization of Mining Products has the peculiarity of having a regulation that regulates exclusively this matter, approved by the Government through Decree no. 20/2011 of 1 June. In the case of the sale of diamonds, precious metals and gems, the licensing of this activity is regulated by a specific decree - Decree no. 25/2015 of 20 November.

Scope

The License for Commercialization of Mining Products is granted to a national, natural or legal person constituted among nationals and registered in accordance with the laws in force in Mozambique and under the terms of the specific regulation.

Commercialization resulting from mining concession, mining certificate and mining password, does not require a commercialization license, and is only subject to compliance with the legislation in force in Mozambique.

Proceedings

- The request after the documentation is merged as set forth in article 4 of this regulation, must be submitted to the National Directorate of Mines or Provincial Directorate with jurisdiction over the area.
- After submission, the Ministry must notify in writing if the process contains an error or omission within 5 days. The Provincial Directorate with jurisdiction must issue an opinion on the same and refer to the National Directorate of Mines.
- The decision is taken within 30 (thirty) working days from the date of receipt and must be communicated to the applicant in writing within five (5) business days of the date of dispatch.

In addition to the mining of minerals permitted by the Government of Mozambique, there is also the exploration of ores considered to be harmful, whose licensing is difficult to access, proving the need for exploration of the same by the bidder.

In short, the following diagram identifies the stages of the licensing process that are common to any mining title application:

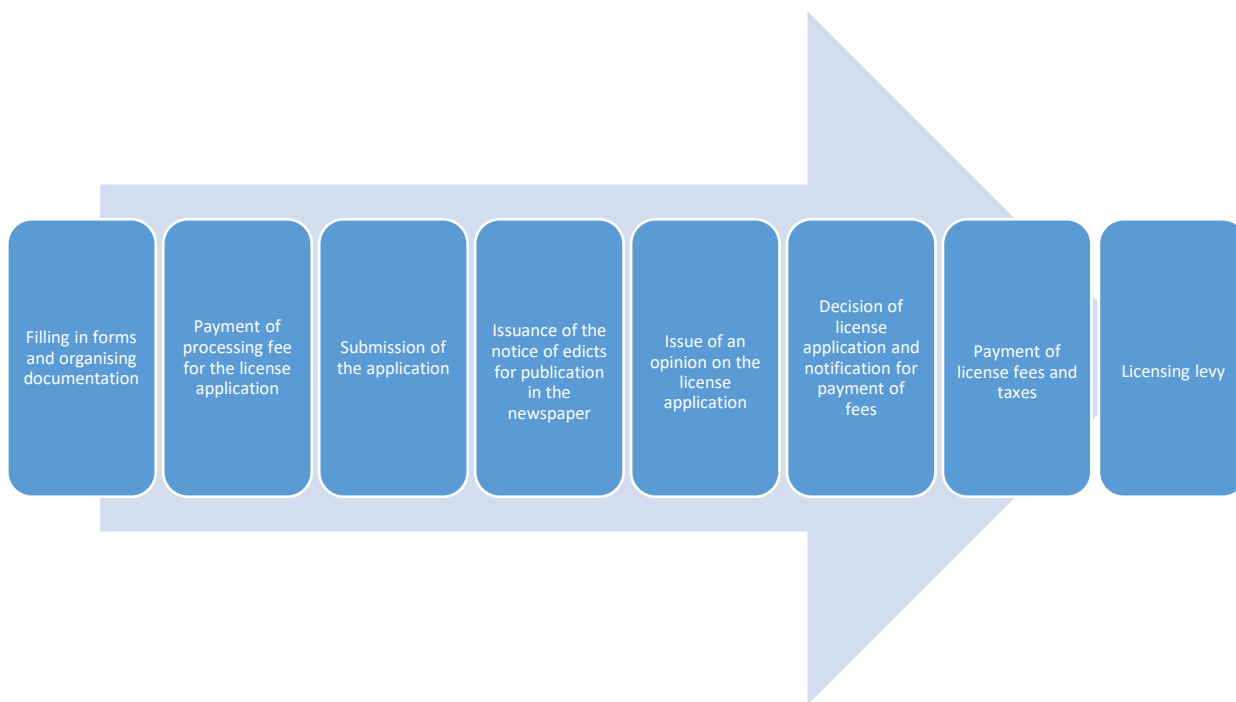


Figure 10: Mining licensing process

Generally, mining titles/licenses and authorizations are granted at the request of the interested party, and in the case of the prospecting and exploration license, the mining concession and the mining certificate, these can be assigned upon request of the interested party or public tender (when there is no overlapping of rights).

It should be noted that there is currently no provision for legislative changes to the licensing process.

In terms of attributed licenses for 2015 to 2016, 525 (five hundred and twenty-five) new mining licenses were granted, as detailed in the following table:

Type of Licenses	Assigned Titles	
	2015	2016
Prospecting and Research Licenses	58	139
Mining Concession	6	26
Mining Certificate	165	131
Total	229	296

Table 16: Summary of licenses granted by MIREME (Source: INAMI)

In the reference period, 708 mining licenses were revoked/extinguished, of which 438 were revoked in 2015 and 270 in 2016. The reasons for cancellation/revocation of the titles are of several orders, for example: non-payment of specific taxes; failure to comply with any regulatory or specific provision in the mining agreement; dissolution of the company; non-submission of annual prospecting and research reports and investments made.

Currently, the total area of the country with assigned licenses is 17,263,139.67 hectares.

4.1.3 Technical and Financial Criteria for Attribution and Registration of Mining Licenses

The technical and financial criteria for the allocation and registration of mining licenses are stipulated in Annex 10 of the Mining Law Regulation.

Regarding the technical criteria, the applicant for a mining license must prove that he has at his disposal qualified technical personnel in the geological-mining area, and with minimum experience of 3 (three) years in the accomplishment of mining operations.

The applicable financial criteria are as follows:

- If the applicant is a legal person incorporated for more than 3 (three) years, he must present his report of accounts for the last financial year or provide evidence of third party financing through letters of honour from recognized financial entities, in the country or abroad;
- If the applicant is a legal person constituted less than 3 (three) years, or a natural person, he/she must present the extract from the bank account of the last three (3) months, with a balance of not less than 500,000 meticaís or proof of access to third party financing, through letters of credit from recognized financial entities, in the country or abroad.

It should be emphasized that proof of this financial capacity can be provided by the parent company or partner, through an express statement, with a recognized signature.

The above requirements should be reviewed to ensure greater control over the information provided, e.g. audited account, the required bank statement should be extended to a longer period (12 months). So we suggest that legislation be revised in this sense.

4.1.4 Comments on the Mining Licensing Process

The legal regime of the mining licensing process needs improvements in two essential components, namely in bidding and inspection.

First, according to article 3 e 21 of the Mining Law Regulation, the Minister of Mining and Energy Resources has responsibility for the allocation of mining licenses, by request or tender. In this second mode, the Annex 10 of the Mining Law Regulation fixed the mining operator award criteria, however, giving coverage to an administrative power that allows the Mineral Resources and Energy Minister to set specific criteria through a ministerial decree or by mere order. Nevertheless, the lack of award criteria legally embodied in the Mining Law does not allow for transparency in the licensing process, since this discretionary power granted to the Minister makes room for favouritism/patronage in the process of granting licenses.

For this reason we recommend that the legislation in question gets reviewed, in order to be set by the legislature itself the award criteria of mining licenses.

Second, the law should strengthen small-scale/artisanal mining control mechanisms so as to make adequate information on the quality and quantity of mining passes already issued and on existing and exploited mineral resources.

To combat the phenomenon of rental of mining passes, made by Mozambique in favour of foreigners who do not meet legal requirements to develop small-scale mining activities, the law must establish an application of mandatory rules to the licensing authority for the rental of these passes and other mining titles, to the benefit of promoting transparency in the exploration of these resources.

The fragility of the monitoring system affects transparency in the exploration of mineral resources, as it gives rise to the massification of illegal miners whose exploration does not contain records and reliable control by the Government, thus the incomes arising from these activities are not taxed. Considering that most of the areas are located in remote zones, it ends up hampering the inspection process, making it necessary to create conditions for access to areas that are difficult to access. In addition, there is a need of creating capacity building in the extractive industry legislation to the members of the provincial and district organs in order to guarantee the knowledge of law, without which the application of the same becomes deficient.

4.1.5 Mining Cadastre

The Section II of Chapter I of the Regulation of the Mining Law is devoted to the regulation of the mining cadastre.

The article 4 of this Regulation provides that the mining cadastre should contain the registration of the licensing process, management of the mining and/or mining, and the mining cadastral.

The Portal on Mining Cadastre, developed in 2003, comprises the following two platforms:

- An online platform called flexicadastre, where all the processes of licensing are processed online and allows all the management of the mining activity; it should be noted that although the information is in the system, there is a physical file of the processes where all the documents related to the licensing process can be found, as well as the duplicate of the mining title and the mining contract.

The system provides aggregate information on all assigned licenses, transmitted licenses, rejected, revoked/cancelled licenses and on the change of owners of mining licenses. However, this information is not published.

It should be noted that the state of the licensing processes that can be checked online does not always reflect the current state of the process, so there is a need to update the system before we can get those registrations.

Annually, from November 20 to February 28, INAMI closes the system and updates it, verifying that all the licenses issued during the year are properly posted in flexicadastre. However, in the analysis of licenses in force in 2015 and 2016, we identified some weaknesses in the update of the status of licenses, with some companies being left out of the sample, as it was belatedly found that these companies had in fact an active mining license in the period of reference.

- An online public access platform (<http://portals.flexicadastre.com/mozambique/en/>) where you can view licensed areas, all assigned mining titles, beneficiaries, the type of product being the date of the license application, the date of attribution and the validity of the license.

With respect to the transmission of mining titles, article 62 of the Mining Law provides that mining titles may be transmitted between the live, and the transmission is subject to the approval of the Government. The approval of these transfers by the Government depends on the fulfilment of the technical and financial criteria of the transferee to develop the mining activity in question. However, the lack of regular supervision by MIREME causes some license holders to enter into farm-out/farm-in agreements without the knowledge of INAMI/MIREME of the concessioned areas. Any transmission that does not obey the provided in the article 128 of the Mining Law is considered null and must be denounced to the authorities for legal purposes. However, by cadastral verification of existing records regarding mining companies, it is noted that there are no requests for the transmission of mining titles from the system.

In addition, whenever the transmission is approved, it is necessary to ensure that this information is updated in the Mining Registry, in order to allow the collection of taxes and fees arising from transmissions. This process of updating the Registry may mitigate the occurrence of situations where the receipts confirmed by the State diverge with the payments declared by the assigning companies, because the title to the concession is to a third party and the declared payments differ from the concessionaire.

In the process of reconciling the payments declared by the license holders and the receipts from the State Institutions, we encounter some difficulties that we believe can be overcome with some improvements in the process of entering information in the register, which is described below:

- In the first place, it is recommended that the NUIT of the holders of the mining licenses be introduced in flexicadastre, since this is the element that allows the receipt of the selected recipients for reconciliation purposes to the Tax Authority. Although, INAMI collects this information, it only consists of the physical processes.
- Secondly, it is necessary to guarantee the standardization of data between AT and INAMI. The name of the mining license holder inserted in the flexicadastre must be identical to the name of the entity/individual for which the NUIT was awarded. In some cases the social designation was incomplete, making it difficult to collect NUIT, since there were doubts about the license holder.
- The constant and timely updating of the Mining Register is fundamental to ensure that the relevant data on the licensed projects, address and contacts of the projects and their representatives are updated. Although the registration is updated annually, there are gaps and the updating procedures must be reviewed.

Currently, the Register update is ongoing, however companies are still not providing the required information from INAMI, having issued a notice to all holders to communicate within legal deadlines their addresses changes and their agents under the risk of incurring to legal penalties provided in the article 146 of the Mining Law. As a measure, INAMI will report to the General Energy Resources

Inspectorate a total of 41 holders whose addresses were not found and the correspondences returned in 2017.

Additionally, in the reconciliation process, we were faced with situations of incorrect use of the Unique Tax Identification Number (NUIT) of the mining companies when paying the specific taxes and fees that they make with the Tax Receipts in the provinces. The models for tax payments (Model B) filled in by INAMI or Provincial Directorates of Mineral Resources and Energy (DIPREME) with the amounts to be paid are normally returned because NUIT and the revenue distribution codes do not match with the information contained in the system currently used by the Tax Authorities. Although training in DIPREME's has been promoted to address this recurring problem, there are still evidence of taxes paid on behalf of and with DIPREME's NUIT. It should also be noted that there have been differences between the revenue distribution codes described in the models for tax payments (Model B) and the codes assigned by the Tax Authority verified in the respective receipts, which has hampered the reconciliation process.

These constraints can only be overcome if there is an articulated action between INAMI and AT with a view to the unification of the mining/taxpayer registration system.

The computerization of this process is one of the solutions indicated that, in general lines, can consist of the creation of a link in the official website of the AT through which companies in the process of formation can fill out online forms, which include annexes of documents required for the attribution of NUIT. At the moment, conversations between the different entities are still under way in order to find solutions to this constraint.

Within the scope of the Project for Modernization of the Mining Cadaster that began in 2016, with the expected completion date for 2018, the terms of reference include the integration of e-taxation data, Mining Titles Management IT System and SIGIT, by so, that in an organized, systematic and efficient way information related to the collection of taxes and payments of fiscal obligations made by the holders of mining licenses can be related and crossed and other aspects related to land management as well.

It should be noted that the Tax Authority is developing a specific tax form for the extractive industry, since Model B, which is a generic model for the payment of other taxes, is not appropriate to collect data from this industry (lack of field by example NUIT/tax number field and need of collecting more information).

4.2 Hydrocarbon Sector

4.2.1 Legal Framework

In the national territory, the exploration of hydrocarbons is regulated by the Petroleum Law - Law No. 21/2014 of August 18 - and by the Petroleum Operations Regulation, approved by Decree No. 34/2015 of December 31.

These diplomas apply to all natural or legal persons who undertake or wish to carry out one or more of the petroleum activities and any infrastructure owned by the right holder or third parties used in connection with oil operations subject to Mozambican jurisdiction.

4.2.2 Analysis of the Legal Process of Licensing of the Hydrocarbon Sector

According to article 1, no. 21 Petroleum Law, in conjunction with article 5, paragraph 1, of the Petroleum Operations Regulation, concessions for research, exploration and production of hydrocarbons must be made by public tender.

Once the bidding process has been completed and the winners have been determined, the exercise of petroleum operations is subject to the prior conclusion of a concession contract that may be:

Recognition

Scope

This type of contract grants the non-exclusive right to conduct preliminary research and evaluation work in the concession contract area through geological studies.

Proceedings

The right of recognition is granted through an application addressed to the Minister of Mineral Resources and Energy.

The application must be submitted to the National Petroleum Institute (INP) containing, among other information:

- The name, address and nationality of the applicant, including the identification of his representative in Mozambique being a foreign legal entity;
- Demonstration of technical competence and financial capacity to carry out or manage petroleum operations;
- Identification of the required area, including geographical coordinates and maps;
- The description of the objectives, nature and expected period of the activities;
- Technical description of the equipment and methods applied, vehicles, boats and aircraft to be used;
- Proposal of an activity plan.

The recognition agreement must present the elements contained in Article 8 of the Petroleum Operations Regulation.

Research and exploration

Scope

This contractual type grants the exclusive right to conduct petroleum operations, as well as the non-exclusive right to build and operate petroleum production and transportation infrastructures.

Proceedings

The attribution of the right of research and exploration is made through an application addressed to the Minister of Mineral Resources and Energy.

The application must be submitted to the INP containing at least the following information:

- The name, address and nationality of the applicant, including the identification of his representative in Mozambique being a foreign legal entity;
- Demonstration of applicant's technical, operational and financial competence, including research, development and production capacities;
- The applicant's experience in the petroleum industry, especially in the area of oil drilling, production and transportation;
- Identification of the required area, including geographical coordinates and maps;
- Technical description of the equipment and methods applied, vehicles, boats and aircraft to be used;
- Proposal for the indication of an operator;
- Proposal of state participation.

The research and production concession contract must contain the elements contained in Article 10 of the Petroleum Operations Regulation.

Pipeline Systems

Scope

The pipeline system concession agreement grants the right to construct and operate pipeline systems for the transportation of crude oil or natural gas in cases where these operations are not covered by a research concession agreement and production.

Proceedings

The assignment of the right to construct and operate pipeline systems for the transport of oil or natural gas is made through an application addressed to the Minister of Mineral Resources and Energy.

The application must be submitted to the INP containing information similar to those that are required in the contract previously described

Construction and operation of infrastructures

Scope

The infrastructure construction and concession agreement grants the right to build and operate petroleum infrastructures, such as processing and conversion, that are not covered by an approved research and production development plan.

Proceedings

The assignment of the right to construct and operate pipeline systems for the transport of petroleum or natural gas is made through an application addressed to the Minister of Mineral Resources and Energy.

The application must be submitted to the INP containing information such as:

- The name, address and nationality of the applicant, including the identification of his representative in Mozambique being a foreign legal entity;
- Demonstration of applicant's technical, operational and financial competence, including research, development and production capacities;
- The applicant's experience in the petroleum industry;
- Identification of the required area, including geographical coordinates and maps;
- Technical description of the equipment and methods applied, vehicles, boats and aircraft to be used;
- Proposal for contracts for financing, ownership, management and use of infrastructures, terms and conditions for the transportation and access of third parties;
- Proposal for the indication of an operator;
- Proposal of state participation.

In short, the steps in the licensing process are identified in the diagram below:

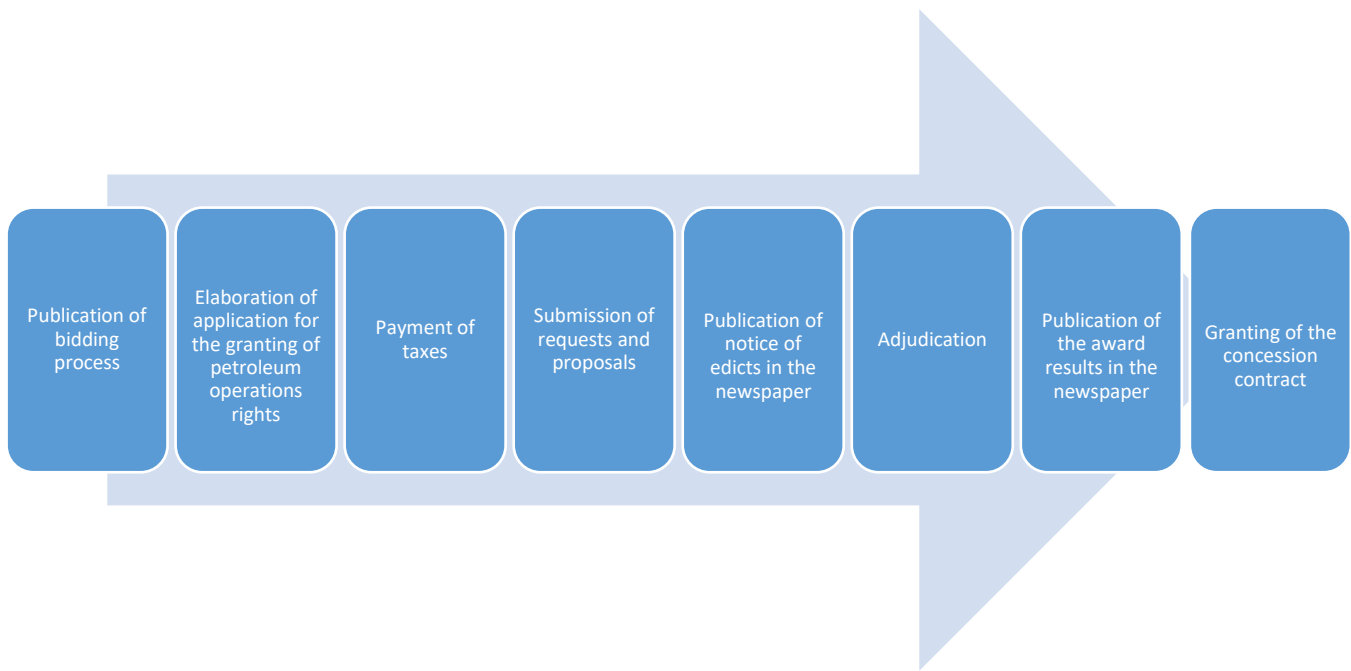


Figure 11: Hydrocarbon licensing process

4.2.3 Technical and Financial Criteria for Allocation and Registration of Petroleum Operations Concessions

For the granting of rights to carry out petroleum activities, the Mozambican Government is based on criteria set out in the INP's terms of reference⁵⁰, set out below.

In fact, starting with the technical criteria, we have the following:

- Check that you have operated somewhere;
- Check that you have already drilled a survey somewhere;
- The applicant must be producing somewhere;
- Demonstrate technical and financial capacity to efficiently conduct petroleum operations (have technicians qualified for research operations and draw conclusions from them) in accordance with applicable legislation;
- Applicant's ability to conduct research up to the end of the stipulated period.

With regard to the financial criteria, these vary for an applicant operator or non-operator/partner.

As the applicant is the operator, the award is based on the following criteria:

- Onshore Experience - with total assets and capital exceeding 100 million dollars;
- Offshore experience of less than 500m - with total assets and capital exceeding 2 billion dollars;
- Offshore deep-water experience > 500m - with total assets and capital exceeding 5 billion dollars.

⁵⁰ Published on the website www.inp.gov.mz

For non-operator/partner applicants, the criteria for awarding concessions for oil operations granting are:

- With total assets and capital of more than 250 million dollars;
- All must submit positive financial reports during the last 3 years (Balance Sheet).

It should be noted that during the reporting period, no tenders were issued for the licensing of exploration, exploration and production of hydrocarbons. However, two tenders were launched, both in 2016, the results of which were published on the INP website. The following are detailed the contests:

- In the tender for the award of Natural Gas for the development of projects in the domestic market, launched on August 26, 2016. Fourteen (14) proposals were presented and three companies were selected:
 - Yara International, which has requested the award of 80-90 mcf/d (million cubic feet a day) of natural gas to produce 1.2 -1.3 MTPA (million metric tons) of fertilizers (Ammonia/Urea) and 30 - 50 MW of energy electric;
 - Shell Mozambique BV that requested the award of natural gas to produce 38,000 barrels of liquid fuels (GTL Diesel, Nafta and Kerosene) and 50-80 MW of electric power, of 310-330 mcm³/d (million cubic feet a day);
 - GL Energy Africa that requested the adjudication of 41.8 mcmcf/d (million cubic feet day) of natural gas to produce 250 MW of electricity.
- In another tender for service delivery the acquisition of geophysical and geological data, launched on June 11, 2016. 16 proposals were presented, and the following winners were determined:
 - CGG for area T1, T3 and T5;
 - Spectrum for area T2 (2D);
 - Schlumberger for area T2 (3D);
 - The ION/Schlumberger Consortium for the T4 area;
 - The EMGS for the T6 area.

It should be noted that for each submission of proposals a fee of 2,000,000.00 MZN is charged⁵¹. Thus, in the year 2016 were collected by the INP 60,000,000.00 MZN, of which 28,000,000.00 MZN refers to the first natural gas tender for the development of projects in the domestic market and 32,000,000.00 MZN for the other.

4.2.4 Register of Petroleum Operations

Unlike the mining registry, the registration of the concession contracts for the exercise of petroleum operations is not expressly provided for in the Law. However, INP has a database connected with a GIS system where all the information related to the concession contracts (date of adjudication, date of validity and rescission), details of the respective concessionaire, operators with the details of the

⁵¹ As established in Article 17 (1) of the Petroleum Operations Regulation (Decree 34/2015 of 31 December) which refers to Annex B thereof.

respective participating interests, and the respective contracts are also available in the same database all the acts of rescission, modification and cancelation of the contracts as well as the transmission of the rights of exploration of hydrocarbons are accessible through this database and the information is updated.

Additionally, in the digital platforms of MIREME and INP which are of public access , all the contracts are published, including the information relative to the five (5) public tenders that mark the history of hydrocarbon exploration in Mozambique. The concession contracts published have data essential to promote transparency in the exploration of hydrocarbons⁵². Specifically, the contracts published on these platforms include, among other items, identification of the granting parties, address of the concessionaire and the description of the area granted.

However, we would suggest to organize the information also as a cadastre in order to facilitate the access and consultation of all information.

For this reason, the main recommendation is to establish a legal record or cadastre of petroleum operations under INP management, including, among other aspects, name of the concessionaire, date of the concession, date of adjudication, participating interest and description of the concession area.

4.2.5 Comments on the Hydrocarbon Sector Licensing Process

As mentioned in point 3.3.2, concessions for prospection, exploration and production of hydrocarbons must be made by public tender.

However, the legislation is very abstract in relation to the setting of tender procedures and award criteria, that is, while the Petroleum Law has reserved to the Government the power to regulate this procedure in the Petroleum Operations Regulation approved by the Council of Ministers , no specific criteria have been set and it has been limited to regulating in a generic way that the public tender procedures for granting concession contracts must include at least the terms and conditions under tender and those that are negotiable which, among others, those that are related to the duration of the contract , the percentage of the State's participation, the National Hydrocarbons Company (ENH), any production-sharing and utilization contracts.

The excessively generalized nature of these provisions provides flexibility on the negotiations and potentially discretionary powers but it can also prejudice the capacity of negotiation and of defending the State interest.

⁵² <http://www.inp.gov.mz/en/Policies-Legal-Framework>

5. State Participation in the Extractive Industry

5.1 Key Mechanisms of State Participation

The state participates in the extractive industry through three key channels, and these ensure that the Mozambican state benefits from the extractive industry:

- Public institutions;
- State entities present in the extractive industry as "state-owned companies (EP)";
- State entities present in the extractive industry as "public limited companies (SA)";

The table below summarizes the current forms of state involvement in the extractive industry, the entity and the role played by the entities.

The State participates in the Extractive Industry via:	Entity	Sector	Function
Public institutions	National Directorate of Treasury (DNT)	General	Financial supervision
	State Shareholding Management Institute (IGEPE)	General	Commercial representation
	National Institute of Mines (INAMI)	Mining	Regulator
	National Institute of Petroleum (INP)	Hydrocarbons	Regulator
State Companies present in the extractive industries as "State-owned enterprises" (SOE)	National Hydrocarbons Company (ENH)	Hydrocarbons	Commercial representation
State Companies present in the extractive industries as "Public Limited Companies" (PLC)	Mozambican Mining Company (EMEM)	Mining	Commercial representation
	Mozambican Company of Hydrocarbons (CMH)	Hydrocarbons (upstream)	Commercial representation
	Mozambican Pipeline Company (CMG)	Hydrocarbons (midstream)	Commercial representation
	Cabo Delgado Ports (PCD)	Hydrocarbons (midstream)	Commercial representation
	ENH Logistics (ENHL)	Hydrocarbons (midstream)	Commercial representation
	ENH Rovuma Área 1	Hydrocarbons (upstream)	Commercial representation
	ENH FLNG 1	Hydrocarbons (upstream)	Commercial representation

Table 17: Forms of State Participation

The table above shows that the most common form of state involvement is through "public limited companies" for commercial representation of the State. Commercial representation, in this case refers when the State has a participatory interest in the projects carried out in the extractive industry.

The gas sector has adopted a structure in which it has a parent firm incorporated as a "state-owned enterprise" (SOE) such as ENH, which has then set up several subsidiaries such as CMH and CMG as "public limited companies" (PLC). This model allows responsibilities to be clearly defined where the PLC has a greater financial and operational flexibility and can be listed on the Stock Exchange. More importantly, because it has a separate legal entity, it allows the State to mitigate the risk of undertaking different operations in the extractive industry. The PLC reduce the risk because they are entities created to represent the State in a project or specific stage of a project in which State cannot be held responsible. This allows ENH to focus on macro-objectives, such as market development, generation of dividends for the country and effective management of royalty gas.

The mining sector established EMEM as the only commercial vehicle to represent the State as a PLC, instead of the structure adopted in the gas sector. This allows the direct participation of EMEM in projects, in contrast to creating several subsidiaries.

5.2 Key Entities in the Extractive Industry

This section discusses the key entities in the extractive industries by sector, focusing on IGEPE, ENH and its subsidiaries and EMEM, as well as on industry regulators.

5.2.1 IGEPE Participation in the Extractive Industry

The State's Shareholdings Management Institute (IGEPE) represents the participation of the State in the Mozambican private sector as a whole, including the shareholding in companies and key institutions in the extractive industry. It was created in 2001 with the goal of restructuring non-profit state companies and managing profitable state companies by coordinating state participation in key companies and industries. In 2015, IGEPE held a portfolio of 109 companies, of which 6 were in the process of dissolution and in 2016, its portfolio consisted of 103 companies, of which 4 were in the dissolution phase. Below is a list of all entities in the extractive industries in which IGEPE holds shares during 2015 and 2016.⁵³

Companies	State Participation ⁵⁴	IGEPE's Participation
Auto - Gás, PLC.	0%	22%
Mozambican Pipeline Company, PLC. (CMG)	20%	0%
Mozambican Company of Hydrocarbons, PLC. (CMH)	20%	0%
Cements of Mozambique, PLC. (CIM)	11.89%	0%
Mozambican Mining Company, PLC. (EMEM)	50%	35%
Public Works Engineering, LTD (ENOP) ⁵⁵	14.53%	0%
Mineral Association of Cuamba, PLC. (SOMECE)	20%	0%

Table 18: State and IGEPE participations in 2015 and 2016

⁵³State Budget Monitoring Report 2015 and 2016, Ministry of Economy and Finance. The shareholding structure did not change during this period.

⁵⁴ The State in this case refers to the National Directorate of Treasury (DNT).

⁵⁵ According to information obtained from IGEPE, the Company is in phase of dissolution.

Currently IGEPE holds shares in 4 extractive industry companies: CMH, CMG, EMEM and CIM. IGEPE reported that only CMH and CIM have paid dividends in the past and only CMH paid dividends for the period in reference. The value of dividends paid by CMH and declared by IGEPE can be seen in the table below. As observed, there are no discrepancies between the dividends declared.

IGEPE's Participating Interests	Dividends declared and paid		Observations
	IGEPE	Company	
2015			
Mozambican Hydrocarbons Company (CMH)	176,124,533.20	176,24,533.20	Paid at 16.04.2015
	133,17,587.50	133,517,587.50	Paid at 16.09.2015
2016			
Mozambican Hydrocarbons Company (CMH)	67,091,104.09	67,091,104.09	Paid at 06.04.2016
	52,932,305.80	52,932,305.80	Paid at 21.09.2016

Table 19: Dividends paid by CMH and received by IGEPE (Source: CMH and IGEPE)

With regards to CMG, its participation in ROMPCO was financed by the majority shareholder (Sasol), the European Investment Bank (EIB) and the South African bank Standard Bank. The State participation (quasi-equity) in CMG is pledged to the donors until 2021. Its financial situation is fragile due to receiving income in South African Rands, but with debts in US dollars and euros.

5.2.2 Gas Sector

Regulator

The National Petroleum Institute (INP) was created by the Council of Ministers, by Decree no. 25/2004, of August 20, as regulatory entity, responsible for the administration and promotion of petroleum operations, which is supervised by the Minister of Mineral Resources and Energy. INP is a legal entity with autonomy regarding its administration, finances and assets, which performs its duties in accordance with the applicable law, ensuring the prerogatives necessary for the proper exercise of its competences based on neutrality, technical capacity and impartiality. This institution, apart from being the regulatory body in the hydrocarbons sector, it is also responsible for the supervision of oil operations in the different stages of the petroleum and gas value chain. INP monitors the licensing of blocks and concession areas, as well as supervises the agreement obligations of companies involved in prospection, exploration and production activities. INP also advises the Government of Mozambique on the updates considered necessary in accordance with the laws and regulations in force in the hydrocarbons sector.⁵⁶

State Representative in the Hydrocarbons Sector

State representation in the hydrocarbon sector is carried out by National Hydrocarbons Company - ENH, which was created in 1981 with the responsibility of supervising the research, exploration, production and trading of petroleum products. It was created by Law no. 3/81, of October 3, as a Public Institution, but was changed into a state-owned enterprise by Decree no. 39/97 of 12

⁵⁶ <http://www.inp.gov.mz/pt/Sobre-o-INP>

December, extending its mandate on the petroleum and gas sectors in the country. By decree, ENH may participate in any stage of the petroleum and gas value chain.

As the gas exploration activity began to intensify in the country, a greater representation of the State was required to operate in the private sector; however, ENH's mandate as a publicly owned company limited its commercial and operational flexibility. This led to the creation of subsidiaries and affiliates of ENH which were incorporated as public limited companies and represent the commercial interests of ENH, and therefore of the State in petroleum and gas projects. Apart from having subsidiaries and affiliates, ENH may hold shares directly in different companies in the hydrocarbon sector.

The main projects in which ENH is currently involved, through its subsidiaries, are:

- Pande-Temane Project,
- Inhambane Gas Distribution Project,
- Maputo-Marracuene Gas Distribution Project,
- Rovuma Basin LNG and FLNG Project,
- Pemba Logistics Base Project,
- Pemba General Urbanization Project.

Depending on the type of project, ENH's involvement and the stage in the value chain, ENH created different entities to ensure adequate State commercial involvement. This will be highlighted below with a description of ENH's subsidiaries and affiliates as well as their respective activities.

ENH Subsidiaries:

1. Mozambican Company of Hydrocarbons, PLC. (CMH)

CMH was set up in 2000, with the aim of improving oil activities and coordinating operations in the natural gas field, Pande and Temane. It represents the state (ENH) in upstream gas activities, namely exploration and production. CMH holds 25% of the Pande-Temane activity, including petroleum operations, development of gas fields and construction and management of the Central Processing Facility (CPF). Its 25% stake in the Pande-Temane investment extends to participating capital, costs incurred and revenues received.

2. Mozambican Company of Hydrocarbons, PLC. (CMG)

CMG was established in 2002 with the purpose of providing transportation services of natural gas through a pipeline and the use of related or subsidiary activities to its main activity, as well as the provision of related services. It has a 25% participating interest in the Republic of Mozambique's Pipeline Company (ROMPCO), which is the only cross-border pipeline from Temane, Mozambique to Secunda, South Africa. CMG is the state's instrument to ensure Mozambican participation in midstream operations of the Pande-Temane project.

3. ENH Logistics, PLC.

ENH Logistics' main activity is the provision of services and supply of support infrastructures to the hydrocarbon sector in Mozambique. The key areas identified for ENH Logistics' support services include Pemba Port, Palma Port, Cabotage, Real Estate, Aviation, Health and Maintenance. All these areas are surrounding the exploration, production, transportation and distribution of natural gas. It will be directly involved in the Plano Geral de Urbanização de Palma (PGU) project.

4. Cabo Delgado Ports, PLC. (PCD)

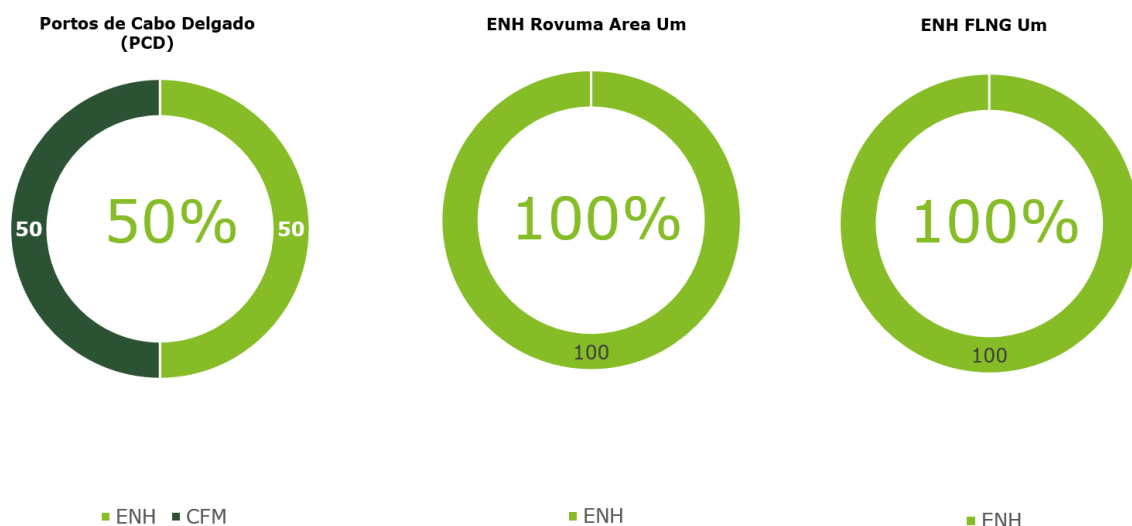
PCD is the result of the partnership between the Ports and Railways of Mozambique (CFM) and ENH, at 50% each. The company was set up to develop and implement infrastructure to support oil operations, including design, construction, operations and management of specialized port terminals.

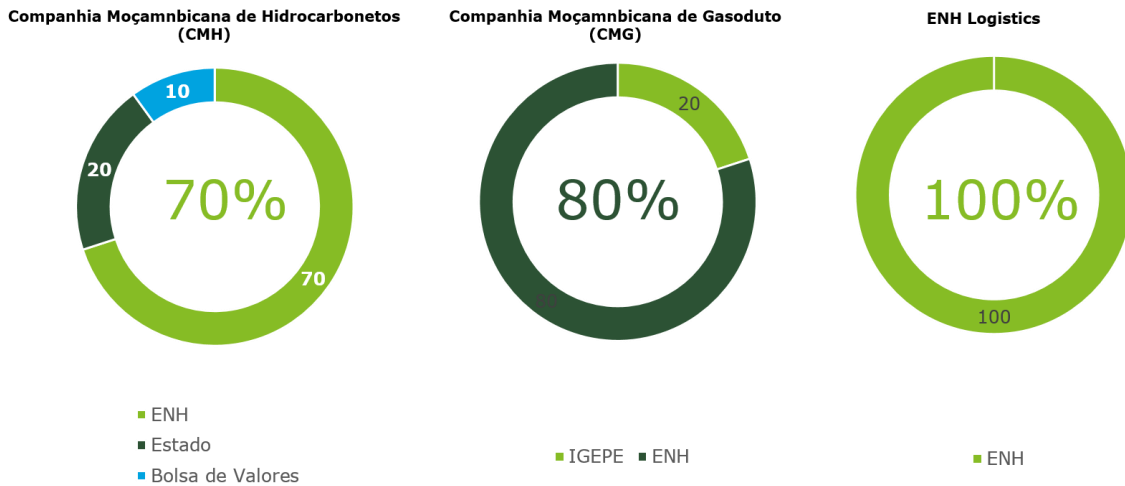
5. ENH Rovuma Área Um, PLC.

ENH Rovuma Area Um was incorporated in 2017 and will be responsible for managing ENH's participatory interest in the Block Area 1 of the Rovuma Basin Natural Gas Project. This action is part of ENH's preparation for the exercise of its participation in the liquefied natural gas ventures of the Rovuma basin.

6. ENH FLNG Um, PLC.

ENH FLNG Um was incorporated in 2017 and will represent the interests of the company in the natural gas liquefaction project of the Coral South reservoir in Block Area 4 of the Rovuma Basin Natural Gas Project. This action is part of ENH's preparation for the exercise of its participation in the liquefied natural gas ventures of the Rovuma basin.





Graph 5: ENH Subsidiaries

ENH's Affiliates:

1. Matola Gas Company (MGC)

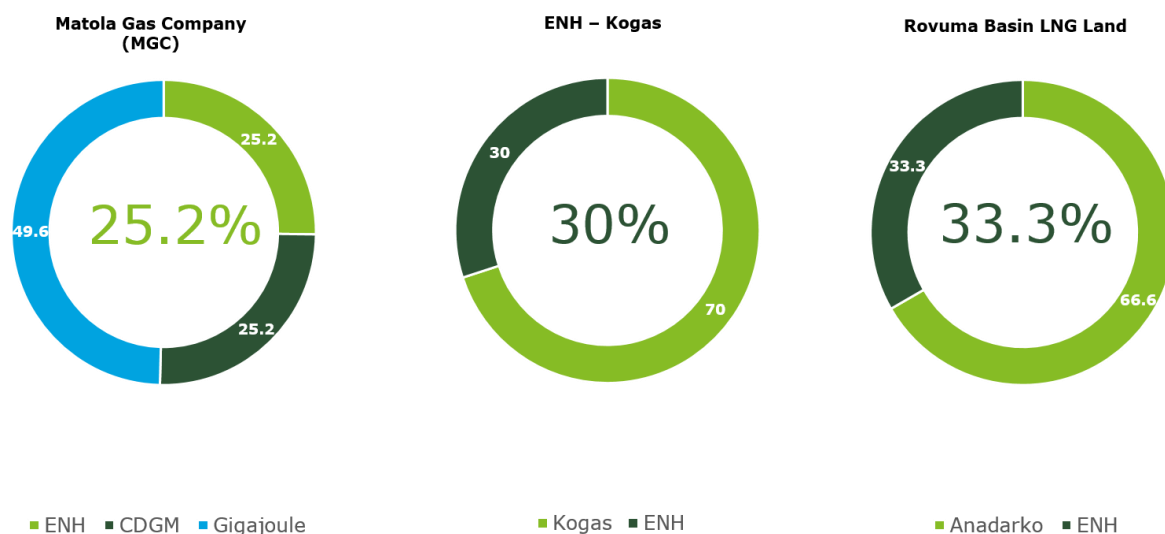
MGC engaged in the transportation, distribution and sale of natural gas produced in Mozambique that is used as an energy source for the operation of various industrial units in Maputo province. Its operations have a midstream focus and ENH holds a 25.2% interest in the company. MGC is one of the recipients of royalty gas in Mozambique and one of the four off-takers of commercial gas previously allocated by the government.

2. ENH-Kogas

This is a joint venture between ENH, E.P and Kogas, Korean gas company. Its purpose is the construction, installation, operation and maintenance of natural gas pipeline systems as well as the purchase, storage, transportation, distribution and sale of natural gas. The joint venture is currently implementing the Maputo-Marracuene Gas Distribution Project.

3. Rovuma Basin LNG Land, Lda (RBLL)

Anadarko Mozambique Area 1 (AMA1) and ENH incorporated RBLL in 2012. It is the holder of the Right to Use and Enjoy Land (the 'DUAT') for an area identified on the Afungi Peninsula in Cabo Delgado Province, where the infrastructure for the natural gas liquefaction, namely the LNG trains, the common infrastructures, marine facilities, LNG storage tanks (the "LNG Facility"), will be built and operated.



Graph 6: ENH affiliated companies

5.2.3 Mining Sector

Regulator

The National Institute of Mines (INAMI) is the regulatory entity in Mozambique mining sector. It is an institute recently established in 2015, by Decree no. 22/2015 of 17 September, which replaced the Geological and Mining Institute (IGM). It is under supervision of the Ministry of Mineral Resources and Energy and is the public entity responsible for the guidelines for public and private participation in the mining sector, including research, exploration, import and export of mineral products and their derivative products. Its mission, together with other relevant public institutions, also includes supporting and controlling the use and exploitation of mineral resources. As reported by INAMI, the institution does not monitor activities of transportation of mining products in the sector and there is currently no public entity regulating this matter. Therefore, transportation agreements are conducted by individuals on the basis of agreements between exploration and production companies and transport service operators, without INAMI regulation.

State Representation in the Mining Sector

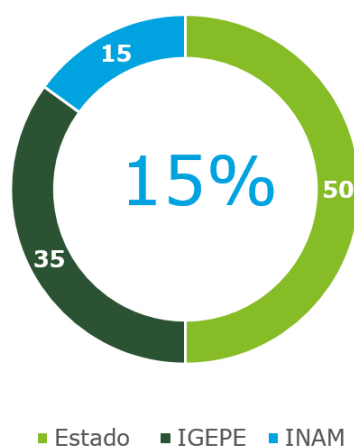
Mozambican Mining Company, PLC (EMEM) was created in 2010 to represent the commercial interests of the State in the mining sector. It is an instrument of economic policy on the sector and aims to promote greater inclusion of local content, as well as developing initiatives for local processing of these resources. EMEM's present strategy consists of holding participations in various mining projects, especially those that lack Mozambican representation. EMEM's long-term strategy includes developing complementary logistic solutions, commercialising mineral products and investing in coal-bed methane as a source of generating electricity.

The mining sector adopted a different structure than the gas sector, in that the representative of the state was directly created as a public limited company, so as to leverage the flexibility of

operating commercially. Nonetheless, this structure may function presently because the mining sector is not as developed as the gas sector in the country and majority of the projects EMEM participates in are still in the phase of development.

EMEM's shareholding structure is majority held by the State (50%), followed by IGEPE (35%) and INAMI (15%), all public institutions. INAMI being the regulator, in principle, should not hold a participating interest in EMEM because it may result in a conflict of interest

Empresa Moçambicana de Exploração Mineira (EMEM)



Graph 7: EMEM Shareholding structure

Contract negotiations in the mining industry take place between the State and the mining company, with EMEM representing the state's commercial interests. EMEM is granted a minimum participation of 5% *free carry* on mining projects that do not have any Mozambican representation. This includes projects that are 100% owned by foreign entities or individuals, such as Vale Moçambique, ICVL, Minas de Moatize, Minas de Revubue, JSPL Mozambique (Jindal), Kingho Investment, Grafites de Ancuabe e Mozacimentos.

EMEM may also negotiate a higher participating interest than the 5% *free carry*, given that it finances the shareholding stake⁵⁷. EMEM reported that it has not received dividend payments from any investment since its inception. The reason for this is either, the investments/projects have not yet paid dividends because they are in the development phase or the dividends are being withheld as form to finance EMEM's participation in the project.

During the interview, EMEM discussed the advantages of acquiring the advanced dividend mode, which is a modality adopted by other resource-rich countries, such as Angola, as a way to ensure that dividends are paid out over the life of the project. However, this modality is subject to approval by the Executive Council and would have to be regulated by INAMI.

⁵⁷ EMEM does not hold participating interests in some of the largest mining operations in country like Kenmare's heavy sands or in Montepuez Ruby Mining.

EMEM's shareholdings are listed below.

Project/Company	EMEM's Participation	Province	Status
Grafite de Ancuabe	10%	Cabo Delgado	Effective
Vale Moçambique	5%	Tete	Effective
Kingho Investment Company, Lda	10%	Tete	Effective
Areias Pesadas de Chibuto	10%	Maputo	Effective
ETA Star	25%	Tete	Effective
Minas de Changara, Lda	25%	Tete	Effective
Gemoz	55%	Cabo Delgado	Effective
Mozacimentos, Lda	25%	Zambezia	Effective
Marsar Dimensional Stone, Lda	45%	Cabo Delgado	Effective
Minas Moatize, Lda	5%	Tete	Effective
ICVL Benga	5%	Tete	Negotiation
ICVL Zambeze	5%	Tete	Negotiation
JSPL Mozambique Minerals, Lda	5%	Tete	Negotiation
Midwest Resources	5%	Tete	Negotiation
Minas Ruvibué	10%	Tete	Negotiation
Tele Gás Metano	66%	Tete	Negotiation
PECD	5%	Cabo Delgado	Negotiation

Table 20: EMEM participations (Source: EMEM, 2016)

EMEM reported that the entries in the table are the most updated for 2016 and was not able to provide the specific participations in each of the years 2015 and 2016. Nevertheless, it was not possible to analyse differences on the level of ownership of EMEM from one year to the other in the different projects for the scope of the report.⁵⁸

5.2.4 List of State companies that will be part of the reconciliation

The state companies that will be included in the reconciliation process can be found below. However, it is important to recognize that there was no agreed definition of a state companies with the MSG for the purposes of this report; therefore, the Independent Administrator considered a state company as a wholly or majority government company that is engaged in extractive activities on behalf of the government. This definition is aligned with the with requisite 2.6 a).

The state companies that will be part of the reconciliation process are as follows:

- National Hydrocarbons Company (ENH)
- Mozambican Hydrocarbons Company (CMH)
- Mozambican Pipeline Company (CMG)
- Mozambique Mining Company (EMEM)

⁵⁸Requirement 2.6 (b) requires disclosure if there are changes on the level of ownership of government and public companies during the period of the EITI Report.

5.3 Capital shares of the State

According to Guidance Note 18 of the EITI Standard, shareholder participation of the State may take different forms. One is fully paid-up equity, which implies that the State has the same rights as the other shareholders.

Another payment method is carried-interest arrangements, where the private company finances the participation of the State through a loan that includes interest. The loan repayment is made through compensation with some or all of the following options: State share in production, profits or gains.

An alternative financing modality is when the government may negotiate its participation in the social capital which is financed through a withholding tax (dividend withholding tax). This method may be more compatible with the interests of the State.

The most common method in Mozambique is *carried interest arrangements*. At the research and development stage, private companies are responsible for incurring all the associated costs of the project phase. If the project goes beyond the development stage, then the State decides whether it will contribute the amount of its participation in the project. With the modality of carried interest arrangements, the State or state-owned enterprise only receives dividends after having repaid the amount the private partners had financed in advance in order to fulfil its participation.

Financial relationship between the State and State-Owned Enterprises

The table below summarizes the main financial relationships (by method) between the State and public companies in the context of the Mozambican extractive industry.

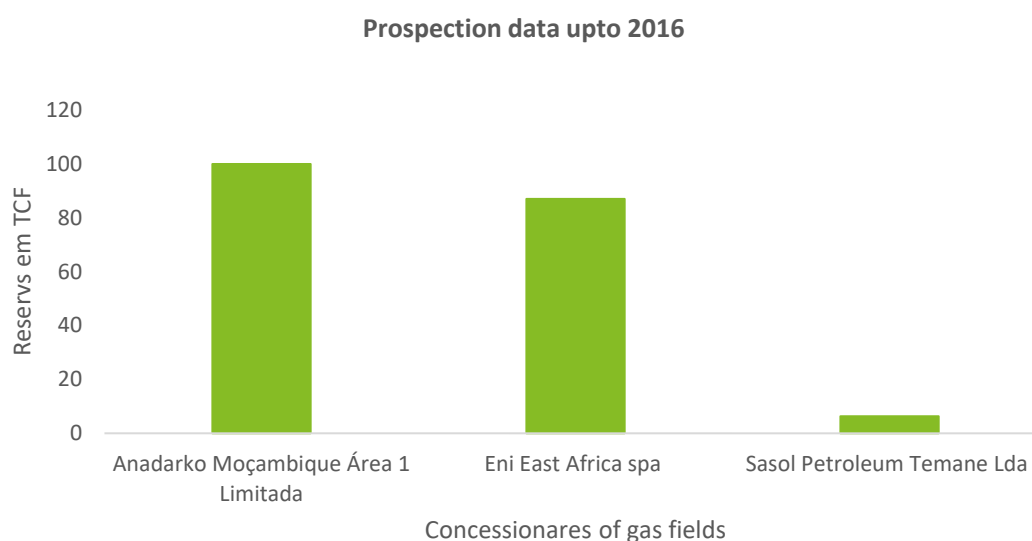
Financial Relationship between the State and State-Owned Enterprises	Description
Shareholding	It is the most common financial relationship between the Government (through different public institutions) and the public companies that implies the payment of dividends when decided by the Boards of Directors /AGs of the companies. Excepting CMH and MGC, most of the State's shareholdings in the companies they have invested did not generate dividends and this raises the question of their financial sustainability and their net impact on the Treasury, i.e., on the Public Treasury.
Retained profits and reinvestment	None of the state companies reported having benefited from retained profits or reinvestment.
Issuance of sovereign guarantees	None of the state-owned companies reported benefiting from sovereign guarantees despite having benefited from funding from development finance institutions such as IFC, EIB, DBSA and AFD.
Third-party financing	In this case there are examples such as Sasol's bridge loan to CMH to finance CMH's contribution to the expansion of production in Pande and Temane (which took place in 2010-11).

Table 21: Financial relationship between the State and State-Owned Enterprises

6. Exploration and Production

6.1 Prospection

At the prospecting level, it was possible to obtain official data on the hydrocarbons area, results of natural gas prospecting activities in Areas 1 and 4 gas fields in the Rovuma Basin by Anadarko Moçambique Area 1 Lda and ENI East Africa spa, and Pande, Temane fields and Inhassoro by Sasol Petroleum Lda.



Graph 8: Natural Gas Prospecting Data (Source: INP)

From 2015 to 2016 the operators that participated actively in exploration activities were:

- Anadarko Moçambique Area 1 Limited where in 2015 performed evaluation of six holes that resulted in natural gas in the Rovuma Offshore Area concession.
- Sasol Petroleum Temane Limited : in 2016 made six development holes having found light petroleum and natural gas in Pande and Temane concession.

Information on prospecting licenses in the mining sector was provided in Table 16.

6.2 Production

Production data is presented by each commodity type of the extractive industry and was gathered through MIREME. The products were classified in 6 categories and were disaggregated for both 2015 and 2015. The product categories are:

- Metallic Minerals
- Non-Metallic Minerals
- Ornamental rocks
- Precious and semi-precious stones

- Mineral fuels
- Hydrocarbons

Commodity	U.M.	2015				
		Prices (MZN)	Quantity		Value (MZN)	
			Planned	Actual	Planned	Actual
Metallic Minerals						
Gold	Kg	350,000	250	241	87,500,000	84,610,172
Tantalite	Ton	449	140,000	62,606	62,860,000	28,110,345
Ilmenite	Ton	2,100	1,000,000	828,893	2,100,000,000	1,740,675,300
Zircon	Ton	16,800	70,000	57,858	1,176,000,000	972,014,400
Rutile	Ton	15,960	18,000	5,981	287,280,000	95,456 760
Sub-Total (1)					3,713,640,000	2,920,866,977
Non-metallic Minerals						
Beryl	Ton	12,660	149	312	1,886,340	3,954,477
Graphite	Ton	7	170	580	1,224	4,176
Various Quartz	Kg	531	28,000	69,823	14,876,400	37,096,959
Gross Bentonite	Ton	1,680	800	354	1,344,000	595,980
Treated Bentonite	Ton	560	620	744	347,200	416,640
Bentonite	Ton	3,621	100	160	362,120	579,392
Diatomite	Ton	60	1,200,000	844,110	72,000,000	50,646,637
Limestone	Ton	100	950,000	1,943,556	95,000,000	194,355,602
Sand for Construction	M3	75	1,300,000	306,644	97,500,000	22,998,345
Clay	M3	2,750	5,000	4,984	13,750,000	13,708,464
Bauxite	Ton	111	32,000	783	3,552,000	86,913
Rhyolites	M3	95	1,800,000	2,854,365	171,900,000	272,591,878
Gravel	M3	12,660	149	312	1,886,340	3,954,477
Sub-Total (2)					472,519,284	597,035,465
Ornamental Rocks						
Dumortierite	Ton	9,770	1,100	98	10,747,880	957,538
Sub-Total (3)					10,747,880	957,538
Precious and semi-precious stones						
Tourmaline	Kg	2,937	48,000	144	140,995,200	424,184
Tourmaline Scrap	Kg	875	160,000	20,024	140,000,000	17,521,166
Garnet	Kg	1,022	12,000	33,804	12,265,200	34,551,681
Garnet Scrap	Kg	82	380,000	350,158	31,270,833	28,815,138
Marine Waters	Kg	2,050	60	0	123,000	0
Marine Water Scrap	Kg	1,537	3,000	0	4,612,500	0
Ruby	Kg	20,000	0	2,018	0	40,362,956
Sub-Total (4)					329,266,733	121,675,126
Mineral fuels						
Coal (coke)	Ton	3,920	6,000,000	4,786,611	23,520,000 000	18,763,517,864
Coal (thermal)	Ton	2,160	4,124,000	1,813,717	8,907,840,000	3,917,628,720

Commodity	U.M.	2015				
		Prices (MZN)	Quantity		Value (MZN)	
			Planned	Actual	Planned	Actual
Sub-Total (5)					32,427,840,000	22,681,146,584
Hydrocarbons						
Natural gas	Gj	35	170,000,000	190,314,110	6,013,750,000	6,732,361,654
Condensate	bbl	1,996	600,000	467,133	1,197,925,000	932,651,856
Sub-Total 5					7,211,675,000	7,665,013,510
Total					44,165,688,897	33,986,695,201

Table 22: Production data per commodity 2015 (Source: MIREME-DPC)

Commodity	U.M.	2016				
		Prices (MZN)	Quantity		Value (MZN)	
			Planned	Actual	Planned	Actual
Metallic Minerals						
Gold	Kg	2,919,070	280	200	817,339,600	586,137,754
Tantalite	Ton	686	210,000	91,661	144,114,600	62,903,387
Ilmenite	Ton	9,317	1,000,000	1,340,330	9,317,000,000	12,487,854,610
Zircon	Ton	57,750	70,000	215,222	4,042,500,000	12,429,070,500
Rutile	Ton	43,890	18,000	7,781	790,020,000	341,508,090
Sub-Total (1)					15,110,974,200	25,907,474,342
Non-metallic Minerals						
Beryl	Ton	12,660	5	180	63,300	2,287,889
Graphite	Ton	296	120	580	35,520	171,680
Various Quartz	Kg	531	28,000	1,750	14,868,000	929,250
Gross Bentonite	Ton	4,863	800	322	3,890,592	1,567,422
Treated Bentonite	Ton	0	620	1,250	0	0
Bentonite	Ton	3,621	100	1,305	362,120	4,725,666
Diatomite	Ton	60	1,500,000	728,431	90,000,000	43,705,858
Limestone	Ton	100	1,600,000	1,632,657	160,000,000	163,265,754
Sand for Construction	M3	3,458	1,450,000	336,415	5,014,100,000	1,163,323,678
Clay	M3	3,540	6,000	1,450	21,240,000	5,135,796
Bauxite	Ton	121	0	0	0	0
Granite	M3	340	2,190,000	1,270,051	744,819,000	431,944,398
Gravel	M3	12,660	5	180	63,300	2,287,889
Sub-Total (2)					6,049,378,532	1,817,057,393
Ornamental Rocks						
Dumortierite	Ton	9,770	1,100	8	10,747,880	80,316
Granite blocks	M3	23,100	0	0	0	0
Marble Slabs	M2	397	0	0	0	0
Marble Blocks	M3	3,903	0	0	0	0
Sub-Total (3)					1,100	8

Precious and semi-precious stones

Commodity	U.M.	2016				
		Prices (MZN)	Quantity		Value (MZN)	
			Planned	Actual	Planned	Actual
Metallic Minerals						
Tourmaline	Kg	10,641	220,000	75	2,341,020 000	804,257
Tourmaline Scrap	Kg	28,600	50,000	11,059	1,430,000, 000	316,293,134
Garnet	Kg	76,650	15,000	33 804	1,149,750, 000	2,591,122, 590
Garnet Scrap	Kg	101	395,222	91,273	39,996,466	9,236,850
Marine Waters	Kg	32,394	60	10,044	1,943,640	325,385,290
Marine Water Scrap	Kg	8,098	3,000	332	24,295,500	2,695,018
Ruby	Kg	40,526	150	1,249	6,108,738	50,643,872
Ruby Scrap	Kg	3,520	3,993	1,397	14,057,120	4,918,281
Sub-Total (4)					5,007,171, 464	3,301,099,295
Mineral Fuels						
Coal (coke)	Ton	5,603	4,456,082	3,862,959	24,971,007,165	21,647,262 520
Coal (thermal)	Ton	3,043	2,698,335	2,208,392	8,213,219,056	6,721,925, 653
Sub-Total (5)					33,184,226,221	28,369,188,174
Hydrocarbons						
Natural gas	Gj	62	170,000,000	194,225,468	10,563,800, 000	12,069,170, 607
Condensate	bbl	2,398	600,000	477,089	1,438,800, 000	1,144,061, 052
Sub-Total (6)					12,002,600,000	13,213,231,660
Total					71,365,098,298	72,608,131,182

Table 23: Production data per commodity 2016 (Source: MIREME-DPC)

6.3 Exports

Exporting data is presented by each commodity type of the extractive industry and was gathered through MIREME. The products were classified in 4 categories that were separated in the respective years. Product categories are:

- Metallic Minerals
- Non-metallic Minerals
- Mineral fuels
- Hydrocarbons

The value of the products that were exported is in US dollars because the companies that export the products reported in the currency used in their transactions. That is why the value of exports of extractive products from the extractive industry is presented in US dollars.

Commodity	U.M.	2015				
		Prices (MZN)	Quantity		Value(USD)	
			Planned	Actual	Planned	Actual
Metallic Minerals						
Gold	Kg	12,500	407	0	5,092,500	0
Tantalite	Ton	16	982,000	49,106	16,330,296	816,621
Ilmenite	Ton	196	986,539	588,308	193,835,182	115,590,756
Zircon	Ton	110	61,706	47,515	6,787,660	5,226,650
Rutile	Ton	700	17,500	4,970	12,250,000	3,479,000
Sub-Total (1)					234,295,639	125,113,027
Non-metallic Minerals						
Beryl	Ton	670	148	35,360	99,160	23,691,200
Graphite	Ton	85	0	0	0	0
Various Quartz	Kg	27	750,750	0	20,420,400	0
Treated Bentonite	Ton	18	443	40	8,032	724
Bentonite	Ton	79	1,029	0	81,862	0
Diatomite	Ton	600	37,800	0	22,680,000	0
Bauxite	Ton	570	13,000	2,960	7,410,000	1,687,323
Sub-Total (2)					50,699,454	25,37,947
Ornamental Rocks						
Dumortierite	Ton	80	100	50	8,000	4,000
Marble Slabs	M2	14	0	0	0	0
Sub-Total (3)					8,000	4,000
Precious and Semi-precious stones						
Tourmalines	Kg	250	5,053	0	1,263,250	0
Garnet	Kg	25	1,845	0	46,309	0
Garnet Scrap	Kg	740	2,600	0	1,924,000	0
Marine Water	Kg	376	3,000	0	1,129,500	0
Ruby	Kg	20 000		181	0	3,634,010
Sub-Total (4)					4,363,059	3,634,010
Mineral Fuels						
Coal (Coke)	Ton	140	4,600,000	4,059,877	644,000,000	568,382,830
Coal (Thermal)	Ton	80	930,000	748,669	74,400,000	59,893,521
Sub-Total (5)					718,400,000	628,276,352
Hydrocarbons						
Natural Gas	Gj	1	112,776,300	154,897,752	159,578,464	219,180,319
Condensate	bbl	79	378 000	457 596	30,187,710	36,544,392
Sub-Total (6)					189,766,174	255,724,712
Total					1,197,532,327	1,038,131,348

Table 24: Export data per commodity 2015 (Source: MIREME -DPC)

Commodity	U.M.	2016				
		Prices (MZN)	Quantity		Value(USD)	
			Planned	Actual	Planned	Actual
Metallic Minerals						
Gold	Kg	37,910	280	167	10,614,800	6,334,192
Tantalite	Ton	25	210,000	31,732	5,250,000	793,305
Ilmenite	Ton	121	986,539	958,710	119,371,219	116,003 910
Zircon	Ton	750	61,706	73,599	46,279,500	55,199,250
Rutile	Ton	570	17,500	7,382	9,975,000	4,207,740
Sub-Total (1)					191,490,519	182,538,397
Non-metallic Minerals						
Beryl	Ton	740	148	0	109,520	0
Graphite	Ton	700	0	0	0	0
Various Quartz	Kg	0	750,750	0	623,122	0
Treated Bentonite	Ton	70	443	0	31,066	0
Bentonite	Ton	27	1,029	0	27,999	0
Diatomite	Ton	117	37,800	0	4,422,600	0
Bauxite	Ton	72	13,000	1,125	936,000	81,031
Sub-Total (2)					6,150,307	81,031
Ornamental Rocks						
Dumortierite	Ton	770	100	0	77,000	0
Marble Slabs	M2	15	0	0	0	0
Sub-Total (3)					77,000	0
Precious and semi-precious stones						
Tourmalines	Kg	250	5,053	0	1,263,250	0
Garnet	Kg	80	1,845	0	147,600	0
Garnet Scrap	Kg	16	2,600	750	41,600	12,000
Marine Water	Kg	3,262	3,000	0	9,786,000	0
Ruby	Kg	526	150	3,444	79,334	1,812,744
Sub-Total (4)					11,427,304	1,824,744
Mineral Fuels						
Coal (Coke)	Ton	72	4,600,000	3,630,312	334,772,666	264,202,045
Coal (Thermal)	Ton	39	930,000	5,382,325	36,762,900	212,763,341
Sub-Total (5)					371,535,566	476,965,387
Hydrocarbons						
Natural Gas	Gj	0.67	112,776,300	157,921,207	75,560,121	105,807,209
Condensate	bbl	72	378,000	495,547	27,242,460	35,714,088
Sub-Total (6)					102,802,581	141,521,297
Total					683,556,318	802,930,857

Table 25: Export data per commodity 2016 (Source: MIREME-DPC)

6.4 Consumption

The tables below illustrate the consumption data for the internal market of the different types of commodities within the extractive industry.

2015						
Commodity	U.M.	Prices (MZN)	Quantity		Value (MZN)	
			Planned	Actual	Planned	Actual
Mineral Resources						
Coal (Thermal)	Ton	310	4,800	168,123	1,491,360	52,236,027
Treated Bentonite	Ton	2,227	100	305	222,769	680,670
Bentonite	Ton	1,576	600	167	945,702	264,560
Marble Slabs	M ²	394	0	0	0	0
Sands for Construction	M ³	76	2,066,140	1,778,936	157,895,278	135,947,087
Limestone	Ton	60	0	852,675	0	51,160,537
Gravel	M3	766	131,979	2,367,837	101,099,089	1,813,810, 552
Clay	M ³	795	7,274	305,644	5,788,401	243,198,176
Rhyolites	M3	164	91 252	783	15,010,132	128,796
Sub-total (1)					282,452,734	2,297,426, 407
Natural Gas	Gj	21	19,901,7000	22,272, 009	421,418,497	471,609,809
Sub-total (2)					421,418, 497	471,609, 809
Total					703,871,231	2,769,036,217

Table 26: Internal market consumption data 2015 (Source: MIREME-DPC)

2016						
Commodity	U.M.	Prices (MZN)	Quantity		Value (MZN)	
			Planned	Actual	Planned	Actual
Mineral Resources						
Coal (Thermal)	Ton	310	4,800	2,103	1,491,360	653,520
Treated Bentonite	Ton	1800	100	247	180,000	444,600
Bentonite	Ton	1,773	600	0	1,064,220	0
Marble Slabs	M2	528	0	0	0	0
Sands for Construction	M3	100	2,066,140	1,620,038	206,614,000	162,003,854
Limestone	Ton	60	1,500,000	1,025,080	90,000,000	61,504,826
Gravel	M3	751	2,150,000	1,254,684	1,614,650,000	942,268,127
Clay	M3	777	7,274	49,464	5,658,261	38,473,763
Rhyolites	M3	159	40,000	0	6,388,000	0
Sub-total (1)					1,926,045,841	1,205,348,691
Natural Gas	Gj	21	19,901,7000	32,702, 163	421,418,497	692,468,308
Sub-total (2)					421,418,497	692,468,308
Total					2,347,464,339	1,897,816,999

Table 27: Internal market consumption data 2016 (Source: MIREME-DPC)

7. Revenue collection

7.1 Identification of revenues subject to reconciliation

For the preparation of the Seventh Report of the EITI as well as the previous report, only taxes and payments with material values that contribute to the revenues of the State were included.

For the purposes of reconciliation of payments, the same components of the income selected in the 6th report were selected, plus Income Tax on Income (IRRM), which entered into force from January 1, 2015.

Below follows the list of selected revenues :

- Corporate Income Tax (including capital gains)
- Individual Income Tax
- Petroleum Production Tax
- Tax on Petroleum Production in Kind
- Mining Tax
- Surface Tax
- Mining Resources Income Tax
- Contribution to Support and Training Programs
- Contribution to Social Projects
- Contribution to Institutional Support
- Environmental license
- Dividends
- Signature Bonus

However, it should be noted that in 2015 and 2016 the following taxes/contributions were not collected:

- Income Tax - Although this tax has been in effect since January 1, 2015, there was no taxable amount in those years..
- Signature bonus.

For revenues subject to reconciliation, the respective institutions of the State collecting the same were identified in the following table.

Institution	Acronym	Tax and Significant Rate
General Directorate of Taxes	DCI	IRPC (including capital gains)
		IRPS
		Surface Tax
		Mining Tax
		Income Tax on Mineral Resources
		Petroleum Production Tax
		Environmental License
Petroleum National Institute	INP	Contribution to Support and Training Programs
		Contribution to Social Projects
		Contribution to Institutional Support
		Signature Bonus
State Participation Management Institute	IGEPE	Dividends
National Directorate of Treasury	DNT	Gas Royalty sale revenue
National Hydrocarbon	ENH	Tax on Petroleum Production in kind (royalty)

Table 28: Identification of State Institutions that collect revenues

7.2 Identification and Selection of Extractive Industry Projects

7.2.1 Mining Sector

From the range of licenses through which the mining activity can be developed, namely: Prospecting and Research License, Mining Concession, Mining Certificate, Mining Pass, Trading License, Operator Card, Mining Treatment License, Mining Processing License; only the Mining Concessions and Certificates were selected. In view of the previous reports, the inclusion of the mining certificates is new, since only the Concessions were considered.

Thus, 604 active licenses were determined in 2015 and/or 2016, of which 228 were attributed to individuals and 376 to companies. Of the 376 licenses granted to companies, 194 are Concessions and 182 are Mining Certificates and are owned by 244 companies.

	Total	Concessions	Mining Certificates
Active mining Licenses	604		
Licenses attributed to individuals	228	1	227
Licenses attributed to companies	376	194	182
Number of companies	244		

Table 29: Number of active licenses and companies with active licenses in 2015 and/or 2016

The second selection criteria was that of materiality, with the EITC Coordination Committee having decided that only projects/licenses that contribute with a minimum of 500,000.00 MZN of tax payments per year should be selected for this reconciliation process.

To that end, the Tax Authorities identified the NUITs (Single Tax Identification Number) of each pre-selected company and obtained the volume of tax collections for the years 2015 and 2016 through the Interim Revenue Collection System).

The INP, ENH and IGEPE were also asked to obtain the volume of revenues generated in 2015 and 2016 that are eligible for this reconciliation process.

The materiality test was applied to 213 companies, with 31 companies left out due to lack of confirmation from NUIT. It should be noted that sometimes the company name that appears in the mining register is not always complete or updated, which makes it difficult to determine NUIT.

Of the 213 companies, 60 companies were eligible for the 2015 reconciliation process and 55 companies in 2016. The following table lists the companies that were selected:

No.	Name of Company	Type of License	Resource
1	ACOSTERRAS MOÇAMBIQUE, LDA	CM	STO
2	AFRISAL DO MAR, S.A.	CM	SAN
3	ARA SUL	C	RIO
4	AVENG MOÇAMBIQUE, LDA	C	SAN
5	BENGALA MINAS, LDA	C	STO
6	BIWORLD INTERNATIONAL, LIMITED	C	LST
7	CAPITOL RESOURCES, LDA	C	FE, LST, TI, V
8	CERAMICA DE VILA PERY, LDA	C	CLA
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A.	C	STO, BAS, RIO
10	CHAMBADEJOUS, LTD	C	STO
11	CIMENTOS DE MOÇAMBIQUE S.A.R.L.	C	LST, CLA
12	CINAC - CIMENTO DE NACALA, S.A.	C	LST
13	CLEAN TECH MINING, LDA	C	AU
14	CONDOR, LDA	CM	PED, STO
15	CONSTROL, LDA	CM	PED, STO
16	DAMODAR FERRO, LDA	C	FE, MI
17	DI SHENG MINERAL RESOURCES, LDA	C	HSA
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A.	CM	PED, STO, SAN
19	ENGETEC, LDA	CM	CLA, PED
20	ENOP, LDA	C+CM	SANC, STO
21	ENRC MOZAMBIQUE, LDA	C	COA
22	ETA STAR MOZAMBIQUE, S.A.	C	COA
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	CM	AGU
24	G. S. CIMENTOS, S.A.R.L.	C	LST
25	GK ANCUABE GRAPHITE MINE, S.A.	C	GRP
26	GOLD ONE MOZAMBIQUE, LDA	C	AU, TOU
27	HAIYU (MOZAMBIQUE) MINING CO, LDA	C	HSA, ILM, TI, ZR
28	HIGHLAND AFRICAN MINING COMPANY, LDA	C	AQU, BER, EME
29	HS MINING, LDA	C	AU
30	ICVL ZAMBEZE, LDA	C	COM
31	JRC CONSTRUÇÕES E OBRAS PUBLICAS, LDA	C	STO
32	JSPL MOÇAMBIQUE MINERAIS, LDA	C	AU, COA
33	KENMARE MOMA MINING (MAURITIUS), LTD	C	HSA
34	MIDWEST ÁFRICA, LDA	C	BME, COA, DOT
35	MINA ALUMINA, LDA	C	AU, BAU, CAU
36	MINAS DE BENGÁ, LDA	C	COA, MI
37	MINAS DE REVUBOÉ, LDA	C	COA
38	MINAS MOATIZE, LDA	C	COA, STO

No.	Name of Company	Type of License	Resource
39	MONTEPUEZ RUBY MINING, LDA	C	AQU, GAR, RUB
40	NCONDEZI COAL COMPANY MOZAMBIQUE, LDA	C	COA
41	NIFIQUILE PROJECTO INVESTIMENTO COMERCIO E SERVIÇOS, LDA	CM	STO
42	PATHFINDER MOÇAMBIQUE, S.A.	C	HSA
43	PEDREIRA ARCO IRIS, LDA	CM	SANC
44	PEDREIRA DE TETE, LDA	CM	PED, STO, SAN
45	PEDREIRA NAMAACHA, LDA	CM	STO
46	PEMAR, LDA	C	GR, ORN
47	PEMBA COMBUSTIVEIS, LDA	CM	SAN
48	PEMBA CONSTRUCTION, LDA	CM	SAB, SANC, STO
49	PREFANGOL MOÇAMBIQUE, S.A.	C	SANC
50	RIBEMOZ, S.A.	C+CM	STO, GR, PED
51	RIOLITOS, LDA	C	RIO
52	SLT MINING, LDA	CM	AQU, AU, PED
53	SOCIEDADE ÁGUAS DE MOÇAMBIQUE, LDA	C	AGU
54	SONIL - SOCIEDADE DO NIASSA, LDA	CM	PED, STO
55	SULBRITA LDA	C+CM	STO, GR, PED
56	TERRAMÃE, LDA	CM	SANC
57	TOVISI REN, S.A.	C	STO
58	TRANSALY, LDA	CM	SANC, STO
59	TWIGG EXPLORATION E MINING, LDA	C	GRP, V
60	VALE MOÇAMBIQUE, S.A.	C	COA

Caption: C - Concession; MC – Mining Certificate
Table 30: Selected companies in Mining Sector – 2015

No.	Name of Company	Type of License	Resource
1	ACOSTERRAS MOÇAMBIQUE, LDA	CM	STO
2	AFRISAL DO MAR, S.A.	CM	SAN
3	ARA SUL	C	RIO
4	AVENG MOÇAMBIQUE, LDA	C	SAN
5	BENGALA MINAS, LDA	C	STO
6	BIWORLD INTERNATIONAL, LIMITED	C	LST
7	CAPITOL RECURCES, LDA	C	FE, LST, TI, V
8	CERAMICA DE VILA PERY, LDA	C	CLA
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A.	C	STO, BAS, RIO
10	CHAMBADEJOUS, LTD	C	STO
11	CIMENTOS DE MOÇAMBIQUE S.A.R.L.	C	LST, CLA
12	CINAC - CIMENTO DE NACALA, S.A.	C	LST
13	CLEAN TECH MINING, LDA	C	AU
14	CONDOR, LDA	CM	PED, STO
15	CONSTROL, LDA	CM	PED, STO
16	DAMODAR FERRO, LDA	C	FE, MI
17	DI SHENG MINERAL RESOURCES, LDA	C	HSA
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A.	CM	PED, STO, SAN
19	ENGETEC, LDA	CM	CLA, PED
20	ENOP, LDA	C+CM	SANC, STO
21	ENRC MOZAMBIQUE, LDA	C	COA
22	ETA STAR MOZAMBIQUE, S.A.	C	COA
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	CM	AGU
24	G. S. CIMENTOS, S.A.R.L.	C	LST
25	GK ANCUABE GRAPHITE MINE, S.A.	C	GRP

No.	Name of Company	Type of License	Resource
26	GOLD ONE MOZAMBIQUE, LDA	C	AU, TOU
27	HAIYU (MOZAMBIQUE) MINING CO, LDA	C	HSA, ILM, TI, ZR
28	HIGHLAND AFRICAN MINING COMPANY, LDA	C	AQU, BER, EME
29	HS MINING, LDA	C	AU
30	ICVL ZAMBEZE, LDA	C	COM
31	JRC CONSTRUÇÕES E OBRAS PUBLICAS, LDA	C	STO
32	JSPL MOÇAMBIQUE MINERAIS, LDA	C	AU, COA
33	KENMARE MOMA MINING (MAURITIUS), LTD	C	HSA
34	MIDWEST ÁFRICA, LDA	C	BME, COA, DOT
35	MINA ALUMINA, LDA	C	AU, BAU, CAU
36	MINAS DE BENGA, LDA	C	COA, MI
37	MINAS DE REVUBOÉ, LDA	C	COA
38	MINAS MOATIZE, LDA	C	COA, STO
39	MONTEPUEZ RUBY MINING, LDA	C	AQU, GAR, RUB
40	NCONDEZI COAL COMPANY MOZAMBIQUE, LDA	C	COA
41	NIFIQILE PROJECTO INVESTIMENTO COMERCIO E SERVIÇOS, LDA	CM	STO
42	PATHFINDER MOÇAMBIQUE, S.A.	C	HSA
43	PEDREIRA ARCO IRIS, LDA	CM	SANC
44	PEDREIRA DE TETE, LDA	CM	PED, STO, SAN
45	PEDREIRA NAMAACHA, LDA	CM	STO
46	PEMAR, LDA	C	GR, ORN
47	PEMBA COMBUSTIVEIS, LDA	CM	SAN
48	PEMBA CONSTRUCTION, LDA	CM	SAB, SANC, STO
49	PREFANGOL MOÇAMBIQUE, S.A.	C	SANC
50	RIBEMOZ, S.A.	C+CM	STO, GR, PED
51	RIOLITOS, LDA	C	RIO
52	SLT MINING, LDA	CM	AQU, AU, PED
53	SOCIEDADE ÁGUAS DE MOÇAMBIQUE, LDA	C	AGU
54	SONIL - SOCIEDADE DO NIASSA, LDA	CM	PED, STO
55	SULBRITA LDA	C+CM	STO, GR, PED
56	TERRAMÃE, LDA	CM	SANC
57	TOVISI REN, S.A.	C	STO
58	TRANSALY, LDA	CM	SANC, STO
59	TWIGG EXPLORATION E MINING, LDA	C	GRP, V
60	VALE MOÇAMBIQUE, S.A	C	COA

Caption: C - Concession; MC – Mining Certificate
Table 31: Selected companies in Mining Sector – 2016

It should be noted that, although Maputo Sul Company presented Tax payments above 500,000.00 MZN for the two reference years, it was disregarded from our sample, since the mining concession license is being exploited by CRBC. Thus the taxes paid by Maputo Sul Company do not refer to taxes deriving from the extractive industry.

Companies from which no information was obtained:

For the purposes of this report, a data collection form was drawn up by area of activity to be sent to the selected companies.

However, in some cases it was not possible to collect the information for the following reasons:

- Lack of updated contacts or data in State Institutions and other alternative sources;

- Lack of response by the companies to the request for information requested by the Independent Administrator, even though they have a credential from the Minister of Mineral Resources and Energy;
- Answer received after report closure.

It should be noted that because the deadline for drawing up the report was shorter than that for the previous reports, companies had less time to respond than in previous years. However, all forms received even after the deadline (before report closure) were analysed for the production of this report.

The following table identifies companies from which no information has been collected:

No.	Name of Company	Year of Report	Causes
Mining Sector			
1	ACOSTERRAS OBRAS PÚBLICAS, LDA	2016	Sem resposta
2	AFRISAL DO MAR, S.A.	2015 - 2016	Sem resposta
3	BIWORLD, INTERNATIONAL, LTD	2015	Resposta tardia
4	CERÂMICA DE VILA PERY, LTD	2015 - 2016	Sem resposta
5	CETA CONSTRUÇÕES E SERVIÇOS, S.A.	2015 - 2016	Sem resposta
6	CLATTONY CONSTRUÇÕES, LDA	2016	Sem resposta
7	CLEAN TECH MINING, LDA	2015 - 2016	Sem contacto
8	CONDOR, LDA	2015 - 2016	Sem contacto
9	CONSTROL, LDA	2015 - 2016	Sem resposta
10	DAMODAR FERRO, LDA	2015 - 2016	Resposta tardia
11	DI SHENG MINERAL RESOURCES, LDA	2015 - 2016	Resposta tardia
12	ENOP, LDA	2015 - 2016	Sem resposta
13	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	2015 - 2016	Sem resposta
14	G. S. CIMENTOS, S.A.R.L	2015 - 2016	Sem contacto
15	GK ANCUABE GRAPHITE MINE, S.A.	2015 - 2016	Resposta tardia
16	HAIYU (MOZAMBIQUE) MINING CO, LDA	2015 - 2016	Sem contacto
17	HS MINING, LDA	2015	Resposta tardia
18	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	2015 - 2016	Sem resposta
19	MINA ALUMINA, LDA	2015 - 2016	Resposta tardia
20	MINAS MOATIZE, LDA	2015 - 2016	Sem contacto
21	MYALA RESOURCES, LDA	2016	Sem contacto
22	NIFIQUILE PROJECTO INVESTIMENTO COM. E SERVIÇOS, LDA	2015 - 2016	Sem resposta
23	PEDREIRA DE TETE, LDA	2015	Sem resposta
24	PEDREIRA NAMAACHA, LDA	2015 - 2016	Sem contacto
25	PEMAR, LDA	2015 - 2016	Resposta tardia
26	PEMBA COMBUSTÍVEIS, LDA	2015 - 2016	Sem resposta
27	PEMBA CONSTRUCTION, LDA	2015	Sem resposta

No.	Name of Company	Year of Report	Causes
28	PREFANGOL MOÇAMBIQUE, S.A.	2015 - 2016	Sem resposta
29	RAYOMI, LDA	2015 - 2016	Sem resposta
30	SIMÃO FERREIRA E FILHOS MOÇAMBIQUE, LDA	2015 - 2016	Sem contacto
31	SLT MINING, LDA	2015 - 2016	Sem resposta
32	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	2016	Sem contacto
33	SONIL - SOCIEDADE DO NIASSA, LDA	2015 - 2016	Sem resposta
34	TERRAMÃE, LDA	2015	Sem contacto
35	TOVISI REN, S.A.	2015 - 2016	Sem resposta
36	TWIGG EXPLORATION & MINING, LDA	2015 - 2016	Resposta tardia

Table 32: Companies from which no information was obtained - Mining Sector - 2015 and 2016

Note: The reference "No contact" means lack of contact or invalid contact.

Thus, 49 information collection forms were sent for 2015 and 44 forms for 2016, through which we obtained 26 responses for 2015 and 23 responses for 2016.

7.2.2 Hydrocarbon Sector

As agreed by the EITIM Coordination Committee, all the companies that held an active concession in 2015 and 2016 and are registered in Mozambique, are selected in the hydrocarbons sector, and have not been applied any materiality criteria effectuated as in the mining sector.

Thus, 23 companies were selected in 2015 and 25 companies in 2016 as listed in the tables below.

N.º	Name of Company
1	ANADARKO MOÇAMBIQUE ÁREA 1, LDA
2	BUZI HYDROCARBONS PTE, LDA
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇAMBIQUE, S.A.
4	COMPANHIA MOÇAMBICANA DE GASODUTO S.A.
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A.
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.
7	ENI EAST AFRICA, SPA
8	GALP ENERGIA ROVUMA B.V.
9	INTERNATIONAL FINANCE CORPORATION
10	KOREAN GAS MOÇAMBIQUE, LDA
11	MATOLA GAS COMPANY, S.A.
12	MITSUI & CO. LIMITED
13	PETRONAS CARIGALI MOZAMBIQUE ROVUMA BASIN, LDA
14	PC MOZAMBIQUE (ROVUMA BASIN), LDA
15	PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY, LIMITED
16	REPUBLIC OF MOZAMBIQUE PIPELINE COMPANY
17	SASOL PETROLEUM M10, LDA
18	SASOL PETROLEUM MOZAMBIQUE EXPLORATION, LIMITED
19	SASOL PETROLEUM MOZAMBIQUE, LDA

N.º	Name of Company
20	SASOL PETROLEUM SENGALA, LDA
21	SASOL PETROLEUM SOFALA, LDA
22	SASOL PETROLEUM TEMANE, LDA
23	WENTHWORTH PETRÓLEOS MOÇAMBIQUE, LDA

Table 33: Selected companies for the hydrocarbon sector - 2015

N.º	Name of Company
1	ANADARKO MOÇAMBIQUE ÁREA 1, LDA
2	BHARAT PETROLEUM RESOURCES, LIMITED
3	BUZI HYDROCARBONS PTE, LDA
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇAMBIQUE, S.A.
5	COMPANHIA MOÇAMBICANA DE GASODUTO S.A.
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A.
7	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.
8	ENI EAST AFRICA, SPA
9	GALP ENERGIA ROVUMA B.V.
10	INTERNATIONAL FINANCE CORPORATION
11	KOREAN GAS MOÇAMBIQUE, LDA
12	MATOLA GAS COMPANY, S.A.
13	MITSUI & CO. LIMITED
14	OIL AND NATURAL GAS CORPORATION VIDESH (ONGC VIDESH)
15	PETRONAS CARIGALI MOZAMBIQUE E&P, LDA
16	PC MOZAMBIQUE (ROVUMA BASIN), LDA
17	PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY, LIMITED
18	REPUBLIC OF MOZAMBIQUE PIPELINE COMPANY
19	SASOL PETROLEUM M10, LDA
20	SASOL PETROLEUM MOZAMBIQUE EXPLORATION, LIMITED
21	SASOL PETROLEUM MOZAMBIQUE, LDA
22	SASOL PETROLEUM SENGALA, LDA
23	SASOL PETROLEUM SOFALA, LDA
24	SASOL PETROLEUM TEMANE, LDA
25	WENTHWORTH PETRÓLEOS MOÇAMBIQUE, LDA

Table 34: Selected companies for the hydrocarbon sector - 2016

It should be noted that, although Oil and Natural Gas Corporation Videsh (ONGC Videsh) and Bharat Petroleum Resources Limited had a concession in 2015, they were only registered in Mozambique in 2016, so in 2015 they were not part of the selected companies.

To mention that Sasol Gas was not part of the selected companies since this company has no participatory interest in any concession. Sasol Gas is a company totally constituted by private capital and acts as a service provider to ROMPCO that has the Gas Pipeline concession, this company being part of our selection.

Although IFC is a concessionaire, since this entity is exempt from taxation in Mozambique, it was not part of the reconciliation process.

Companies from which no information was obtained:

The table below identifies the companies from which no information was collected, and the reasons are the same as those indicated in the section of the mining sector:

N.º	Name of Company	Reporting Year	Reason
Sector de Hidrocarbonetos			
1	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇAMBIQUE, S.A.	2015-2016	No reply
2	PETRONAS CARIGALI MOZAMBIQUE E&P, LDA	2015-2016	No reply
3	PC MOZAMBIQUE (ROVUMA BASIN), LDA	2015-2016	No reply
4	KOREAN GAS MOÇAMBIQUE, LDA	2015-2016	No reply

Table 35: Companies from which no information was obtained - hydrocarbon Sector - 2015 e 2016

Note: The reference "No contact" means lack of contact or invalid contact.

It should be noted that Petronas Carigali Mozambique E&P, Lda and PC Mozambique (Rovuma Basin), Lda are in the process of closing offices in Mozambique, and therefore, no contact with them was possible. It should be noted that this company ceded their participative interests to TOTAL in the period under review.

7.3 Transactions related to State Owned Enterprises

According to the EITI 2016 Standard, "MSG should ensure that the reporting process comprehensively addresses the role of the State companies, including material payments made by petroleum, gas and mining companies and transfers between the State and other government agencies."⁵⁹

Transactions related to state companies should cover the role of state-owned companies which has already been explicitly defined in Section 5, material payments of petroleum, gas and mining companies to state companies and transfers between these and government agencies.

In terms of important payments from gas and mining companies to state companies, most companies did not report additional payments apart from the payments of taxes and dividends already captured for reconciliation purposes. However, ENH reported that it provides IT, accounting and administration services to its subsidiaries - CMH, CMG - and receives monthly payments to provide these services. Whether these payments are considered material was unclear, since materiality was not previously agreed for transactions related to state owned enterprises (Requirement 4.5).

⁵⁹EITI 2016 standard in Portuguese, page 29.

The Independent Administrator recommends that the MSG establishes a comprehensive accountability process that includes material payments to state companies of extractive industries and transfers between state companies and public institutions.

7.4 Subnational payments

The standard requires the MSG to establish the materiality of these payments to subnational public entities (such as provincial, municipal and district governments) and to verify that payments from subnational government enterprises and entities and whether receipts of such payments are disclosed and reconciled (requirement 2.6).

The companies reported that they did not make payments to subnational government entities such as provincial, municipal and district governments. However, there are payments made to national entities other than the Tax Authority such as those made to INP. These payments are for 3 purposes – contribution to support and training programs, social projects and institutional support contribution, which are defined in section 12.3 – revenue management.

8. Reconciliation Process

The EITI standard requires a comprehensive reconciliation of business payments and government revenues from the Extractive Industry, so this chapter will cover the following:

- Procedures adopted in the reconciliation process;
- Total collection volume, per revenue stream and by government collection institution;
- Reconciled data and identified discrepancies.

8.1 Procedures

8.1.1 Reconciliation of data by NUIT/Project

It should be noted that each company can have more than one license and more than one Tax Identification Number (NUIT). According to the Regulation of the IRPC⁶⁰ Code, each mining title and concession contract must have a specific NUIT.

However, it should be noted that the companies which replied to the surveys sent for the purpose of this reconciliation process and which held more than one license only have one NUIT and it is not possible to distinguish the taxes, which are inherent in one license or another.

For the purposes of this report, the licenses were grouped according to the NUIT of the company owning them, and the reconciliation of taxes was made according to the taxes and contributions charged by NUIT, which was renamed "Project".

8.1.2 Breakdown level

The data were reconciled by NUIT and reported by company and by revenue stream, as detailed in the attached tables 6 and 7.

8.1.3 Quality and data guarantee

In order to guarantee the credibility of the requested data of the companies in relation to the payments made to the State, the Independent Administrator requested the following documents:

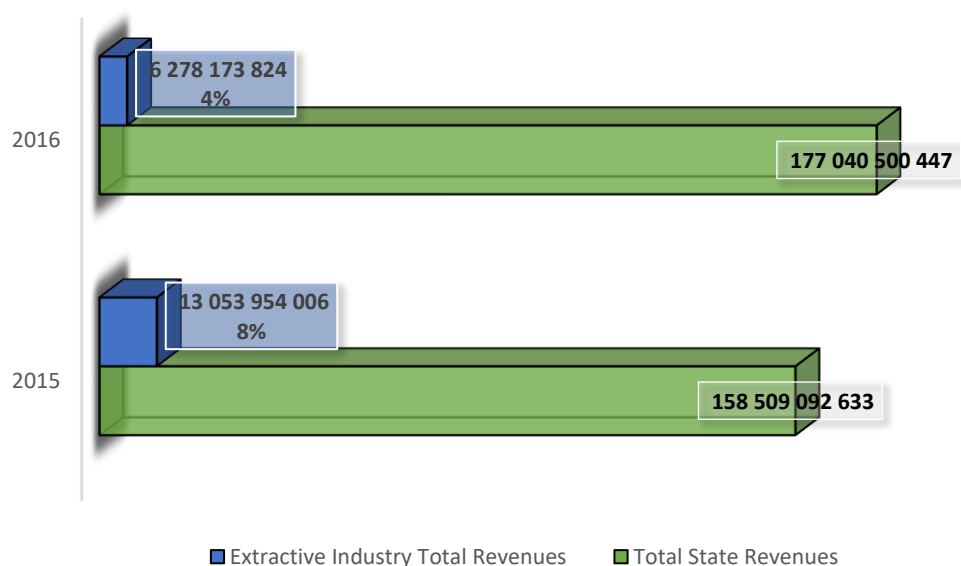
1. Completed collection forms together with copies of proofs of payments of taxes, fees and other contributions duly stamped by the authorities;
2. In the absence of the documents in paragraph 1, a Statement was requested from the company's external auditor confirming that the information entered on the form is consistent with the audited financial accounts, together with a signature of an executive member of the company.

⁶⁰ N° 3 of article 4 introduced by Decree n° 3/2012 of 24th February

8.2 Revenue collection

Total State revenues are amounted to 158,509,092,633.00 MZN⁶¹ in 2015 and 177,040,500,477.00⁶¹ MZN in 2016, growing by 11.7%.

Extractive Industry revenues are amounted to 13,053,954.006.00 MZN⁶² in 2015, corresponding to 8% of the State's total global revenues. In 2016, extractive industry revenues declined, with a total of 6,278,173,824.00⁶² MZN representing 4% of total State revenues. One of the reasons for this decrease is due to the fact that there was no capital gains tax recorded in 2016, which represented about 33% of the revenue collected in extractive industry in 2015.

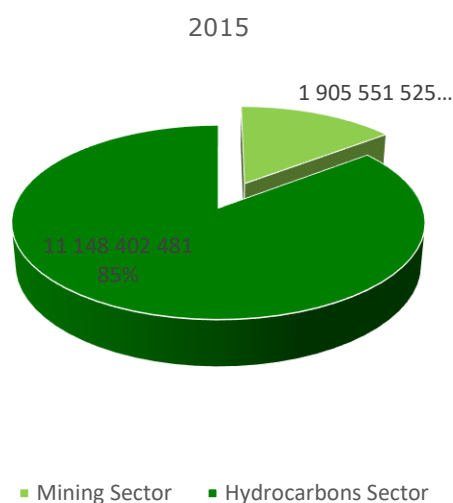


Graph 9: Weight of Extractive Industry Revenues in the State's Global Revenues

⁶¹ Source: Tax Authority

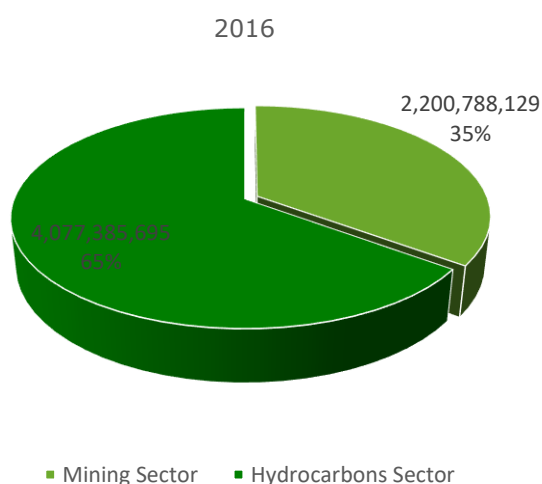
⁶² Source: Tax Authority, plus the specific contributions of the hydrocarbon sector (Contribution to Support and Training Programs, Contribution to the Social Projects, Institutional Support Contribution). It should be noted that the extractive industry revenues reported by the Tax Authority correspond to the revenues of the industry's mega-projects, which are considered by the Tax Authority representative of the extractive industry.

In 2015, revenues from the mining sector represented 15% of the total revenue collected by the State in the extractive industry and hydrocarbon revenues represented 85%, as illustrated below:



Graph 10: Distribution of revenues by sector 2015

In 2016, revenues from the mining sector represented 35% of the total revenues collected by the State in the Extractive Industry and hydrocarbons revenues accounted for 65%, as illustrated below:



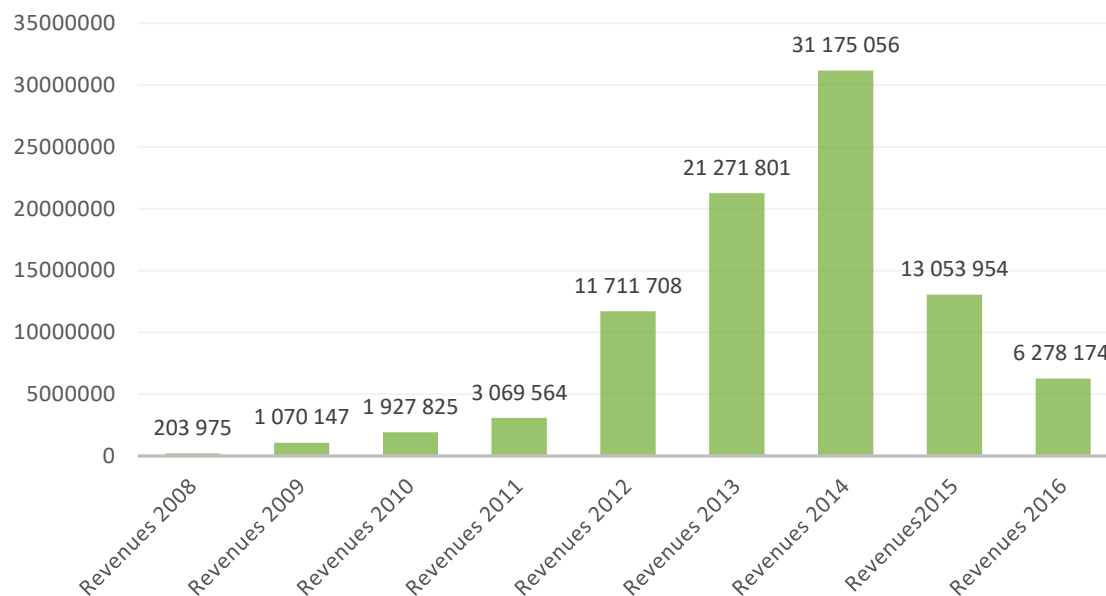
Graph 11: Distribution of revenues by sector 2016

It should be noted that, in 2016, revenues from the mining sector grew by 13% compared to 2015. The decrease in the volume of hydrocarbon revenues is essentially due to the fact that there were no capital gains in 2016.

An analysis of the evolution of State-confirmed revenues for the projects selected since 2008⁶³ shows that these have been growing until 2014, decreasing 62% from 2014 to 2015 and 48% from 2015 to 2016. It should be noted that the years 2013 and 2014 were golden years in terms of IRPC

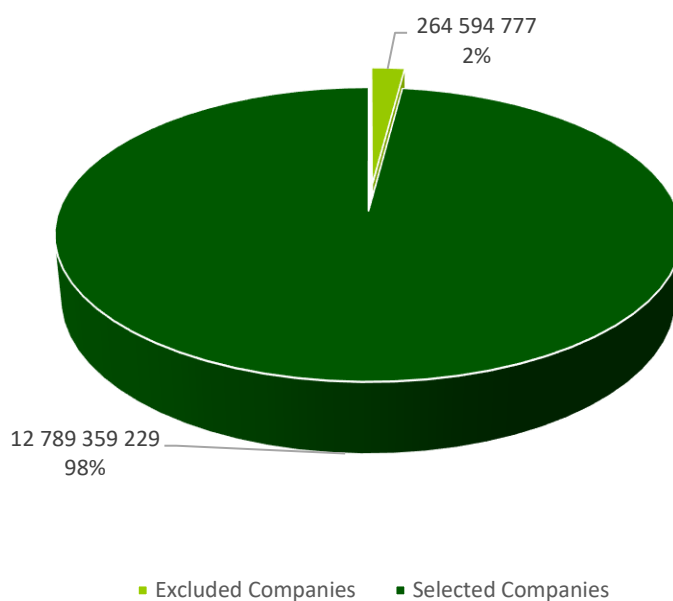
⁶³ According to data collected in the 6th Report of TIEIM

charged on capital gains from the sale of participatory interests in the hydrocarbons sector, which largely accounts for this steep decline in revenues, as illustrated in the following chart:



Graph 12: Evolution of State-confirmed revenues for selected projects (Thousands of MZN)

Total state-confirmed revenues for selected projects in 2015, which were the sample for the reconciliation process, account for 98% of extractive industry revenues collected in 2015.

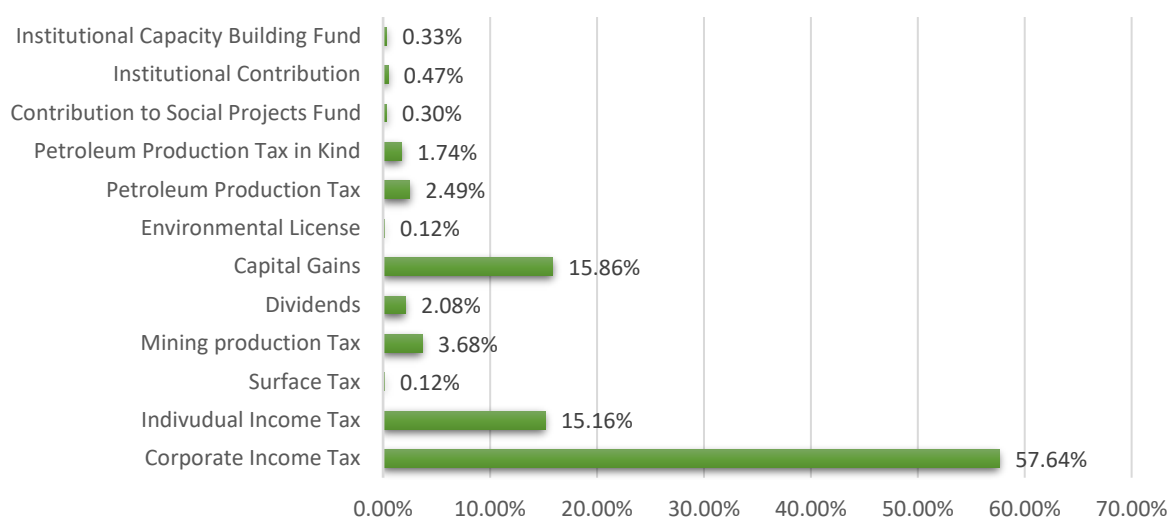


Graph 13: Proportion of Excluded Companies in the sample in 2015

In 2016, the total State-confirmed revenues of the selected projects exceed the reported revenues of the extractive industry, which is justified by the fact that the extractive industry's reference

revenues are only representative of the industry (they only include mega-project revenues). It is recommended that the selection of the extractive industry includes not only mega-projects, but also those that are not, have had production during the reference period, so that it can be representative of the extractive industry and, consequently, be a reliable macroeconomic data for purposes, namely, of sample selection.

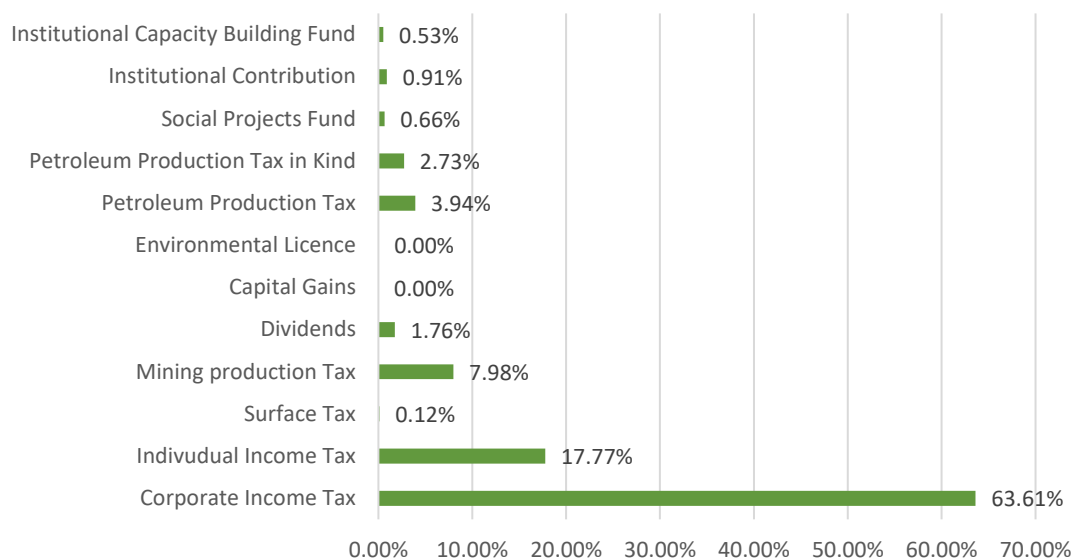
The graphs below illustrate the receipts confirmed by the State institutions by tax, in relation to the selected projects. It should be noted that for the year 2015 around 88.66% of the revenues confirmed by the State come from the IRPC, IRPS and Capital Gains⁶⁴, contributing with respectively, 57.64%, 15.16% and 15.86%.



Graph 14: Revenues confirmed by the State by Tax (%) - 2015

In relation to 2016, there were no Capital Gains registered, with IRPC and IRPS taking the top two places in the table with 63.61% and 17.77% respectively, contributing together in 81.38% to the extractive industries revenues confirmed by the State, as shown in the chart below.

⁶⁴ This is IRPC on the Capital Gains, however we shortened it to Capital Gains



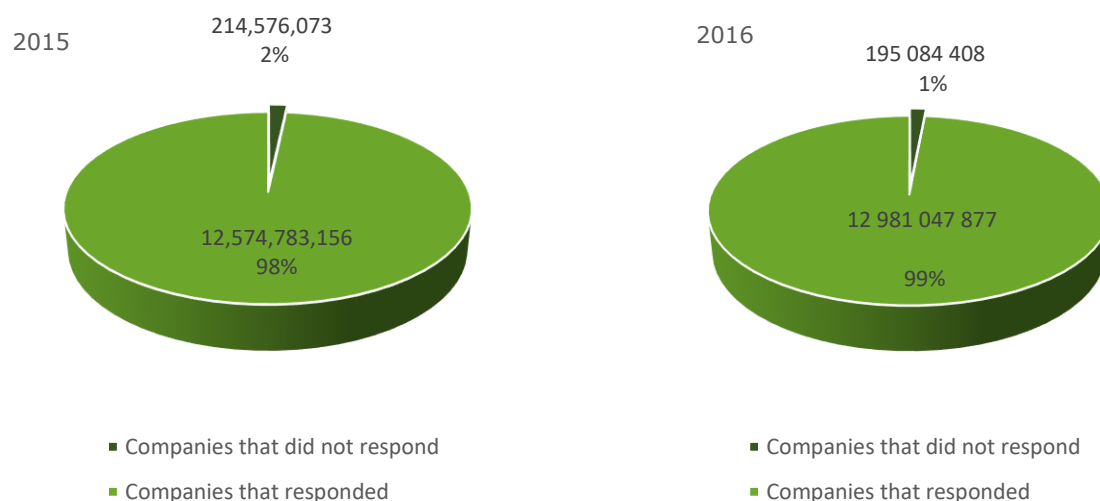
Graph 15: Revenues confirmed by the State by Tax (%) - 2016

8.3 Projects that did not respond to the request for information

Out of a total of 83 projects for 2015 and 80 to 2016, 44 projects were involved in the reconciliation process 45 projects in 2015 and 44 in 2016. The proportion of projects for which we did not get a response to the information collection form represents 46% in 2015 and 45% in 2016.

The details of the projects for which the Independent Administrator did not receive a response to the request for information can be found in the illustrated tables 32 and 35: Companies for which no information was obtained for the mining and hydrocarbons sector, respectively.

The revenues from the companies for which we did not receive a response to the information collection form represent only 2% of the revenues of the selected companies for the year 2015 and 1% for the year 2016. Due to the immateriality of the revenues of the companies that were not subject to the reconciliation process, we consider that the results from the reconciliation of the revenues of the companies that provided the information are qualitative and conclusive.



Graph 16: Percentage of revenues of non-responding companies in total revenue from projects in the extractive industry (2015-2016)

8.4 Reconciled data and identified discrepancies

Compiled the data received by the State institutions and the companies/projects selected for 2015 that responded to the information collection form, we calculated a difference of 34,238,763.40 MZN between the 12,574,783,156.45 MZN collected and confirmed by the State and the 12,609,021,919.85 MZN paid and confirmed by the projects selected. The overall difference represents 2.18% of the amounts confirmed by the State, which is below the materiality defined by the EITM Coordination Committee (3%).

Description	State	Company	Final Difference	Materiality
Mining Sector	2,954,208,384.37	2,985,065,361.96	-30,856,977.59	-1.04%
Hydrocarbon Sector	9,620,574,772.08	9,623,956,557.89	-3,381,785.81	-0.04%
Grand Total	12,574,783,156.45	12,609,021,919.85	-38,238,763.40	-1%

Table 36: Result of the Reconciliation Process – 2015

Analyzing by sector, the percentage differences for both the hydrocarbon sector and the mining sector, which were -1.04% and -0.04%, respectively, are also below the defined materiality. For the year 2016, the reconciliation made presents a negative difference of 930,624.53 MZN between the 12,981,047,877.09 MZN collected and confirmed by the State and 12,981,978,501.62 MZN paid and confirmed by the selected projects. The overall difference represents -0.01% considered immaterial, as detailed in the following table:

Description	State	Company	Final Difference	Materiality
Mining Sector	4,561,264,698.66	4,572,157,403.28	-10,892,704.62	-0.24%
Hydrocarbon Sector	8,419,783,178.43	8,409,821,098.34	9,962,080.09	0.12%
Grand Total	12,981,047,877.09	12,981,978,501.62	- 930,624.53	-0.01%

Table 37: Results of the Reconciliation Process – 2016

The following table identifies the detail of the reconciliations by project/company for the year 2015:

N.	Name of the Company	Final Amount (MZN)		Final Difference	
		State	Company	Amount	%
Mining Sector					
1	ACOSTERRAS MOÇ., LDA	2,182,084	2,159,974	22,110	1.01%
2	ARA SUL	292,979	292,979	-	0.00%
3	BENGALA MINAS, LDA	856,277	454,834	401,443	46.88%
4	CAPITOL RESOURCES, LDA	8,846,776	8,846,776	-	0.00%
5	CIMENTOS DE MOÇ., S.A.R.L.	144,953,540	144,964,879	-11,338	-0.01%
6	CIMENTOS DE NACALA, LDA	3,711,669	3,298,681	412,988	11.13%
7	CLEAN TECH MINING, LDA	1,023,900	-	1,023,900	0.00%
8	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	10,552,200	10,552,200	-	0.00%
9	ENRC MOZ., LDA	32,743,693	32,743,693	-	0.00%
10	ETA STAR MOZ., S.A	1,139,386	1,139,386	-	0.00%
11	HIGHLAND AFRICAN MINING COMPANY, LDA	13,103,261	2,962,448	10,140,814	77.39%
12	ICVL ZAMBEZE, LDA	11,990,886	13,200,650	-1,209,764	-10.09%
13	JSPL MOÇ. MINERAIS, LDA	36,589,549	45,745,563	-9,156,013	-25.02%
14	KENMARE MOMA MINING (MAURITIUS), LTD	446,378,262	446,378,262	-	0.00%
15	MIDWEST ÁFRICA, LDA	1,059,543	1,059,543	-	0.00%
16	MINAS DE REVUBOÉ, LDA	25,031,659	25,031,659	-	0.00%
17	MINAS DE BENGA, LDA	66,794,513	66,694,513	100,000	0.15%
18	MONTEPUEZ RUBY MINING, LDA	527,520,889	570,841,420	-43,320,532	-8.21%
19	NCONDEZI COAL COMPANY MOZ., LDA	3,551,594	3,197,023	354,572	9.98%
20	PATHFINDER MOÇ., S.A	1,123,059	1,123,059	-	0.00%
21	RIBEMOZ BETÃO PRONTO E PEDREIDRAS, LDA	5,551,855	5,551,855	-	0.00%
22	SOCIEDADE ÁGUAS DE MOÇ., LDA	7,768,797	7,736,157	32,640	0.42%
23	SULBRITA, LDA	10,846,617	10,798,514	48,103	0.44%
24	TRANSALY, LDA	16,831,398	16,808,898	22,500	0.13%
25	TWIGG EXPLORATION E MINING, LDA	10,233,000	-	10,233,000	100.00%
26	VALE MOÇ., LDA	1,563,530,998	1,563,482,398	48,600	0.00%

N.	Name of the Company	Final Amount (MZN)		Final Difference	
		State	Company	Amount	%
Hydrocarbon Sector					
1	ANADARKO MOÇ. ÁREA 1, LDA	2,341,837,388.53	2,340,548,763.76	1,288,624.77	0.06%
2	BUZI HYDROCARBONS PTE, LDA	2,320,091.64	2,320,091.64	-	0.00%
3	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	5,667,072.89	5,667,072.89	-	0.00%
4	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	931,055,712.22	931,055,712.22	-	0.00%
5	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	121,786,186.71	100,971,455.03	20,814,731.68	17.09%
6	ENI EAST AFRICA, SPA	1,441,568,736.71	1,467,186,399.44	-25,617,622.73	-1.78%
7	GALP ENERGIA ROVUMA B.V.	3,037,488.69	3,037,488.69	-	0.00%
8	INTERNATIONAL FINANCE CORPORATION	-	-	-	0.00%
9	MATOLA GAS COMPANY, S.A	626,802,546.64	626,802,546.64	-	0.00%
10	MITSUI & CO., LTD	6,345,079.65	6,345,079.65	-	0.00%
11	PTT EXPLO. AND PRODUCTION PUBLIC COMPANY, LTD	28,843,474.53	28,843,474.53	-	0.00%
12	REPUBLIC OF MOZ. PIPELINE COMPANY	1,071,054,143.35	1,071,054,143.35	-	0.00%
13	SASOL PETROLEUM M10, LDA	-	-	-	0.00%
14	SASOL PETROLEUM MOZ. EXPLORATION, LTD	32,562,159.91	32,562,159.91	-	0.00%
15	SASOL PETROLEUM MOZ., LDA	2,279,129.31	2,279,129.31	-	0.00%
16	SASOL PETROLEUM SENGALA, LDA	-	-	-	0.00%
17	SASOL PETROLEUM SOFALA, LDA	-	-	-	0.00%
18	SASOL PETROLEUM TEMANE, LDA	3,005,415,561.30	3,005,283,040.83	132,520.47	0.00%
19	WENTHWORTH PETRÓLEOS MOÇ., LDA	-	-	-	0.00%
Sub-total Mining Sector		2,954,208,384.37	2,985,065,361.96	-30,856,977.59	-1.04%
Sub-total Hidrocarbon Sector		9,620,574,772.08	9,623,956,557.89	-3,381,785.81	-0.04%
Ground Total		12,574,783,156.45	12,609,021,919.85	-34,238,763.40	-0.27%

Table 38: Reconciliation detail by project/company - 2015

The following table identifies the detail of reconciliations by project/company for the year 2016:

N.	Company Name	Final Amount (MZN)		Final Difference	
		State	Company	Amount	%
Mining Sector					
1	ACOSTERRAS MOÇ., LDA	1,264,501.79	1,274,855.51	- 10,353.72	-0.82%
2	ARA SUL	95,641.26	95,641.26	-	0.00%
3	BENGALA MINAS, LDA	583,413.35	516,912.04	66,501.31	11.40%
4	CAPITOL RESOURCES, LDA	10,539,405.42	10,474,310.03	65,095.39	0.62%
5	CIMENTOS DE MOÇ., S.A.R.L.	157,250,838.10	158,123,024.97	-872,186.87	-0.55%
6	CINAC - CIMENTOS DE NACALA, S.A	36,149,995.89	35,711,367.46	438,628.43	1.21%
7	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	7,106,390.09	7,106,390.09	-	0.00%
8	ENRC MOZ., LDA	11,494,589.76	11,494,589.76	-	0.00%
9	ETA STAR MOZ., S.A	727,246.94	1,376,634.49	-649,387.55	-89.29%

N.	Company Name	Final Amount (MZN)		Final Difference	
		State	Company	Amount	%
10	ICVL ZAMBEZE, LDA	7,025,416.68	7,025,416.68	-	0.00%
11	JSPL MOÇ. MINERAIS, LDA	20,560,957.77	35,726,260.47	- 15,165,302.70	-73.76%
12	KENMARE MOMA MINING (MAURITIUS) LDA	642,976,304.47	642,976,304.47	-	0.00%
13	MIDWEST ÁFRICA, LDA	1,129,813.39	1,129,813.39	-	0.00%
14	MINAS DE REVUBOÉ, LDA	12,116,117.73	12,587,122.73	- 471,005.00	-3.89%
15	MINAS DE BENGA, LDA	25,087,561.75	25,087,561.75	-	0.00%
16	MONTEPUEZ RUBY MINING, LDA	1,917,897,530.61	1,913,685,736.09	4,211,794.52	0.22%
17	NCONDEZI COAL COMPANY MOZ., LDA	2,611,889.01	2,800,427.54	-188,538.53	-7.22%
18	PEDREIRA NAMAACHA, LDA	152,304.00	-	152,304.00	100.00%
19	SOCIEDADE ÁGUAS DE MOÇ., LDA	20,076,130.72	20,076,130.72	-	0.00%
20	SULBRITA, LDA	7,206,394.64	7,206,394.64	-	0.00%
21	TRANSALY, LDA	5,524,017.54	5,524,017.54	-	0.00%
22	TWIGG EXPLORATION E MINING, LDA	-	-	-	0.00%
23	VALE MOÇ., S.A	1,673,783,879.01	1,672,254,132.91	1,529,746.10	0.09%
Hydrocarbon Sector					
1	ANADARKO MOÇ. ÁREA 1, LDA	1,294,658,453.33	1,294,258,453.33	400,000.00	0.03%
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	0.00%
3	BUZI HYDROCARBONS	42,972,599.15	42,972,599.15	-	0.00%
4	COMPANHIA MOÇAMBICANA DE GASODUTOS	8,776,200.60	8,776,200.60	-	0.00%
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, SA	570,536,053.50	569,292,844.51	1,243,208.99	0.22%
6	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	232,476,766.70	223,176,520.48	9,300,246.22	4.00%
7	ENI EAST AFRICA SPA	915,817,627.34	915,817,627.34	-	0.00%
8	GALP ROVUMA	2,589,134.00	2,589,134.00	-	0.00%
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	0.00%
10	MATOLA GAS COMPANY, SA	1,491,007,321.13	1,491,007,321.13	-	0.00%
11	MITSUI & CO. LTD	10,312,537.22	10,312,537.22	-	0.00%
12	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	0.00%
13	PTT EXPLO. AND PRODUCTION PUBLIC COMPANY, LTD	16,470,747.51	16,470,747.51	-	0.00%
14	REPUBLIC OF MOZ. PIPELINE COMPANY	1,770,032,855.97	1,770,032,855.97	-	0.00%
15	SASOL PETROLEUM M10, LDA	-	-	-	0.00%
16	SASOL PETROLEUM MOZ. EXPLORATION LTD	59,853,361.46	59,853,361.46	-	0.00%
17	SASOL PETROLEUM MOZ., LDA	57,039,982.45	57,039,982.45	-	0.00%
18	SASOL PETROLEUM SENGALA, LDA	-	-	-	0.00%
19	SASOL PETROLEUM SOFALA, LDA	-	-	-	0.00%
20	SASOL PETROLEUM TEMANE, LDA	1,947,239,538.07	1,948,220,913.19	981,375.12	-0.05%
21	WENTHWORTH PETRÓLEOS MOÇ., LDA	-	-	-	0.00%
Sub-total Mining Sector		4,561,264,698.66	4,572,157,403.28	-10,892,704.62	-0.24%
Sub-total Hidrocarbon Sector		8,419,783,178.43	8,409,821,098.34	9,962,080.09	0.12%
Ground Total		12,981,047,877.09	12,981,978,501.62	- 930,624.53	-0.01%

Table 39: Reconciliation detail by project/company - 2016

The reasons for the differences initially established which were subsequently reconciled are as follows:

- The supporting documents submitted for the justification of the payments do not present the corresponding NUIT of the company. The NUIITS evidenced are those of the Institutions that collect the tax (DIPREME's, MITADER) instead of being that of the taxpayer;
- Taxes collected are not recorded according to the appropriate classifier, being a certain tax registered under another name/classifier, although there have been several trainings in the DIPREMEs in order to solve this situation, it persists, so there is a need to perform more training;
- The DAF payment records do not always correspond to the period in which the payment was actually made by the taxpayer.

The differences that have not been reconciled are due to the following:

- Lack of delivery of supporting documents by selected projects/companies;
- Support documents for payments not registered by the Tax Authority, which are being analysed by the respective DAF's. In these cases, the aforementioned supporting documents have been provided to the respective DAF for proper analysis;
- Records of receipts from the respective DAF's not recognized by the project/ company. It should be noted that in the case of DAF in Tete, in 2015 and 2016 there were problems with the server, so there are deficiencies in the record system. Moreover, the same DAF of Tete suffered floods that damaged part of their files, which made it impossible to obtain these confirmations of this Direction.

It should be noted that due to immateriality of the differences found by sector, no further investigations were carried out.

9. Sale of the State's Share of Production

Requisite 4.2 of the EITI Standard 2016 requires that the Government including state-owned companies disclose the volumes sold and revenues earned (such as in the case of gas royalty) when these are material. Published data must be separated by individual buying company and at commensurate levels with reporting other payments and revenue streams (Requirement 4.7).

9.1 Royalty Gas Management and allocation

According to Law no. 27/2014, all petroleum and gas production is subject to a tax, namely, "tax on petroleum production" (IPP). In Mozambique, this tax is commonly referred to as *royalty* and this term will be used to describe IPP in this chapter. This tax is equivalent to 5% of gas or petroleum that is transported and sold through the pipeline from Mozambican territory⁶⁵. Given that the current capacity of the Processing and Facilitation Center (CPF) in Temane is 183 MGJ /y, the royalty gas collected by the government is 9 MGJ /y which corresponds to 5% of the gas volume transmitted by the pipeline. Additionally, the Government can choose collect this tax in kind or in cash.

The gas allocation summary per year⁶⁶, including royalty gas, is presented in the table below.

Market	Contract	Qt. MGj/a	Allocation (MGj/a)	Entity	Description
South African (147 MGj/year)	Gas Sales Agreement 1	120	---	Sasol Gas	Consumed in South Africa
	Gas Sales Agreement 2	27	---	Sasol Gas	Consumed in South Africa
Domestic (36 MGj/year)	Commercial Gas	27	8	MGC/Gigawatt	MGC sells to Mozal, Cimentos, Gigawatt (thermal power station), and other companies in the Maputo Province.
			6	ENH-Kogas	Distribution in Maputo and Marracuene
			11	CTRG	Thermal power station
			2	ENH/Electrotec	Thermal power station
	Royalty Gas	9	0.5	Lonhro	Tomato Paste Production Plant in Chókwe
			0.8	Autogás	Supply of gas to buses and vehicles
			1.75	GS Cimentos	Cement production
			3	MGC	Supply of gas to industrial zones in Matola e Machava
			3	Kuvananga	Natural gas power station in Chókwe
			0.2	ENH	Supply of gas to housing areas of Vilanculos, Nova Mambone and Bazaruto Islands
TOTAL			183 MGj/a		

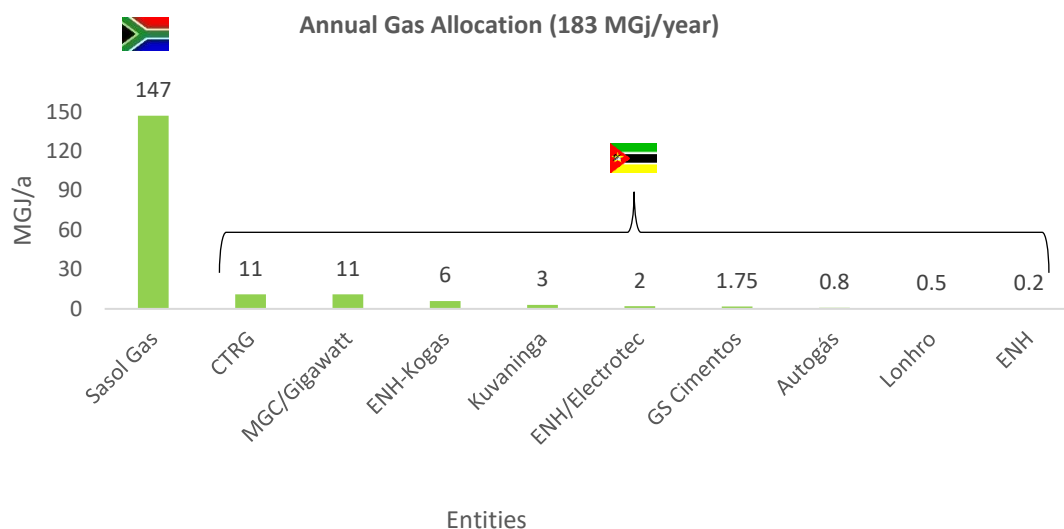
Table 40: Gas allocation per year (Source: ENH and INP)

⁶⁵ It is important to note that although the name of the tax refers to petroleum, it in fact also applies to gas. The tax is referred to be a "production" tax but it is calculated on the basis of the volume "transported" by the gas pipeline which is less than the total output. SPT uses gas in its operations that is not transported by the pipeline and therefore is not taxed

⁶⁶ Information obtained through ENH and INP

Currently, 80% of the gas produced in Pande-Temane per year is allocated to Sasol Gas (registered in South Africa).

The initial gas production of Pande-Temane until 2009 was 120 MGj/y. In 2010 the production increased by 54 MGj/year, increasing total capacity to 183 MGj/y. The Government calculated that half of this increase (27MGj / year) should be allocated to the Mozambican market.



Graph 17: Gas allocation by entity and final consumption (country)

Regarding the gas royalty paid in-kind, MIREME chose that the allocation policy would be on a case-by-case basis, evaluating the projects that existed at the time and the impact of its development at the national level. The outcome of this decision led the royalty gas to be allocated to MGC, Kuvaninga/EDM, ENH, GS Cement, Autogas and Lonhro, as shown in the table above.

However, not all beneficiaries used their allocated gas share. For example, MGC was allocated its gas share in 2004 but began using it at the end of 2005. While the state has the right to receive a total of 9 MGJ/y as royalty in-kind or in-cash, the amount of royalty received in-kind may vary according to the demand and utilisation rates of the original beneficiaries. To illustrate this, ENH and SPT reported that the volume of royalty in-kind consumed in 2015 and 2016 was approximately 6.7 MGJ and 6.9 MGJ, respectively. This evidences that the volume of royalty collected in-kind can vary annually.

In exceptional circumstances where an entity is not using their allocation royalty gas, ENH as the entity responsible for the management of royalty in-kind, has the right to redirect that gas to a different project until the original user has mobilized a favourable environment to use their quota of gas.

For example, Kuvaninga was not able to use the allocated 3Mgj /y, so this gas was transferred to MGC until Kuvaninga was able to reuse it. This is to ensure the efficient use of the royalty gas.

The Government of Mozambique granted EDM a quota of in-kind royalty gas equivalent to 3 MGj/y to be used at the thermal power station in Kuvaninga. This was in exchange for the construction of the thermal power station which including 10 machines with a power generating capacity of 40MW,

by the remaining shareholders. EDM holds 51% of the share capital while the remaining investors hold 49%. In addition, EDM represents Kuvaninga’s sole customer, under the “Tolling Agreement” signed between the parties, valid for 16 years⁶⁷.

9.2 Allocation of gas in kind versus in cash

The Independent Administrator, as part of the data collection process, requested INP and ENH to provide a description of the legal means governing the policy of receiving royalty in cash or in kind.

Article 13.6 (d) of the PPA explains that the State may request the receipt of part of the royalty in cash, informing the operator at least 6 months and that it must be paid monthly. The article also states that the percentage of royalty paid in cash must be agreed for a minimum period of 3 years.

9.3 Payments of Royalty Gas: SPT and ENH

The tables below show the royalty gas (in-kind) payments reported by SPT and these were confirmed by INP:

Royalty Gas in-kind (2015) – SPT			
Month	Quantity (GJ)	Value (USD)	Value (MZN)
January	398,824.00	678,000.80	12,953,803.52
February	381,704.94	648,898.40	12,428,312.85
March	462,107.59	785,582.91	15,780,974.30
April	664,18	733,273.46	22,336,575.18
May	746,570.94	833,584.54	25,988,134.46
June	716,337.48	784,479.921	28,030,285.55
July	696,272.93	808,712.63	27,391,376.95
August	675,815.58	794,644.64	27,161,028.16
September	523,414.17	617,628.71	21,559,429.54
October	431,847.14	466,394.91	20,270,904.75
November	585,402.43	632,234.62	28,058,338.47
December	514,504.35	555,664.70	22,895,443.66
Total	6,796,987.55	8,339,100.25	26,4854,607.40

Table 41: Royalty gas in-kind (2015) - SPT

Royalty Gas in-kind (2016) – SPT			
Month	Quantity (GJ)	Value (USD)	Value (MZN)
January	591,076.73	531,969.05	25,273,849.73
February	660,734.11	600,402.63	29,431,736.97
March	422,412.98	380,171.69	18,856,515.61
April	505,572.43	313,454.91	16,327,866.26
May	574,783.36	356,365.69	21,453,214.35
June	542,833.83	336,556.98	23,592,644.30
July	655,254.41	511,098.44	36,620,203.24
August	618,903.27	482,744.55	35,341,728.59

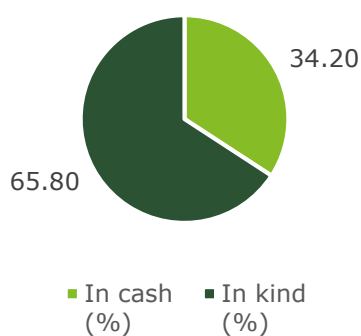
⁶⁷ EDM, Official website

Royalty Gas in-kind (2016) – SPT			
Month	Quantity (GJ)	Value (USD)	Value (MZN)
September	577,602.72	450,530.12	34,803,451.62
October	620,126.73	545,711.52	42,227,157.65
November	576,099.17	506,967.26	37,632,180.07
December	620,792.17	546,297.11	38,994,687.79
Total	6,966,191.90	5,562,269.96	360,555,236.20

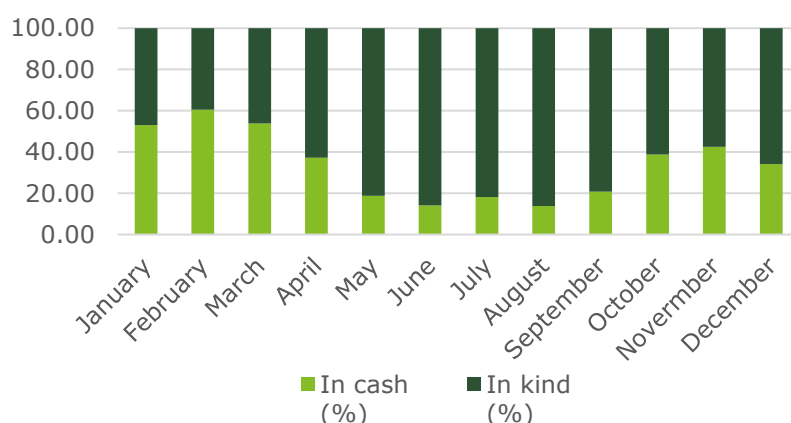
Table 42: Royalty gas in-kind (2016) - SPT

The graph below illustrates information provided by SPT regarding the allocation of royalty gas in cash and in-kind annually (left) and the monthly variation of royalty gas (right).

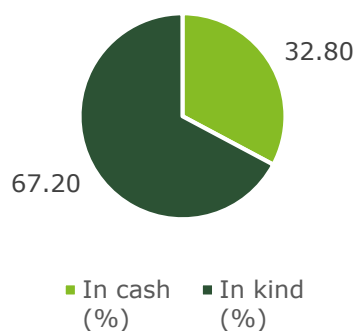
Royalty collected in-cash versus in-kind aggregated (2015)



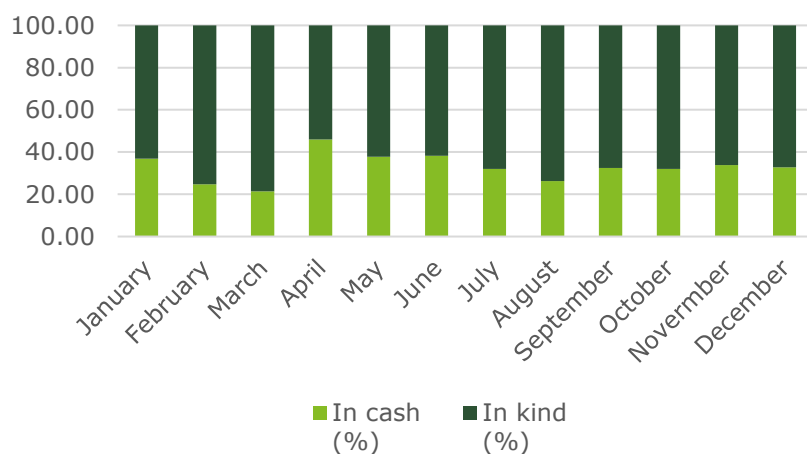
Royalty collected in-kind versus in-cash (2015)



Royalty collected in-cash versus in-kind aggregated (2016)



Royalty collected in-kind versus in-cash (2016)



Graph 18: Royalty Gas In Kind vs In Cash

During the two years, the allocation of gas in kind and cash experienced only slight changes. In 2016, the weight of gas in kind increased by 1.5%. The trends in monthly behaviour are similar for the two years. From May to September, there were higher volumes in royalty gas collected kind compared to royalty gas paid in cash.

ENH reported the payment of royalty gas in-kind and the information in terms of volumes and values can be seen in the tables below:

Royalty gas in-kind (2015) - ENH			
Month	Quantity (GJ)	PBP	Value (USD)
January	398,823.86	1.7	678,000.56
February	381,704.94	1.7	648,898.40
March	462,107.59	1.7	785,582.91
April	664,185.65	1.1	730,604.21
May	746,570.94	1.1	821,228.03
June	716,337.48	1.1	787,971.23
July	696,272.93	1.18	821,602.05
August	675,815.58	1.18	797,462.38
September	523,414.17	1.18	617,628.72
October	431,847.14	1.08	466,394.91
November	585,402.43	1.08	632,234.62
December	514,504.35	1.08	555,664.70
Total	6,796,987.05		8,343,272.73

Table 43: Royalty gas in-kind (2015) - ENH

Royalty gas in-kind (2016) - ENH			
Month	Quantity (GJ)	PBP	Value (USD)
January	594,877.73	0.9	535,389.95
February	662,235.11	0.9	596,011.60
March	383,214.98	0.9	344,893.49
April	573,073.43	0.62	355,305.52
May	567,933.36	0.62	352,118.68
June	546,485.83	0.62	338,821.22
July	651,796.41	0.78	508,401.20
August	634,452.23	0.78	494,872.74
September	550,019.72	0.78	429,015.38
October	586,324.73	0.88	515,965.76
November	597,721.16	0.88	525,994.62
December	622,225.17	0.88	547,558.15
Total	6,970,359.8		5,544,348.31

Table 44: Royalty gas in-kind (2016) - ENH

The data reported by SPT is contained in the Monthly Tax Reports and sent to the Government on a regular basis. The difference in information reported by ENH stems from the fact that there is a divergence between what is transmitted and measured by Sasol (in the Temane Measurement Station) and what is actually taken by ENH of Royalty Gas, since this consumption depends on several factors (e.g. performance of the final customers). According to ENH, these slight differences are common. The solution, according to ENH, involves the reconciliation of data between the parties involved.

9.4 Price of Gas Royalty

$$P_{\text{wellhead}} = \left[\frac{0.45\text{Dubai}}{\text{US\$25/barrel}} + \frac{0.40\text{GasOil}}{\text{US\$31/barrel}} + \frac{0.15\text{HSFO}}{\text{US\$23/barrel}} \right]$$

Article 5 of Law no. 27/2014 establishes that the price of royalty gas has to be measured as it enters the pipeline. This includes the well-head price and the cost of processing the gas, which is in accordance with international practices of gas valuation.

However, the price of royalty gas applied by the UJV, which detains a license for production and is the only active producer in the market, is at the well-head price.

This price is lower than the price at the entrance of pipeline (it does not include the processing costs) and it has been used for Gas Sales Agreement 1 (120 MGJ) and Gas Sales Agreement 2 (27MGJ). These two contracts represent +80% of the total volume of gas sold per year, with evident consequences for Public Revenue.

The formula for the price at well-head is supported by the documents of the Gas Sales Agreement 1 between SPT, CMH and IFC (as vendors/seller) and Sasol Gás (purchaser/buyer) in 2002, during 25 years, by selling 120 MGj/a.

The commercial contracts for national marketplace (post-expansion 27MGJ) also generate royalty gas, which can be paid in kind or in cash. However, the royalty gas valuation in regard to these contracts follows the agreed price in the commercial contract.

Provision of gas to the domestic market is documented in Article 35 of the Petroleum Law, which obligates the concessionaires to allocate 25% of the gas to the domestic market. All in all, the government must ensure that private enterprises with exploitation and production licenses present a development plan which indicates, among other factors, the volume of gas reserved for domestic consumption and its corresponding price. This transparency will be very important to assure the alignment between stakeholders in the market-place and in order to attract downstream investors.

9.5 Commercial Gas

The declared values of commercial gas prices and the reference periods are shown below.

Contract	Seller	Buyer	Price	Duration
GSA 1	UJV (SPT,CMH e IFC)	Sasol Gas Ltd.	USD 1.56/ GJ	October to December 2017
GSA 2	UJV (SPT,CMH e IFC)	Sasol Gas Ltd.	USD 1.56/ GJ	October to December 2017
GSA 3	UJV (SPT,CMH e IFC)	MGC	USD 1.25/ GJ	October to December 2017
GSA 3	UJV (SPT,CMH e IFC)	ENH- KOGAS	USD 1.80/GJ	January to December 2017
GSA 3	UJV (SPT,CMH e IFC)	CTRG	USD 2.42/GJ	January to December 2017
ENH	UJV (SPT,CMH e IFC)	ENH	USD 2.13/GJ	January to December 2017

Contract	Seller	Buyer	Price	Duration
Liquid Hydrocarbons	UJV (SPT,CMH e IFC)	Petromoc	USD 19.10/bbl month of September	Not available

Table 45: Prices of Commercial Gas Contract

There is a significant variation between negotiated commercial prices for the public institutions (e.g. EDM, ENH) or with public participation (e.g. CTRG). This is due to individual negotiations between the institutions and gas producers.

Each contract includes a price base agreed between the parties and several adjustment factors which are described in the table below.

Start	GSA 1	GSA 2	MGC	ENH-KOGAS	CTRG	ENH-2mGJ
	April 2004	January 2010	July 2014	April 2013	February 2015	June 2015
Adjustment	Quarterly	Quarterly	Quarterly	Annual	Annual	Annual
Date of price adjustment	1 January 1 April 1 July 1 October	1 January 1 April 1 July 1 October	1 January 1 April 1 July 1 October	1 January	1 January	1 January
Cap and collar (wellhead) expiration date	31 st March 2014	Not Applicable	30 th June 2019	Not Applicable	Not Applicable	Not Applicable
Cap e collar (wellhead)	First 10 years	Not Applicable	First 5 years	Not Applicable	Not Applicable	Not Applicable
Dubai (US\$/bbl)	Depends on Dubai no International Market	Depends on Dubai no International Market	36-16	Depends on United States of America PPIIn	Depends on United States of America PPIIn	Depends on United States of America PPIIn
Gasoil (US\$/bbl)			40-22			
Fete (HSFO) (US\$/bbl)			32-14			

Table 46: Gas prices adjustment cycle

10. Infrastructure Provision and Exchange Agreement

According to the requisite 4.3, the government must consider whether there are any agreements, or sets of agreements involving the provision of goods and services (including loans, grants and infrastructure works), in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities.

A summary of the responses can be found below.

Example	Year	Reported by the company in the survey	Discussed with the company in an Interview	Additional Research conducted by the IA
Agreement of Cooperation between ENH and CNPC for infrastructure investment in the gas sector	2015	No	No	Yes
Agreement of Cooperation between ENH and Profin, SacOil and CPP for construction of a trans boundary pipeline	2016	No	No	Yes

Table 47: Summary of Infrastructure Provisions and Exchange Agreements

Two cooperation agreements within the gas sector were signed within the period of reference. Firstly, ENH and the China National Petroleum Corporation (CNPC) signed an agreement in 2015. Under the agreement, CNPC will actively participate in Mozambique's exploration and production projects, promote cooperation in gas field services, and cultivate technicians and managerial talents for Mozambique's oil industry. This will include investing construction facilities for natural gas exploration and exploration in Mozambique⁶⁸. CNPC is already participating in Mozambique's Block 4, the company's first ultra-deep subsea natural gas and LNG project in East Africa ENI East Africa was 100% subsidiary of ENI SpA and through this structure, ENI SpA had an indirect 70% stake in area 4 of the Rovuma basin. In 2013, ENI SpA sold 28.6% of ENI East Africa to CNPC for \$ 4.21 billion. This operation in turn gave CNPC an indirect stake of 20% in Area 4 of the Rovuma basin and altered ENI SpA's stake to 50%.

The fulfilment of the memorandum signed between ENH and CNPC is however subject to the conclusion of the research being carried out in Area 4 in the Rovuma basin, to determine the extent of natural gas reserves. The investment values agreed in the cooperation framework agreement were not disclosed but this suggests that the investment will only move forward upon completing research in Area 4⁶⁹.

A parallel cooperation agreement signed in 2016 led to the formation of a Joint Venture between ENH, Profin, a Mozambican private sector Consortium, SacOil Holdings Limited, a South African oil and gas company and China Petroleum Pipeline Bureau (CPP), Chinese and international pipeline construction company and a subsidiary of CNPC. The JV was formed to secure a \$6 billion dollar

⁶⁸<http://www.enh.co.mz/Imprensa/Noticias/ENH-e-CNPC-acordam-cooperacao-para-desenvolvimento-de-hidrocarbonetos-em-Mocambique>

⁶⁹ <http://clubofmozambique.com/news/cnpc-enh-to-cooperate-on-oil-gas-projects-in-mozambique/>

investment for the construction of a 2,600km pipeline from the Rovuma basin to Gauteng, South Africa. Furthermore, CPP will pre-finance the studies up to bankable feasibility. CPP will also be the Lead Arranger and shall be responsible for procuring the debt financing equal to 70% of the total project cost from Chinese financial institutions⁷⁰.

⁷⁰http://www.bni.co.mz/studies/news.aspx?n=companies_from_mozambique,_china_and_south_africa_build_pipeline_in_mozambique&nid=8799

11. Transportation Revenue

The standard requires disclosure of transportation revenues received by government and state enterprises. Countries implementing the EITI are expected⁷¹ to disclose:

- a) A description of the transport agreements, including the product, route, companies and relevant government entities, including state enterprises involved in transportation.
- b) Definitions of taxes, tariffs or other transport payments considered relevant and the methodologies used to calculate them.
- c) Disclosure of tariffs and volume of products transported.
- d) Disclosure of revenues received by government or state entities in relation to transportation of oil, gas and minerals.

A summary of the transport operators follows in the table below.

Sector	Operator	Participation of Mozambican State	Within the bounds of requirement 4.4
Hydrocarbon	ROMPCO	25% via CMG	Yes
Mines	Vale Logistics	N/A (all private)	No
	CLN		
	CDN		
	CEAR		

Table 48: Transport operators per sector

11.1 Hydrocarbon Sector

The current production of natural gas in Mozambique is operated by SASOL, which exports most of the gas extracted to South Africa. For this purpose, a 865 km pipeline has been built connecting the central processing unit near the Pande and Temane fields to the Sasol facilities in Secunda, in Mpumalanga province, in South Africa. There are 5 pipeline connection points in Mozambique, as follows:

- Temane;
- Chigubo/Funhalouro;
- Chokwé/Macarretane;
- Magude/Moamba;
- Ressano Garcia.

⁷¹ The use of the term 'expected' in the EITI Standard indicates that the multi-stakeholder group should consider the issue, and document their discussions, rationale for disclosure/non-disclosure and any barriers to disclosure. Validation will consider and document the discussions by the multi-stakeholder group. The issue of coal transport in the Sena line owned by CFM was not discussed by the MSG. During several months of the 2015-2016 the line was under repair and remained closed to business.

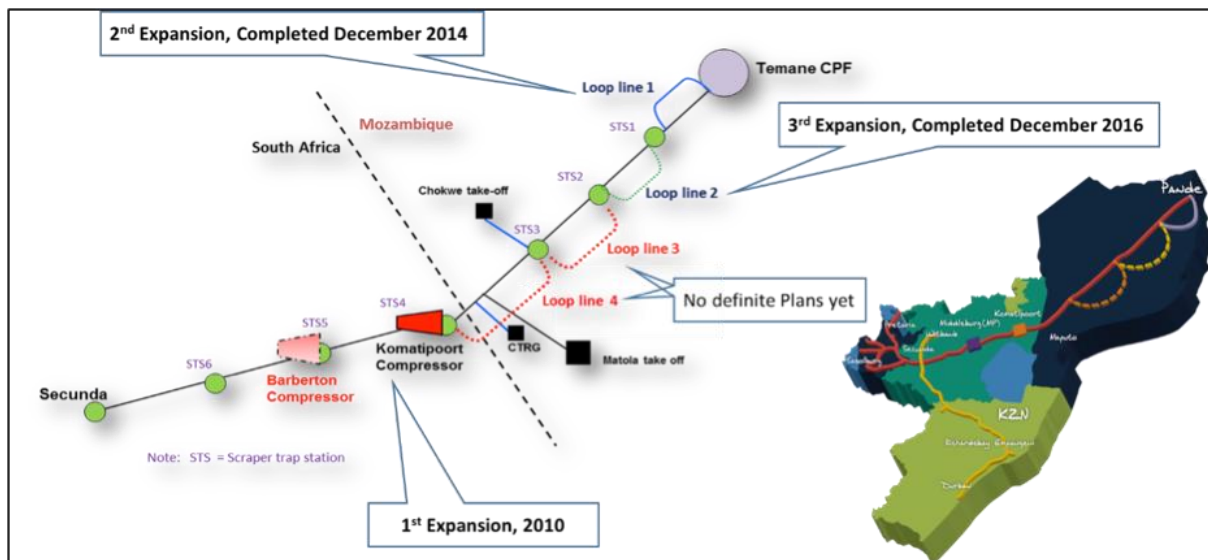


Figure 12: Pande-Temane Pipeline

To build and operate this cross-border pipeline, the Republic of Mozambique Pipeline Company (ROMPCO) was established in 2004 between SASOL Limited (50%), Government of Mozambique (25%) and Government of South Africa (25%). Total investments injected into the Temane / Secunda pipeline represented significant amounts, corresponding to the expansion of production capacity. The total investment in the Pande-Temane / Secunda system was approximately \$1.3 billion, which includes conversion and distribution systems to consumers in South Africa.

Before the expansion, about 95% of total production was exported to South Africa and the rest was consumed in the national market. In 2012 and after further research in the surrounding areas, the expansion project was finalized with investments of about US \$ 220 million, increasing the total capacity to 183 million GJ/year.

ROMPCO, being the only operator in the intermediate section of the gas exporting value chain, was selected within the scope of this report. To comply with requirement 4.4, the Independent Administrator requested ROMPCO to provide information on the tax component and the non-tax component of the questionnaire. ROMPCO provided tax information and some aspects of non-tax information, such as volumes transported in Mozambique. The volumes for both years are displayed below:

Ano	January to June (MGj)	July to December (MGj)	Total
2015	13,700,379	16,387,610	30,087,989
2016	17,334,457	16,382,994	33,717,451

Table 49: Volumes transported by ROMPCO (2015 e 2016)

ROMPCO, however, did not disclose the tariff information due to confidentiality agreements. According to Requirement 4.4 of the Standard, only state-owned are required to disclose such

information. ROMPCO believes that, given its participation structure, it does not qualify as a state-owned company and the requested tariff information is confidential. To disclose this information, it would require the approval of all shareholders, including the South African government, which does not participate in the EITI initiative. Despite the fact that 531 km of the pipeline is located within Mozambique, ROMPCO is in fact a private company and according to the EITI Standard 2016, Requirement 4.4, it is not legally obliged to provide the transport tariff information.

For future reports, this information should be in the public domain in light of the Right to Information Law (Act no. 34/2014 of December 31) and the Decree that defines the tariff methodology for the transportation of gas by high pressure pipelines (currently being elaborated), which is designed to monitor and regulate natural gas transportation tariffs and to take the necessary measures to ensure that they are consistent with the methodology adopted.

11.2 Mining Sector

This requirement does not apply to the Mining sector because all four intermediate operators - Vale Logistics, CLN, CDN and CEAR are private companies. According to requisite 4.4, "Where revenues from the transportation of oil, gas and minerals are material, the government and state-owned enterprises (SOEs) are expected to disclose the revenues received", hence it is not applicable in the mining sector. INAMI reported that the transport of mineral resources is not regulated by the institution and is agreed between the private entities involved.

For both sectors, there is no tax on the transportation of commodities of the extractive industry, such as the transport of natural gas or transport of coal.

12. Revenue Allocation

The EITI requires the disclosure of information related to revenue allocations, enabling stakeholders to understand how revenues are recorded in the national budget and, where applicable, in subnational budgets, as well as to track corporate social spending. EITI requirements related to revenue allocations include: (Requirement 5.1) revenue distribution; (Requirement 5.2) subnational transfers; and (Requirement 5.3) revenue and expenditure management.

12.1 Revenue Flow

Revenues from the Extractive Industry are collected by different State agencies according to their nature.

- The Ministry of Economy and Finance through the Tax Authority collects taxes and fees that are then channelled into the Treasury Single Account as detailed below;
- The State Participation Management Institute (IGEPE) collects the dividends from its subsidiaries that are then also channelled into the Treasury Single Account;
- The National Petroleum Institute that monitors the production and production of hydrocarbons in the country collects the following contributions:
 - Contributions to Support and Training Programs;
 - Contributions to Social Project;
 - Contributions to Institutional Support;
 - The Signature Bonus.

The funds and contributions described above are managed by INP/MIREME for the purpose of carrying out the activities for which they are intended.

- National Hydrocarbons companies collect the Tax on Petroleum Production when it is made in kind (royalty).

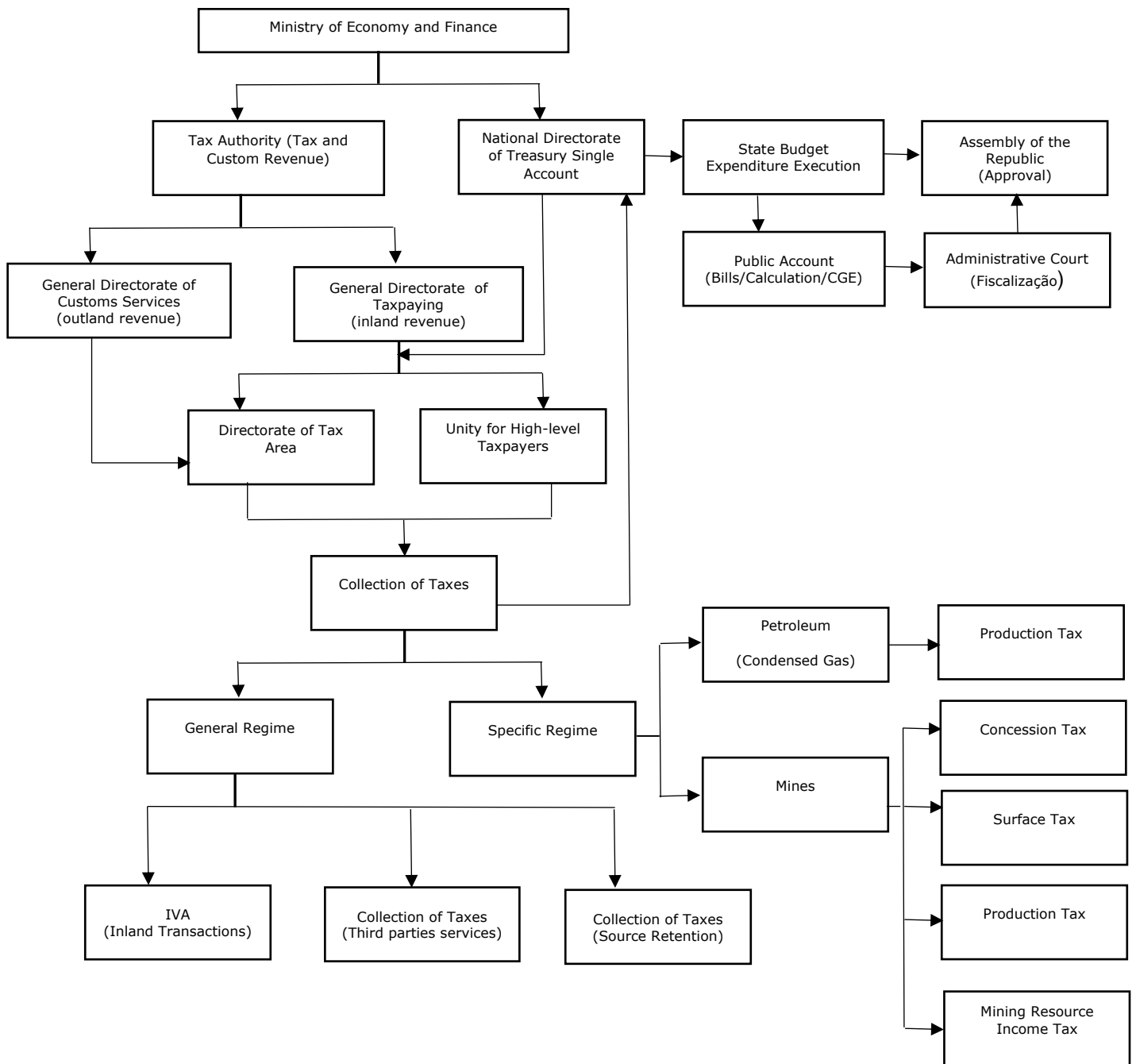


Figure 13: Treasury Single Account (Source: Ministry of Economy and Finance)

12.2 Subnational transfers

Revenues allocated to community development

With the objective of applying mining revenues to part of the revenues generated by taxation to mining and gas companies, article no. 20/2014 (Mines Law) and article no. 21/2014 (Petroleum Law) both of August 18, as well as the laws repealed by these, define that a percentage of the revenues generated in these activities should be channelled to community development projects in the areas where the respective projects are located.

It is in this context that article 20 of Law no. 9/2015 of December 29, which approves the State Budget for 2016, as well as the law approving the State Budget for the year 2015, determines that a percentage of 2.75% of the production tax from the petroleum and mining activity should be used for programs aimed to the community development in the areas where the respective projects are located.

Transfers_made to the communities in 2015 and 2016 according to the General State Budget

For the economic year 2015, a new methodology for the fund transfers to the communities was adopted, which consists of the provision of resources based on the revenues collected in 2014.

The prevision for the revenue collection generated by the mining extraction, established in the 2014 OE, was 887.5 Million Meticaís, with a charge of 762.1 Million Meticaís, still in the same year, corresponding to 85.9% of the annual target.

Province/ District	Locality	Year Revenue 2014			Expenses 2015		% Perform.
		Foreseen	Collected	%	Endowment	Perform.	
Nampula		159.0	96.6	60.8	3.9	3.9	100.0
Moma	Topuito	159.0	96.6	60.8	3.9	3.9	100.0
Tete		474.1	230.9	48.7	10.9	10.9	100.0
Moatize	Cateme	256.2	177.6	69.3	3.3	3.3	100.0
	25 de Setembro				3.3	3.3	100.0
	Chipanga II	217.8	53.3	24.5	3.3	3.3	100.0
	Benga				1.1	1.1	100.0
Inhambane		254.4	211.8	83.3	4.0	4.0	100.0
Govuro	Pande	254.4	211.8	83.3	0.8	0.8	100.0
Inhassoro	Maimelane				3.3	3.3	100.0
Total		887.5	539.4	192.8	18.8	18.8	100.0

Source: CGE 2014, MEX e AT
Table 50: Community Fund Transfer – 2015

The amount transferred in the period from January to December 2015 was 18.8 Million Meticaís⁷², corresponding to 100% of the budget.

⁷² According to the amounts in the table published in the State Budget Execution Report for 2015. However, it should be noted that the Tete and Inhambane subtotals do not correspond to the values indicated

In 2016, the amount transferred reached to 22.8 Million Meticaís⁷³, corresponding to 100% of the budget, and it should be clear that all communities in the provinces covered had a 100% achievement according to the following table:

Province/ District	Locality	Jan - Dez 2015		% Perform.	Jan - Dez 2016			% Perform.
		Endow.	Perform.		1 st Endow.	Revised Endow.	Perform.	
Cabo Delgado		-	-	-	6.1	6.1	6.1	100.0
Montepuez	Nyamanhumbir	-	-	-	6.1	6.1	6.1	100.0
Nampula		3.9	3.9	100.0	2.2	2.2	2.2	100.0
Moma	Topuito	3.9	3.9	100.0	2.2	2.2	2.2	100.0
Tete		10.9	10.9	100.0	6.4	6.4	6.4	100.0
Moatize	Cateme	3.3	3.3	100.0	1.9	1.9	1.9	100.0
	25 de Setembro	3.3	3.3	100.0	1.9	1.9	1.9	100.0
	Chipanga II	3.3	3.3	100.0	1.9	1.9	1.9	100.0
	Benga	1.1	1.1	100.0	0.6	0.6	0.6	100.0
Inhambane		4.0	4.0	100.0	8.1	8.1	8.1	100.0
Govuro	Pande	0.8	0.8	100.0	4.0	4.0	4.0	100.0
Inhassoro	Maimelane	3.3	3.3	100.0	4.0	4.0	4.0	100.0
Total		18.8	19.8	100.0	22.8	22.8	22.8	100.0

Source: CGE 2015 e MEX

Table 51: Community Fund Transfer - 2016

Since 2013, the Ministry of Planning and Development and Ministry of Finance have established by budget law that the percentages of 2.75% of revenue generated for the budget would be applied to community projects in their respective districts and localities.

By Circular 01/MPD-MF/ 2013, the ministries also defined the guidelines to which these projects should be submitted.

Thus, the eligible areas would be basically the infrastructure areas, in particular:

- Education (classrooms and equipment)
- Health (posts, health centres and their equipment)
- Agriculture (community irrigation/dams)
- Forestry (community forests)
- Services (markets)
- Roads and bridges of local interest
- Water supply and sanitation systems

It was further defined that these projects would be implemented in coordination with the Provincial Directorate and the State District Service at the local level and that the applicable rules in their implementation would be the rules for executing the OGE taking into account that these are public resources.

⁷³ According to the amounts in the table published in the State Budget Execution Report for 2016. However, it should be noted that the Tete and Inhambane subtotals do not correspond to the indicated values.

Regarding the involvement of communities in the decision on projects, it was only defined that this fund should promote their socioeconomic development and that decisions should be taken in coordination with the respective Local Advisory Councils.

From 2013 until the date there was no other circular issued, so it continues to govern the disbursements to be made.

Local Execution Level

- Inhambane Province - Govuro - Pande**

Fiscal Year	Budget in Million Metical (MZN)			Community Investments
	Budget	Received	Executed	
2015	0.8	0.8	100%	Purchase of Ambulance, rehabilitation of five classrooms, construction of a morgue for three dead bodies and purchase of one farm tractor.
2016	4.0	4.0	100%	Transformation of five manual water pumps to work through solar energy, purchase of farm equipment and tractor wheels, purchase of giant backpart wheels for tractors.

Source: OGE, information obtained locally

Table 52: Level of implementation at the local level (Inhambane Province - Govuro - Pande)

- Inhassoro - Maimelane**

Fiscal year	Budget in Million Metical (MZN)			Community Investments
	Budget	Received	Executed	
2015	3.3	3.3	Still in progress	Installation of TV and radio antenna in Nhacolo and Mangungumete, ambulance purchase for Mangungumete.
2016	4.0	4.0	Still in progress	Last installment of an ambulance for Mangungumete

Source: OGE, information gathered locally.

Table 53: Local Execution Level (Inhassoro - Maimelane)

We were unable to find out at the consultation meetings what were the priorities defined by the communities, as was it possible in the case of Cabo Delgado.

- Cabo Delgado Province - Namanhumbir**

Tax Year	Budget in Million Metical (MZN)			Community Investments performed
	Budget	Received	Executed	
2015	NA	NA	NA	NA
2016	6.1	6.1	100%	Installation of six water pumps and maintenance of eighteen more ones, Consultancy services for better understanding of transferred resources management. Fuel for country visits to Namanhumbir for its planning, budgeting and project monitoring.

Source: OGE/Montepuez District Government/Local Economic Development Agency of Cabo Delgado.

Table 54: Local Execution Level (Cabo Delgado Province - Namanhumbir)

In consultation meetings with community and community leaders, the following priorities were defined:

- Ambulance to the local health centre
- Maintenance and increase of water sources
- Sportswear for football
- Rehabilitation of the branch of road between the locality of Namanhumbir and Mpene
- Employment Opportunities
- Public transport and glided road
- Raising the level of the EPC school to the General Secondary School of the 1st and 2nd cycles.

- **TETE Province – Moatize - Cateme/25 de Setembro**

Tax Year	Budget in Million Metical (MZN)			Community Investments
	Budget	Received	Executed	
2015	6.6	6.6	In progress	Commencement of road construction which will benefit 25 de Setembro Community (stopped), repaired and embankment of the Cateme community (it already presents fissures) rehabilitation of health centre.
2016	3.8 (50% for each)	3.8	In progress	

Table 55: Local Execution Level (Tete Province – Moatize – Cateme/25 de Setembro)

- **Chipanga II/Benga**

Fiscal Year	Budget in Million Metical (MZN)			Community Investment
	Budget	Received	Executed	
2015	4.4	4.4	100%	No response.
2016	2.5 (1,9 for Chipanga II e 0.6 for Benga)	2.5	100%	

Source: OGE, Moatize District Government, local civil society source.

Table 56: Local Execution Level (Chipanga II/Benga)

We verified that in OGE there is no allocation of this item of 2.75% allocation for the district of Marara, where Jindal's coal mining company operates.

- **Nampula province – Moma – Topuito**

Fiscal Year	Budget in Million Metical (MZN)			Community Investment
	Budget	Received	Executed	
2015	3.9	3.9	100%	It was not possible to get independent information on investments made, notwithstanding, the allocation of funds regarding the local budget.
2016	2.2	2.2	100%	

Table 57: Local Execution Level (Nampula Province – Moma - Topuito)

Findings:

- There is no clear difference for communities between this budget item and corporate social responsibility actions which also finance projects of the same nature at the local level.
- Accountability on this items to civil society and communities has not been provided in an institutional, regular and verifiable manner.
- Some works performed are of poor quality (e.g the Cateme dam repair).
- In some cases, the funds are made available with delays and do not allow timely planning of project implementation.

12.3 Revenue management

In accordance with the contractual obligations, the Concessionaires are obliged to make payments to the State. These obligations include:

- Contributions to Support and Training Programs;
- Contributions to Social Projects;
- Contributions to Institutional Support.

INP and MIREME decide on the allocation of funds, which are used for different projects, the disbursement of expenses and to assist INP's institutional capacity. Details of fund flows and outflows can be found below:

Contributions to Support and Training Programs		
Description	2015	2016
Received Contributions	(MZN)	(MZN)
Anadarko	41,829,656	53,820,000
SASOL Petroleum Mozambique	0	24,432,000
PC Mozambique Rovuma Basian, Ltd	0	20,914,828
Buzi Hydrocarbons	0	22,842,000
Total Mozambique	0	9,551,682
Total Contributions	41,829,656	131,560,510
Training Expenditure	(MZN)	(MZN)
Allowance inside and outside the country INP/MIREME	3,141,938	22,195,022
Training inside and outside the country INP/ MIREME – short and long duration	33,185,994	36,754,891
Training – Support to universities UNILÚRIO and UEM	7,692,000	22,168,000
Travel Insurance - INP/MIREME	0	11,099
Flight Ticket - INP/MIREME	3,390,254	6,977,713
Accomodation - INP/MIREME	3,005,141	859,723
Seminaries, conferences and workshops - INP	0	1,432,783
Financial Audit	1,008,248	336,651
Administrative expenses	277,961	18,984
Outher costs (passport issuance,Visas, medical examination)	447,922	609,639

Room Hiring -INP	0	238,511
Banking Seervices	82,425	113,504
Total Expenses	52,231,883	91,716,521

Table 58: Support and Training Programs Contributions (Source: INP)

Social Projects		
Description	2015	2016
Received contributions	(MZN)	(MZN)
Anadarko	36,629,000	53,820,000
SASOL Petroleum Mozambique	0	15,588,000
PC Mozambique Rovuma Basian, Ltd	7,444,000	0
Buzi Hydrocarbons	0	17,622,000
Total Mozambique	0	6,493,675
Total Contribution	44,073,000	93,523,675
Training Expenses	(MZN)	(MZN)
Living Allowance	0	1,031,858
Water-tank and fountain construction in Balama e Mécufi	50,453,208	8,748,698
Construction and Control of Water-tank and Fountain in Balama e Mécufi	4,534,444	430,000
Financial Audit	0	672,733
Flight Tickets	0	93,110
Other expenses	0	76,128
Training	0	885,377
Bank Commisions	704	7,596
Several Works	145,485	0
Total Expenses	55,133,841	11,945,500

Table 59: Contribution to Social Projects (Source: INP)

Institutional Support		
Description	2015	2016
Received contributions	(USD)	(USD)
Anadarko	2,000,000	2,000,000
Total Contributions	2,000,000	2,000,000

Table 60: Institutional Support Contributions (Source: INP)

13. Social and Economic Contributions

13.1 Mandatory and Discretionary Social Expenses

The Corporate Social Responsibility Policy for the Extractive Industry of Mineral Resources was approved by Resolution No.21/2014, of May 16th. At its core, the policy aims to ensure the involvement, participation and coordination of all interested parties in the extractive industry's investments and ventures, from exploration, research, development and production. The policy also guides the mechanisms for monitoring and evaluating corporate social responsibility activities, as well as mechanisms for complaints, appeals and dispute resolution.

The objective is to make the extractive industry a tool to fight poverty and a driving force for sustainable local development based on the principles of human dignity, social stability and the right to progress; law, transparency and accountability; environmental responsibility; culture, symbols and local customs.

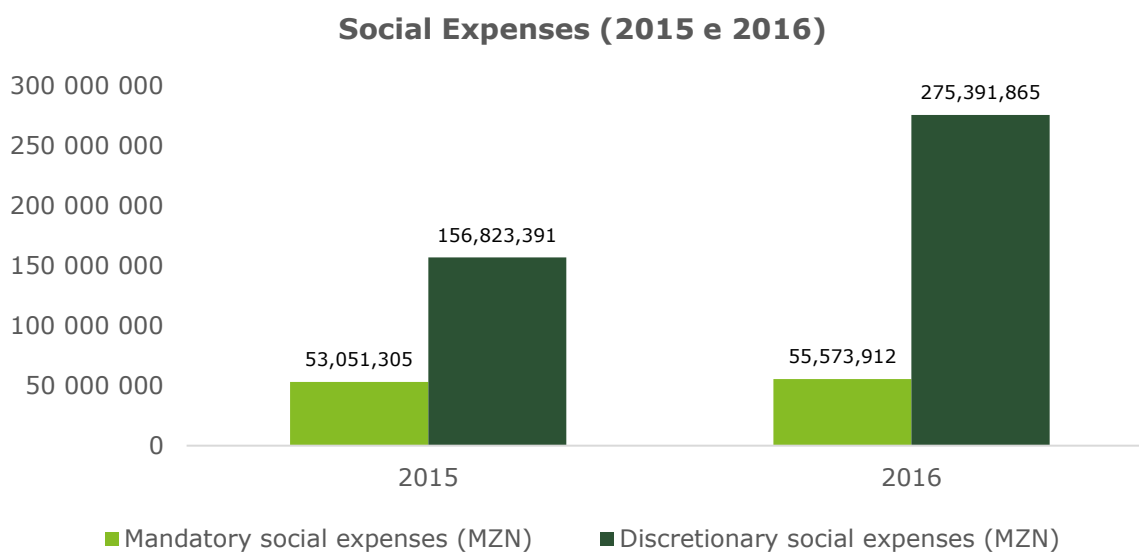
Thus, the Government through the Corporate Social Responsibility Policy for the Mineral Resources Extractive Industry directs mining companies to contribute to local development with part of their income.

This guideline implies that companies must contribute, in a participatory way, to the socio-political, socio-economic and institutional change of the local communities affected by any extractive activity, in order to guarantee an equitable and continuous satisfaction of basic needs, without harming the culture and social values, nor the environment for the benefit of future generations.

In this report, 10 companies from the extractive sector responded to the issue of social responsibility, of which we have 5 from the mining sector and 5 from the hydrocarbon sector.

Below are the graphs of the total of compulsory and discretionary social spending in the two years (2015 and 2016) ⁷⁴.

⁷⁴ Disaggregated table of compulsory and discretionary social expenses is in Annex 4 and 5. This information was collected through the surveys completed by the companies.



Graph 19: Mandatory and discretionary social expenditure (2015 and 2016)⁷⁵

In the MSG session held on February 8th it was indicated that some of the reported social projects could be in fact projects to compensate for environmental damage caused by mining companies (the example of a water project by Vale was mentioned).

13.2 Budgetary expenditure

Budgetary expenditures include rules by which state enterprises commit themselves to public social expenditures, such as payments for social services, public infrastructure, fuel subsidies, and national debt service, etc. outside the national budgetary procedure.

This requirement refers to expenditures of state enterprises made outside the State Budget. The state companies reported that they did not make budget expenditures.

The Independent Administrator recommends to the Multistakeholder Group (MSG) to define a process of accountability that allows for a degree of transparency in these payments of state companies, their subsidiaries and joint ventures, in the line of which already exists in relation to other payments such as taxes and other fees.

⁷⁵ The values of Kenmare, SASOL, ENI were denominated in US \$. They were converted into MZN using the exchange rate 2015 [\$ US 1 = MZN 48], 31 December 2015 and 31 December 016 [\$ US 1 = MZN 71.07]

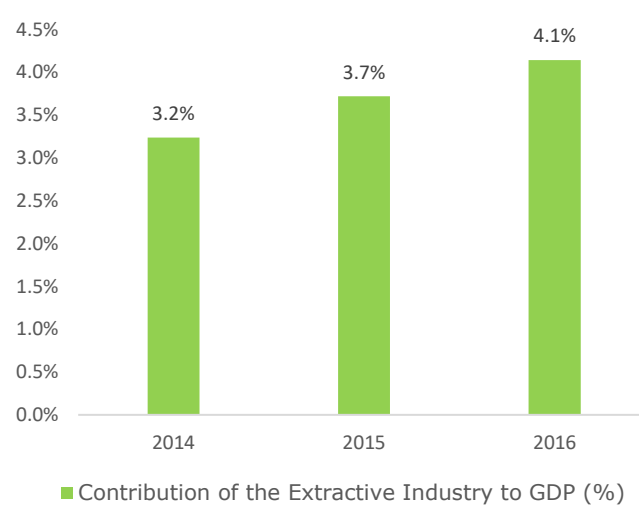
13.3 Financial contribution

a) GDP (Requirement 6.3.a)

In 2015, Mozambique's GDP grew by approximately 6.6% but experienced a reduction in 2016 to 3.3%. According to IMF estimates, Mozambique's GDP grew by an average of 7.27% per year between 2006 and 2015, which attracted the interest of foreign investors. On the other hand, the IMF estimates that in the early 2020s, GDP will grow, on average, around 15% per year due to the natural gas sector, which is expected to represent about half of the national economy. This slowdown in the economy, combined with the depreciation of the Metical and population growth, resulted in a decline in per capita income in the country from USD 691 in 2014 to USD 411 in 2016.⁷⁶

Descrição	2014	2015	2016
GDP (billion USD)	13.794	11.786	7.434
PIB (billion USD)	423.463	451.386	468.372
Foreign exchange	30.7	38.3	63

Table 61: GDP (Source: INE)



Graph 20: Contribution of the Extractive Industry to PIB (Source: INE, Bank of Mozambique)

The value added by the extractive sector has contributed to the GDP in an increasing form, by 3.7% in 2015 and 4.1% in 2016⁷⁷. During 2015, there was a relative growth of 8.8%, driven by the high performance in the production of natural gas which offset the poor performance in the production of coal and heavy sands in the same year. In 2016, the extractive sector grew by 11%, but was still performed below what has been planned for the year, which was mainly influenced by the reduction of coal levels. This was a consequence of the constraints related to the logistics for the disposal of this product and the fall of the price of coal on the international market that occurred at the beginning of the same year.⁷⁸

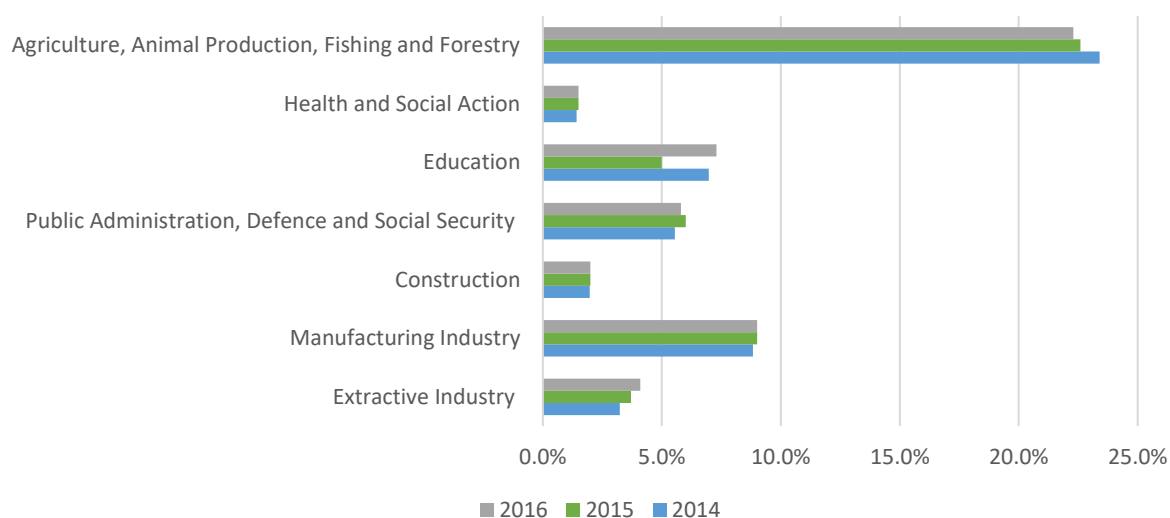
Overall, the contribution of the extractive sector to GDP in the last two years has grown but remains below most economic sectors or even social sectors such as education that contributed with 7.3%

⁷⁶ Page 98, Standard Bank Group, African Markets Revealed, September 2017.

⁷⁷ Source: Data provided by INE in November 2017 (GDP of production in constant values)

⁷⁸ Balanço do Plano Económico Social 2016

in 2016 or the public administration that contributed with 5.8% in 2016, as the chart below illustrates.⁷⁹



Graph 21: Contribution by activity sector for the GDP (%) 2015-2016
(Source: INE, BDPES 2016)

The extractive sector includes the extraction of coal, natural gas and condensates, metallic minerals, and other extractive industries. Table 3 below illustrates the contribution of each of the areas to GDP in the years 2014-2015 and 2016.

Year	2014	2015	2016	2014 (%)	2015 (%)	2016 (%)
EXTRACTIVE INDUSTRY	13,711	16,792	19,411	3.2	3.7	4.1
Coal Extraction	3,706	4,245	5,375	27	25.3	27.7
Extraction of natural gas and condensed	7,673	10,345	10,720	56	61.6	55.2
Extraction of Metallic Minerals	1,417	1,267	2,864	10.3	7.5	14.8
Other Extractive Industries	915	935	451	6.7	5.6	2.3
EXTRACTIVE INDUSTRY	423,463	451,386	468,372			

Table 62: Contribution of extractive industry to GDP (Billions of MZN) (Source: INE)

b) Extractive Industry Revenue (Requirement 6.3.b)

This section was answered in section 8.2 Revenue collection.

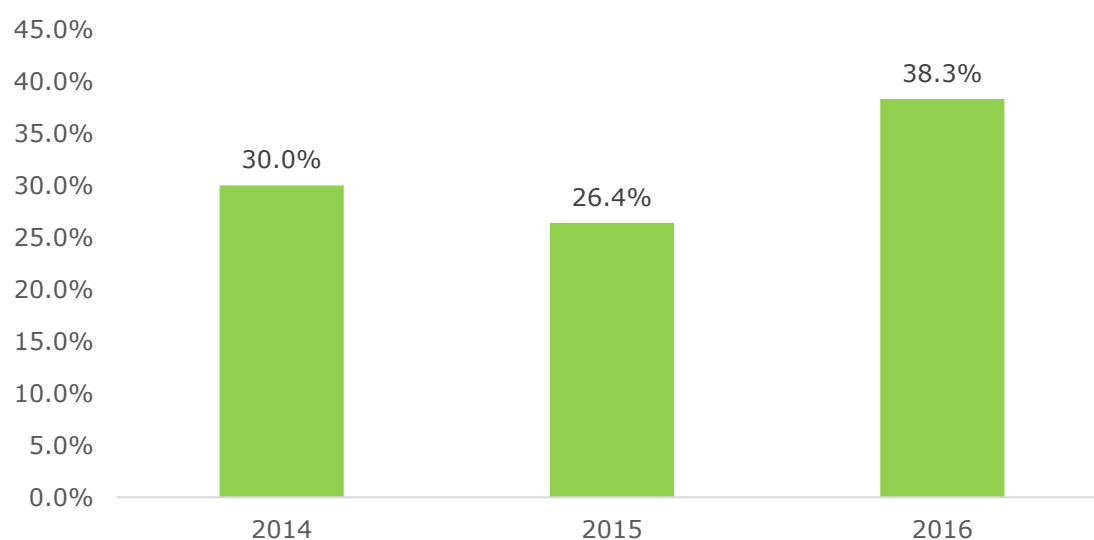
⁷⁹ Balanço do Plano Económico Social 2015/6

c) Exports (Requirement 6.3.c)

Regarding exports, from the table below it is possible to observe that in 2014, 30% of exports were generated by the extractive sector, while in 2015 the value of exports reduced to 26.4%. However in 2016 the weight of the extractive industry exports increased to 38.3%.

	2014	2015	2016
Exports (USD million)	3,916.20	3,413.30	3,354.90
Exports generated by Extractive Industries (USD million)	1,174.86	899.7	1,286
Extractive Industry Contribution to Exports (%)	30%	26.40%	38.30%

Table 63: Exports 2014-2016
(Source: REO 2015-2016, AT)



Graph 22: Contribution of exports to the extractive industry
(Source: BDPES 2016, INE)

d) Employment (Requirement 6.3 d)

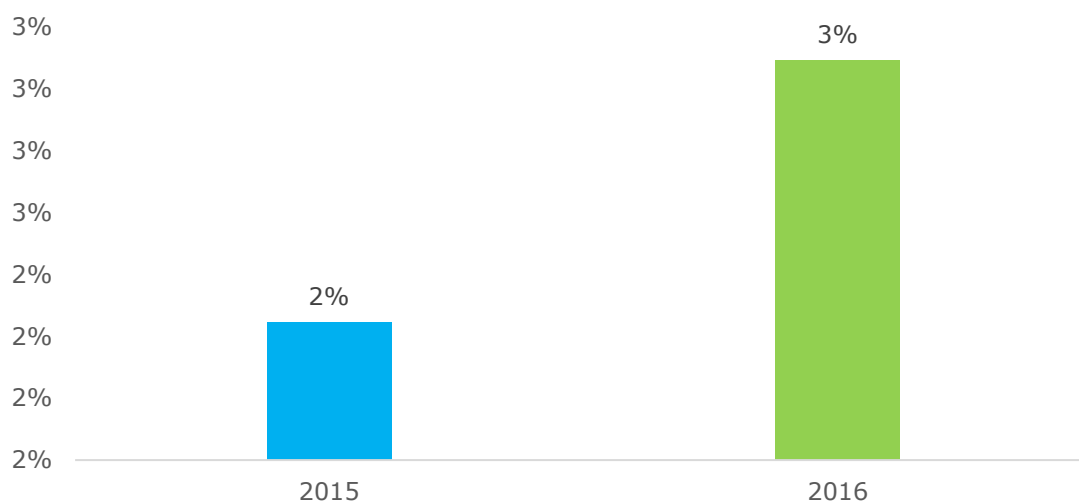
In 2014, 290,816 jobs were created in Mozambique. The following year, 2015, the number of jobs was 302,064 compared to 270,047 in 2016.⁸⁰

According to data from the Questionnaire made by the Independent Administrator and according to the companies that completed the questionnaires in 2015, 7,016 jobs were created directly by the extractive industry, and in 2016 7,415.

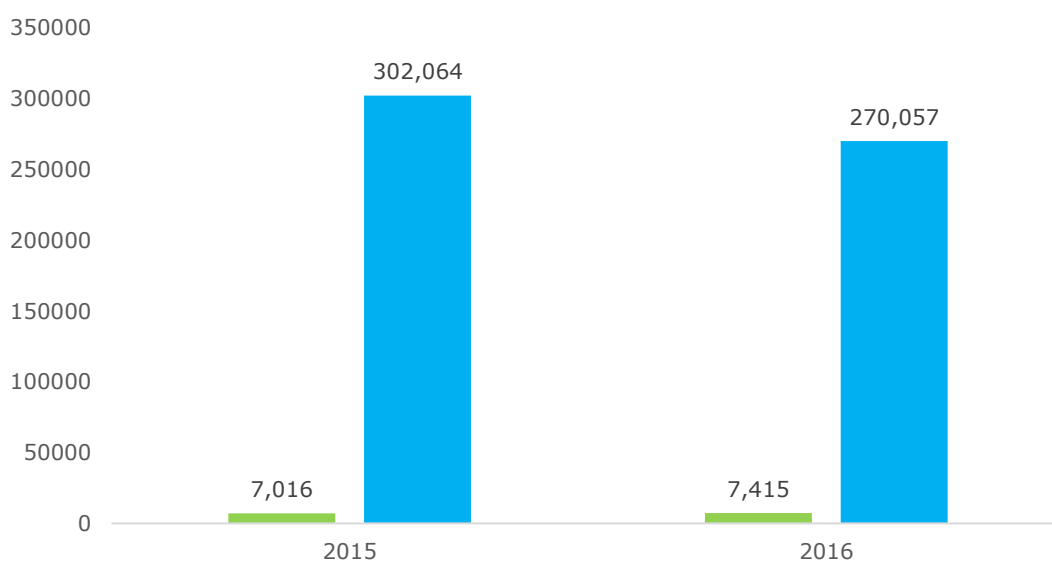
Correlating the employment data obtained by the Questionnaire made by the Independent Administrator and the total employment data collected from INE, we found that there was an

⁸⁰ Labour Statistics Bulletin 2015/6

increase of 1% between 2015 and 2016, 2% for 2015 and 3% for 2016, due to the increase of the extractive industries.



Graph 23: Employment in the extractive industry according to the IA questionnaire as a percentage of total employment registered by the INE (Source: IA questionnaires, BET 2016, MITESS 81)



Graph 24: Jobs in the Extractive Industry according to the IA 2017 questionnaire

e) Important areas (Requirement 6.3 (e))

Project/Company	Commodity	Location
Ancuabe Graphite	Graphite	Cabo Delgado
Vale Mozambique	Gold, Basic Metals, Coal, Associated Metals, Precious Metals	Tete
Kingho Investment Company, Lda	Coal	Tete

⁸¹ Ministry of Labour, Employment and Social Welfare

Project/Company	Commodity	Location
Chibuto Heavy Sands	Coal	Gaza
ETA Star	Coal	Tete
ENRC Moçambique Lda	Coal, Associated Minerals, Precious Metals and Semiprecious Metals, Precious Metals, Rare Earths, Precious Metals	Tete
Marsar Dimensional Stone, Lda	Mármore	Cabo Delgado
Moatize Mines, Lda	Coal and building stone	Tete
Internacional Coal Ventures Private Limited - ICVL Benga	Coal	Tete
Internacional Coal Ventures Private Limited - ICVL Zambeze	Coal	Tete
JSPL Mozambique Minerals, Lda	Basic Metals, Coal, Zirconium, Gold	Tete
Midwest Resources	Coal	Tete
Ruvibué Mines	Coal	Tete
Tele Methane Gas	Coal methane gas	Tete
PECD	Coal	Cabo Delgado
Sasol Pande Temane,	Oil and Natural Gas	Pande-Temane
ROMPCO, SPT	Natural Gas	Temane/Secunda pipeline
Anadarko Mocambique Area 1	Oil and Natural Gas	Bacia do Rovuma
ENI EAST AFRICA SPA	Oil and Natural Gas	Bacia do Rovuma
Kenmare	Heavy Sands	Nampula
Mimoc- Minerais de Moçambique, Lda	Gold and associated minerals	Manica and Sofala
Ncondezi Coal	Coal	Tete
Montepuez Ruby mining	Grenades, Basic Metals, Rubby, Tourmaline	Cabo Delgado
Highland African Mining Company	Tantalite and Minerals, Beryl, Emerald, Grenades, Tantalite, Topaz, Tourmaline	Marropino and Morua

Table 64: Summary of key geographic areas by project and commodity

14. Analysis of Previous Reports

14.1 Pending Issues from Previous Reports

Recommendations	Report	Responsible	Situation Report
<p>It is recommended the institutionalization of the obligation to report in the scope of the EITI by the projects operating in the extractive industry or clarification of the current condition and work of raising awareness on the part of the Committee of Coordination with the private sector on the importance of the initiative and the timely report so that processes are established with companies that do not significantly increase their efforts to compile the necessary data;</p> <p>The Mine Law Regulation should oblige companies operating in the mining area to report to EITI whenever requested, their results, the amounts paid to the state as well as the charges related to corporate and social responsibility, similar to Article 50 of the Law of Petroleum (Law no.20/2014 of August 18th.)</p>	6 th Report	EITI Committee	<p>Ongoing institutionalization Project.</p> <p>Done. Articles 37 and 56 of the Mining Law Regulations refer to the obligation of holders of a Prospecting and Research License as well as a Mining Concession to submit annual activity reports. However, there is still a deficit in the information provided to INAMI.</p>
In the mining licensing process, the National Mining Institute, through the Mining Registry, must cross-reference the company contacts with the information contained in the SICR of the Tax Authority;	6 th Report	National Institute of Mines	Modernization Project of the Mining Register (2016 - 2018) in progress. However, the effects of the projects have not yet been materialized.
Transmissions of mining titles must be documented and computerized in the Mining Registry, in order to allow the	6 th Report	National Institute of Mines	There are still flaws in the mining register.

Recommendations	Report	Responsible	Situation Report
<p>collection of fees made on these concessions;</p> <p>This was identified in the reconciliation process insofar as the receipts confirmed by the State diverged from the payments declared by the selected companies because the mining title was merged with a third party and the declared payments rested with this concessionaire. As an example, ENOP holds the license and it is granted to Mabalane Resources and Ceta has transmitted the title to Britanor;</p>			
<p>The Provincial Directorates of Mining Resources and Energy should oblige companies to pay taxes and fees using their respective NUITs to the detriment of DIPREME NUIT; therefore, there must be an alignment between DIPREME and DPEF in order to ensure that if the NUIT is actually used by those companies;</p>	6 th Report	National Institute of Mines	The incorrect use of NUIT is still occurring despite the promotion of training in DIPREME's.
<p>It is therefore recommended that the Mining Registry keep all relevant information about the licensed projects duly updated, including the NUIT, address and contacts of the projects and their representatives, which is not currently the case;</p>	6 th Report	National Institute of Mines	<p>Modernization Project of the Mining Register (2016 - 2018) in progress</p> <p>The Register continues with information not updated due to lack of companies providing it.</p>
<p>All companies that have licenses that they have concessioned to another entity, must communicate to INAMI in order to allow the collection of taxes that only affect the respective license;</p>	6 th Report	National Institute of Mines	No progress identified.
<p>Updating of the Collection Control System in order to allow the information obtained by this institution to represent the totality of the payments made by the</p>	6 th Report	General Directorate of Taxes	The system continues to have deficiencies.

Recommendations	Report	Responsible	Situation Report
<p>projects so that the criteria for selecting companies based on State confirmations is not called into question and the reconciliation process is efficient. One of the associated risks is the possibility of excluding projects which may have actually contributed significant amounts to the State revenue, on the basis of incomplete data;</p>			
<p>Updating of the Collection Control System in order to allow the information obtained by this institution to represent the totality of the payments made by the projects so that the criteria for selecting companies based on State confirmations is not called into question and the reconciliation process is efficient. One of the associated risks is the possibility of excluding projects which may have actually contributed significant amounts to the State revenue, on the basis of incomplete data;</p>	5 th Report	Ministry of Economy and Finance (Tax Authority)	<p>Accomplished. A centralized system of collection is in place in all Tax Areas existent in the country.</p> <p>It's a risk to incur to the centralization of that system or alternatively templates should be all the companies of that sector (which would be almost impossible given the time factor).</p>
<p>Informatization of the files of the projects of the mining area, filed in the National Institute of Mines. Some of the data from companies in the sector are still in physical and handwritten forms, which makes it difficult to access information.</p>	5 th Report	MIREME (INAMI – Mining Registration)	<p>Accomplished. The Coordination Committee is coordinating with INAMI.</p>
<p>It is verified that the data of the projects registered in the Mining Register are sometimes incomplete or outdated, which among other situations may lead to the impossibility of access to a particular project. It is therefore recommended that the Mining Registry keep all relevant information about the licensed projects duly updated, including</p>	5 th Report	MIREME (INAMI – Mining Registration)	<p>Accomplished. Information available on Flexicadastre and its update will be accompanied by the database of the contracts provided by the consultants and the</p>

Recommendations	Report	Responsible	Situation Report
the NUIT, address and contacts of the projects and their representatives, which is not currently the case.			update of the INAMI itself.
Updating the DGI database so that it contains the latest address and contact information for the projects.	5 th Report	Ministry of Economy and Finance (Tax Authority)	Accomplished. Available information Registered and updated by the multi-sector team MEF/MIREME.
State institutions, including the Mining Registry and the DGI, shall ensure that project data, including the name of the entity, are standardized so as to enable information to be crossed.	5 th Report	MEF/MIREME (AT/INAMI-Mine Registration)	The Coordination Committee is coordinating with INAMI.
Competent entities should work in a coordinated manner to ensure the dissemination of information on the annual global employment register and by sector of activity in order to fill the existing information deficit in the country.	5 th Report		Follow-up
Competent entities and companies operating in the extractive industry should draw up their production data reporting maps in order to minimize the possibility of occurrences of failures that could lead to differences between the information confirmed by the State and the information reported by the projects to sector, as was the case in the preparation of this report.	5 th Report	MIREME (INAMI) /Companies	Accomplished. The Coordination Committee is coordinating with DPD (MIREME).
It is recommended the institutionalization of the obligation to report in the scope of the EITI by the projects operating in the extractive industry.	5 th Report	MIREME (Coordination Committee)	Accomplished. The Coordination Committee suggested to MIREME that it be included in the Regulation of the new Mining Law.

Recommendations	Report	Responsible	Situation Report
Adjustment of the periods to which the EITI reports relate, so that it refers to the year prior to its preparation	5 th Report	MIREME (Coordination Committee)	Accomplished. The reporting period shall be reduced as from the sixth report.
The program used by the Ministry of Economics and Finance should allow the collection of complete and correct information on payments made by companies, because the collection control system is decentralized, so it is recommended that the Ministry of Economy and Finance implements a program that allows the centralization of information in relation to the charges made.	4 th Report	Ministry of Economy and Finance (Tax Authority)	The process of centralization of the collection system of all Fiscal Areas existing in the Country is underway.
It is necessary to regularly update the database of MIREME and DGI, which should be extended to the contact list of companies and their representatives.	4 th Report	MEF/MIREME (AT/INAMI-Mining Register)	Accomplished. Information available on Flexicadastre and its update will be accompanied by the database of the contacts provided by the consultants and the update of INAMI itself.
The Reconciliation Report should be relative to the previous year so as to avoid constraints of difficulties associated with the difficult access to archives of past years of extractive industry companies. This difficulty was found in companies with a high number of transactions during the year.	4 th Report	MIREME (Coordination Committee)	Accomplished. The reporting period shall be reduced as from the sixth report.
The Tax Authority should carry out reconciliation exercises between the receipts recorded by the State and the payments made by the companies, in order to identify in a timely manner situations of irregularity and by means of that regularization.	4 th Report	Ministry of Economy and Finance (Tax Authority)	Accomplished. The Coordination Committee recommended this practice to AT.

Recommendations	Report	Responsible	Situation Report
<p>Regular update of the mining and hydrocarbons companies database. It is essential that MIREME and DGI have contacts and addresses of the companies and/or their representatives so that the submission phase of the "Reporting Templates" is abbreviated.</p> <p>- Part of this situation may be associated with the fact that the vast majority of companies are still in the research and exploration phase and do not have their own administrative support. They are represented by consultants and lawyers who do not always have the necessary financial information.</p>	3 rd Report	MEF/MIREME (AT/INAMI-Mining Register)	<p>Accomplished.</p> <p>Information available in Flexicadastre and its update will be accompanied by the database of the contacts provided by the consultants and the update of INAMI itself.</p>
<p>The DGI must ensure that tax payments are always made on behalf of the company, not allowing it to be done on behalf of the State (MIREME, MITADER or others). In addition, it should take into account when collecting information that some of the companies can pay taxes, namely, Taxes on the Area in different tax area.</p> <p>- Since the revenue collection system of the DGI is decentralized and therefore it is not always possible to obtain complete information in real time, it is necessary to equip the various Tax Areas of instruments to identify payments of taxpayers from other areas.</p>	3 rd Report	Ministry of Economy and Finance (Tax Authority)	<p>Accomplished. The Provincial Directorates of Mineral Resources and Energy were instructed. In addition, the process of centralizing the collection system of all Fiscal Areas in Brazil is in progress.</p>
<p>The selection process should not only be limited to the information centrally provided by the DGI, it being necessary that the same information be confirmed by the different tax areas. This is due to the fact that the revenue information in the central database shows some</p>	3 rd Report	MIREME (Coordination Committee)	<p>Accomplished.</p> <p>Considered by the Coordination Committee and implemented by the AT.</p>

Recommendations	Report	Responsible	Situation Report
<p>divergence from that provided by the tax areas.</p> <p>- In order for this exercise to be carried out in a timely manner, it is necessary that the reconciliation exercise be initiated in advance, since the information must be collected by the various tax areas, which are known to not be linked to the network or, if they are, they do not always provide information in real time.</p>			
<p>The reconciliation of payments should be made in relation to the previous year in order to avoid constraints associated with difficult access to archives from past years, particularly in companies with large records.</p>	3 rd Report	MIREME (Coordination Committee)	Accomplished. The reporting period shall be reduced as from the sixth report.
<p>As the number of companies grows and the specific revenue from extractive activity increases, it is to be considered that the 'investigation' begins to pay attention to the payments that companies make as taxable persons and not as tax substitutes.</p>	3 rd Report	MIREME (Coordination Committee)	Accomplished. Considered by the Coordination Committee.
<p>The sending of proof of payment and receipt was a validation method of great value and, in our opinion, should be followed in future work, since we understand that it cannot impose an increased burden on companies when they are required to provide the information validated/certified by independent auditors.</p>	3 rd Report	MIREME (Coordination Committee)	Accomplished. The Coordination Committee decided to require the documentary supports of the reported payments and receipts.
<p>Regular updating of the database of mining and hydrocarbon companies. It is vital that MIREM and DGI have contacts and business addresses so that the submission phase of "surveys" is abbreviated.</p>	2 nd Report	MEF/MIREME (AT/INAMI-Mining Register)	Accomplished. Information available on Flexicadastre and its updating will be accompanied by the database of the contacts

Recommendations	Report	Responsible	Situation Report
<p>- Part of this situation may be associated with the fact that the vast majority of companies are still in the research and exploration phase and do not have their own administrative support. They are represented by consultants and lawyers who do not always have the necessary financial information.</p>			<p>provided by the consultants and the updating of INAMI itself.</p>
<p>Companies should send supporting documents together with "surveys" to allow for the rapid verification of information showing differences. We are aware that this exercise may represent administrative burdens for companies, but it is a way to validate information in a timely manner.</p>	2 nd Report	MIREME (Coordination Committee)	<p>Accomplished. Information available on Flexicadastre and its updating will be accompanied by the database of the contacts provided by the consultants and the updating of INAMI itself.</p>
<p>The DGI must ensure that payments of taxes are always made on behalf of the company, not allowing them to be made on behalf of MIREME. In addition, it should take into account, when collecting information that part of the companies can pay taxes, namely Tax on the Surface in different Tax Areas.</p>	2 nd Report	MEF (Tax Authority)	<p>Accomplished. The Provincial Directorates of Mineral Resources were instructed.</p>
<p>When registering taxpayers at the time they submit the declaration of commencement of activities, the DGI should proceed with the correct statistical framework so that companies are registered according to their area of activities.</p>	2 nd Report	MEF (Tax Authority)	<p>Accomplished. Information available at Flexicadastre.</p>
<p>As the number of companies grows and the specific revenue from extractive activity increases, it is considered that the "survey" does not consider taxes and duties that do not directly affect the company, namely the IRPS and IRPC - retention because, in these cases, the company acts as a tax substitute.</p>	2 nd Report	MIREME (Coordination Committee)	<p>Accomplished. Noted and the Coordination Committee alternately decided to require the documentary supports of the reported payments and receipts.</p>

Recommendations	Report	Responsible	Situation Report
In addition, with regard to the issue of audited accounts, we consider it appropriate to examine alternative mechanisms that are costly and do not impose additional burdens on companies which, it is recalled, participate in the surveys on a voluntary basis.			
EVALUATION OF MINERALS - To ensure transparency in the evaluation of minerals it is prudent that the issue of restriction or coverage be taken into account in full.	1 st Report	MIREME (INAMI)	Completed. The legislation has been revised.
DETERMINATION OF MINERALS QUALITY - Since the evaluation of minerals is affected by their quality, MIREM/INAMI and MEF should ensure the existence of mechanisms to confirm the quality of mines. This can be ugly through independent verification using random sampling.	1 st Report	MIREME (INAMI)	Completed. The legislation has been revised.
DETERMINATION OF OPERATING COSTS - It will be necessary for the MF and MIREM to carry out studies to establish parameters of extractive activities. This will help tax authorities in determining cost adequacy and also improve transparency.	1 st Report	MEF/MIREME (AT/DPD and INAMI)	Accomplished. Created a multi-sector team MEF/MIREME
CAPITAL PERMISSION/DEPRECIATION - To ensure transparency, the capital allowance regime should be specified in the law and applied in a general manner.	1 st Report	MEF (Tax Authority)	Accomplished. The legislation has been revised.
INTERSECTORIAL COLLABORATION - DNM and AT do not cooperate with regard to the transmission of concessions. Some large licenses may be brought to the attention of the TAA, but there is no systematic provision of TA	1 st Report	MIREME (INAMI)	Accomplished. Information available at Flexicadastre and a multi-sectoral team MEF/MIREME.

Recommendations	Report	Responsible	Situation Report
<p>information on the change in ownership of the concessions. The TA should receive information at least on a quarterly basis on any changes in the ownership of the licenses.</p>			
<p>CAPITAL GAINS TAX - In order to improve the types of income in the extractive sector, the capital gains tax on the transfer of allowances must be taken into account.</p>	1 st Report	MEF (Tax Authority)	Accomplished. The AT already taxes the capital gains.
<p>DATA COLLECTION AND PUBLICATION - The annual publication of information of the mining license holders, the payment of the tax on the production, ownership or share of companies' shares would facilitate access to information and allow transparency.</p> <p>In the long run this will help in mobilizing incomes.</p>	1 st Report	MIREME (INAMI)	Accomplished. Information available at Flexicadastre.

Table 65: Analysis of previous reports

15. Conclusions

The EITI standard, is an international standard that promotes the transparency of all forms of revenue (fiscal and non-fiscal) deriving from oil, gas and mineral resources of the country.

According to EITI principles, "wealth from a country's resources must benefit all its citizens and this requires high levels of transparency and accountability"⁸².

The implementation of the EITI in a country does not require only the preparation of a report by a third independent entity and its evaluation by the International Secretariat, but also a process defined and agreed on multilaterally by all relevant national actors covering data collection, discussion of results. Experience shows that some companies are already familiar with this process, but there are key public and private entities that yet, are reluctant to participate proactively to obey the requirements of the standard.

It should be noted that, although a large percentage of companies did not respond to the information collection forms, 47% of the selected projects in 2015 and 46% of the projects selected in 2016, these only represent 2% of the selected projects revenues in 2015 and 1% in 2016 that is why, we consider that, the reconciled values are representative and qualitative.

In 2015, the overall difference between the confirmed State revenues and the project payments is -1% which is below the materiality defined by the EITI Coordinating Committee (3%). Analyzing by sector, the percentage differences for both the hydrocarbon sector and the mining sector, which were -1.04% and -0.04%, respectively, are also below the defined materiality.

In 2016, the overall difference is about -0.01% which represents the amounts confirmed by the State, considered immaterial.

An important sign of the country's commitment to the EITI is its ability to analyse critical aspects of extractive resource management such as fiscal transparency, commodity trading and licensing, aiming to identify opportunities for improvement in taxes collection system, audit procedures, as well as in political, legal and administrative reforms. The conclusions and recommendations of this report thus provide clear evidence of the high level of Mozambique's commitment to the EITI.

During the reference period of this report (2015-2016), the extractive industry made an increasing contribution to the country's exports of 4.1% of PIB in 2015 (38.3% in 2016). The economy experienced a reduction in the formal employment indicator in 2016. However, the main extractive industry companies have increased employment levels, which has increased their weight in total employment, despite being a more intensive industry worldwide and therefore, it has a limited impact in terms of direct employment.⁸³

⁸² Frederick Reinfeldt, President of the EITI's Board Committee, February 23, 2016, page 9 of the EITI 2016

⁸³ The impact in terms of indirect jobs depends on the degree of participation of companies registered in Mozambique along the value chain. However the standard does not measure indirect employment or employment registered in other industries.

Concerning the contribution of the extractive industry to the total revenue of the State, there was a decrease in 2016 compared to 2015, due to the registration of payment of capital gains in 2015 that did not happen in 2016. The revenues reported by the State deriving from Extractive Industries accounted for 8% of total State revenues in 2015 and 4% in 2016, a decrease resulting from the absence of capital gains that represented about 33% of the revenues collected in the extractive industry in 2015.

The hydrocarbon sector is the most important in the extractive industry, accounting for 85% in 2015 and 65% in 2016. The IRPC, IRPS and capital gains are the most important taxes collected in 2015 and 2016.

With the future gas extraction in the Rovuma basin it is expected that the contribution of extractive industry to PIB will increase. However, according to the comparative experience of other countries, the real contribution of the extractive industry to the Mozambican economy will depend largely on the degree of participation of companies registered in Mozambique and on the participation in extractive industry value chains.

Developing countries with abundant natural resources that have managed to grow in a sustainable form after resource extraction are those where the companies registered in the country participate actively in the value chain, especially in the transportation, distribution and marketing of commodities and those where the Government transparently and efficiently collects commensurate revenue volumes with the financial return that national extractive resources have to the companies that extract them.

Mozambique has some good examples of market links between multinational and domestic companies, such as Mozal and its suppliers. The creation of one, though with an incipient domestic gas transport and distribution market constitute also a good example of creating an economic impact from national resources.

Another mechanism that the country has successfully experimented with is stock exchange listing of publicly affiliated corporations, such as CMH. The Stock Exchange is a transparent platform that allows Mozambican investors to have access to dividends from the extractive industry (and any other profitable industries). The accelerated implementation of the petroleum law, mining law and public-private partnership law is recommended to increase the number of listed companies.

The country has also examples of high-impact economic infrastructures, financed and built by the granting of licenses, such as the railway line of the approximately 1,000km Moatize-Nacala crossing the Republic of Malawi, which allows the draining of charcoal from Tete province, but also other goods and people, reinforcing the geostrategic position of the country as a platform for the export of hinterland production

Regarding to Mozambique's fiscal system, Mozambique has lately experienced substantial improvements in collection capacity and process transparency, led by AT. However, there are some opportunities to increase the tax base in an equitable and balanced way with the relevant licenses and contracts, for example with the introduction of a tax on gas transportation.

In line with the data required by the standard requirements, it is recommended that AT defines a single classifier for extractive industry companies to measure the value of revenue from all extractive industries (not just of the megaprojects industry as at present).

Regarding the mining license system, it is recommended to harmonize the mining register with the data of the Registry of the Tax Authority (SICR) and to request proactively and, if necessary, at the risk of imposing heavier sanctions, updating the contacts (addresses and telephones both in the AT and INAMI which are required by the law).

On the other hand, as a way of promoting fiscal sustainability, include in the development plans of concessionaire companies a series of steps or milestones when companies make tax payments to the state, not waiting until dividends, which can be delayed in projects of great dimensions (it is recommended to study, among others, the case of Angola).

One of the main mechanisms that countries use to create economic impact through the granting of exploration licenses is the state's share. The best practices in this area include the percentage of royalties commensurate with the magnitude of the dealers' financial return (it is recommended to study the case of Brazil) and the use of commercial prices (wholesale) for monetary evaluation of royalty in cash rather than cost prices (wellhead).

Another mechanism that successful countries in managing extractive resources use as a way to ensure a positive economic and social impact is the introduction of counterparts (also called exchange agreements) into contracts and development plans. The weak knowledge of trade-offs/trade-offs, whether at the public level or at the level of the people in the industry, and the fact that the companies surveyed do not report examples of counterparts suggests that it is an opportunity used in other countries that can also be effective in Mozambique.

Finally, perhaps the greatest potential for economic impact comes from the country's ability to use gas to stimulate a process of industrialization. It is necessary to regulate the gas sector that will enable the national industry. The mechanism used internationally to promote the industrialization of the country is the most competitive gas price for the domestic market, agreed between the concessionaires and the market aggregators (ENH), which ought to be part of the approved development plans.

16. Specific Recommendations

We highlight the specific recommendations that we consider to be important in order to address the difficulties encountered in the process of implementing the 7th EITI report, in particular, in the tax data reconciliation component. It is of paramount importance to note that, the vast majority of recommendations are the same as those made by the Independent Administrator in the 6th EITI report.

EITM Coordination Committee

- Review the criterion of materiality for the selection of companies in the mining sector for the purpose of reconciliation of taxes paid. The criterion currently set at 500,000.00 MZN is considered low because its application results in the possible inclusion of companies that do not have organized accounts and, therefore, obtaining information for reconciliation of payments becomes a challenge.
- Conduct awareness-raising actions by the EITI Coordination Committee in the private sector, especially in the mining area, seeing that, the percentage of non-responding companies is high.
- Propose the incorporation in the Mining Law the obligation to report data for the transparency of the extractive industry as it already exists in the case of the Law;
- Develop the Institutional Memory of the ITIEM in order to facilitate the collection of data when they have been collected for previous reports.
- To limit the size of the Report analysis to one year. Considering two years, requires a redoubled effort by companies to collect the information which for small companies with a reduced staff structure becomes a challenge, especially when the deadline to respond is quite limited.

National Institute of Mines

- Ensure the updating of the active licenses in the Mining Register. The Mining Register provided by INAMI presented deficiencies regarding the State of the licenses and their validity.
- Harmonization of the data from the Mining Register with data from the Tax Authority (SICR). The registration in the mining register must be based on the data granted for allocation of the NUIT in order to guarantee the consistency of the information and it is recommended that the NUIT becomes part of the elements to be entered in the Cadastre (as a mandatory field), since this is the essential element for crossing data between INAMI and the Tax Authorities
- Increase the level of penalties for companies that do not update their contacts (addresses, telephones, contacts of the representative) in both the Tax Authority and INAMI, since there is a high level of nonfulfillment by companies.

- Record the transmission of mining licenses and update the mining register in order to select the companies that are actually making use of the license either in the form of subconcession or in the form of a management or exploration contract;
- Ensure that tax collections are registered with the company's NUIT (and not with the NUIT of the Provincial Mineral Resources Directorates and other ministries), although there have been training in this regard, the problem persists. Staff turnover has been identified as a reason for this recurrence, there is a need to strengthen training actions and ensure that knowledge is passed on to employees who validate payment guides. The introduction of instructions for completing the payment guide is essential.

General Directorate of Taxes

- Complete the preparation of the payment guide for the specific taxes of the extractive industry that we judge will solve some situations found as: Lack of space for identification of the taxpayer NUIT in Model B; wrong classification of taxes paid.
- Updating of the Collection System in order to allow that, the information reflects the total payments made by the companies, guaranteed as soon as the criteria of selection of the companies is not put in question.

17. Annexes

Annex 1: ITIE Requirement

1. Effective supervision composed by the multi-stakeholder group

Requirement 1.1-Government involvement;
Requirement 1.2-Companies involvement;
Requirement 1.3-Involvement of civil society;
Requirement 1.4-Establishment of a group composed by various parties involved;
Requirement 1.5-The work plan.

Overview: The EITI requires effective oversight of the various stakeholders including a multi-stakeholder operational group including government, companies, and a full independent, active and effective participation of civil society. The key elements of this requirement include: (1.1) government commitment; (1.2) the involvement of industry; (1.3) the involvement of civil society; (1.4) the establishment of a multi-stakeholder group; and (3) a work plan with clear objectives for EITI implementation, and a timetable aligned with deadlines set by the EITI Steering Committee.

2. The legal framework and the tax regime, including the allocation of licenses and contracts

Requirement 2.1- Legal framework and tax regime;
Requirement 2.2- Allocation of licenses;
Requirement 2.3 - Registration of licenses;
Requirement 2.4- Contracts;
Requirement 2.5 - Beneficiary property;
Requirement 2.6 - State participation in the extractive industry.

Overview: The EITI requires disclosure of the information related to extractive sector management rules, enabling stakeholders to understand the laws and procedures for the granting of exploration and production rights, the legal, regulatory and contractual framework apply to the extractive sector, and the State's institutional responsibilities in the management of the sector. EITI requirements related to the legal framework and allocation of rights of the transparent extractive industry include: (2.1) legal framework and tax regime; (2.2) allocation of licenses; (2.3) registration of licenses; (2.4) contracts; (2.5) beneficiary property; and (2.6) state participation in the extractive industry.

3. Exploration and production

Requirement 3.1- Information on exploration activities;
Requirement 3.2 - Production data;
Requirement 3.3- Export data.

Overview: The EITI requires disclosure of exploration and production information, allowing stakeholders to understand the potential of the industry. The EITI requirements related to transparency in exploration and production activities include: (3.1) information on exploration activities; (3.2) production data; and (3.3) export data.

4. Collection of revenues

Requirement 4.1 - Comprehensive disclosure of taxes and revenues;

Requirement 4.2 - Sale of the State's production portion or other revenues collected in kind;
Requirement 4.3- Infrastructure provisions and exchange operations;
Requirement 4.4- Transport revenues;
Requirement 4.5 - Transactions related to state enterprises;
Requirement 4.6 - Subnational payments;
Requirement 4.7- Disaggregation level;
Requirement 4.8- Actuality of data;
Requirement 4.9 - Data quality and assurance.

Overview: An understanding of business payments and government revenues can inform the public debate on extractive industry governance. The EITI requires a comprehensive reconciliation of company payments and government revenues from the extractive industries. EITI requirements related to revenue collection include: (4.1) comprehensive disclosure of taxes and revenues; (4.2) sale of the State's production portion or other revenues collected in kind; (4.3) infrastructure provisions and exchange operations; (4.4) transportation revenues; (4.5) transactions related to state companies; (4.6) subnational payments; (4.7) level of disaggregation; (4.8) timeliness of data; and (4.9) data quality.

5. Allocation of income

Requirement 5.1 - Distribution of revenues from the extractive industries;

Requirement 5.2 - Subnational transfers;

Requirement 5.3- Management of revenues and expenses.

Overview: The EITI requires the disclosure of information related to revenue allocations, enabling stakeholders to understand how revenues are recorded in the national budget and, where applicable, in subnational budgets, as well as to track corporate expenditures. EITI requirements related to revenue allocations include: (5.1) revenue distribution; (5.2) subnational transfers; and (5.3) revenue and expenditure management.

6. Social and economic expenditure

Requirement 6.1- Social expenses by companies;

Requirement 6.2 - Para-budgetary expenditures by state enterprises;

Requirement 6.3 - Contribution of the extractive industries to the economy.

Overview: EITI encourages the dissemination of information related to revenue and expenditure management, helping stakeholders to assess whether the extractive sector is giving rise to desirable social and economic impacts and outcomes. EITI requirements related to social and economic expenditure include: (6.1) social expenditure by enterprises; (6.2) budget expenditures by state enterprises; and (6.3) an overview of the contribution of extractive industries to the economy.

Results and impact

Requirement 7.1- Public debate;

Requirement 7.2- Accessibility of data;

Requirement 7.3 - Discrepancies and recommendations of EITI Reports;

Requirement 7.4- Review of the results and impacts of EITI implementation

Overview: Regular disclosure of revenue streams from natural resources and extractive enterprise payments is of little practical use without public awareness and understanding of what the numbers mean and without a public dialogue on how resource revenues should be used effectively. The EITI requirements related to results and their impact are intended to ensure that stakeholders are engaged in the dialogue on the management of natural resource revenues. The EITI Reports lead to compliance with the EITI Principles contributing to broader public dialogue. It is also vital that action is taken on lessons learned during implementation that the discrepancies identified in the EITI Reports are explained and, if necessary, resolved, and that EITI implementation remains at a stable and sustainable level.

8. Conformity and deadlines for countries

Requirement 8.1- Adapted implementation;

Requirement 8.2- EITI Report Deadlines;

Requirement 8.3- Timing and consequences of EITI Validation.

Overview: This section describes the deadlines set by the EITI Steering Committee for the publication of EITI reports (8.2), annual progress reports (8.4) and Validation (8.3), and the consequences of non-compliance with deadlines and requirements for implementation of the EITI. It also explains the possibility and the criteria for countries that want to apply for adapted implementation (8.1) and extensions (8.5).

Annex 2: Production and Export Data by Company (2015)⁸⁴

Company	Commodity	UM	Production	Volume	Export (MZN)	Volume
Mining Sector						
Acosterras Obras Públicas	Building Stone	m3	11,861,400	40		N/A
Águas da Namaancha, Lda.	Mineral Water		260,224,800	229,512		N/A
Ara Sul	Rachao	m3	N/A	N/A	1,340,194	7,017
	Tovera	m3	N/A	N/A	6,646,123	34,798
	Brita-1	m3	N/A	N/A	1,339,001	6,086
	Brita-2	m3	N/A	N/A	88,189	400
	Stone powder	m3	N/A	N/A	308	2,054
	Sarrisca	m3	N/A	N/A	158,160	958
Highland African Mining Company	Morganite*	Kg	USD 512,282	2,049	USD 512,282	2,049
	Tantalum*	Kg	USD 438,454	8,769	USD 438,454	8,769,082
Kenmare	Ilmenite*	Ton		763,477	USD 109,422,929	800,806
	Zircon*	Ton		56,344	USD 39,876,220	52,018
	Rutite*	Ton		5,981	USD 2,281,177	4,734
Sulbrita	Stone powder		69,259,277	234,240	N/A	N/A
	Stone powder		65,046,457	88,488		
	Stone powder		2,538,742	5,253		
	Stone powder		261,093,052	265,543		
Mimoc	Treated Bentonite	Ton	2,593,270	374	560,000	80
Montepuez	Rúbi		4,032,829,830	1,624,648		
Vale Moçambique	Coal	Ton	12,218,752,468	4,958,967	114,575,800	3,706,253

- Valuated in USD

Company	Resources	UM	Production	Volume	Volume (MZN)	Export
Hydrocarbons Sector						
SASOL/SPT	Natural gas	mgj	N/A	N/A	155,010,279	314,137,311
	Condensate gas	mgj	N/A	N/A	661,160	10,717,185

⁸⁴ Source: This information was collected through the questionnaires that were filled in by the respective companies.

Annex 3: Production and Export Data by Company (2016)⁸⁵

Company	Commodity	UM	Production	Volume	Volume	Export
Mining Sector						
Acosterras Obras Públicas	Mineral Water	m3	6,310,640	25,621		N/A
Águas da Namaancha Ara Sul	Mineral Water		446,937,066	688,536	N/A	N/A
	Rachao	m3	826,362	4,132		
	Tovera	m3	1,904,523	9,972		
	Brita-1	m3	505,630	2,298		
	Brita-2	m3	164,773	749		
	Stone powder	m3	357,952	2,386		
Highland African Mining Company	Morganite*	Kg	USD 152,508	381	USD 123,028	329
	Tantalum*	Kg	USD 1,381,517	56,971	USD 454,139	15,086
Kenmare	Ilmenite*	Ton	USD 109,422,929	800,806	USD 101,205,231	931,345
	Zircon*	Ton	USD 39,876,220	52,018	USD 37,091,983	65,455
	Rutite*	Ton	USD 2,281,177	4,734	USD 3,000,766	6,999
Sulbrita	Stone powder		27,247,011	109,911		
	Stone powder		35,118,275	51,824		
	Stone powder		65,387,460	75,553		
Mimoc	Treated Bentonite	Ton	581,000	83	290,500	40
Vale Moçambique	Coal	Ton	31,591,870,025	5,562,598	43,920,518,000	8,751,893

*Valuated in USD

Company	Resources	UM	Production	Volume	Volume (MZN)	Export
Hydrocarbons Sector						
SASOL/SPT	Natural gas	mgj	260,042,965	183,429,481	157,715,482	207,733,336
	Condensate gas	mgj	2,811,349	489,777	489,777	2,811,349

⁸⁵ Source: This information was collected through the questionnaires that were filled in by the respective companies.

Annex 4: Compulsory social expenditure (2015-2016)⁸⁶

Mines

2015			
Company	Compulsory Social Expenses	Amount Invested	Province
Vale Moçambique (Rio Doce, Limitada)	RM Radio Programs: Coal and Development	941,280	Tete
	Radio Programs at Communitary Radio of Cateme: Community on the move	1,035,960	
	PPMT (Preparation for the job market)	147,415	
	Poultry farming	15,058,064	
	Horticulture	2,694,000	
JSPL-Jindal Steel and Power LimitedJSPL-Jindal Steel and Power Limited	Resettlement costs to surrounding communities	27,392,726	Maputo
Ncondezi Coal	Coal support to the Agriculture sector	1,488,573	Tete
Montepuez Ruby mining	Water holes and electrical installation	3,245,943	Cabo Delgado
Highland African Mining Company	Assistance to local Authorities	7,500	Zambézia
	Donation for community events	59,500	
	Educational sponsorship	21,500	
	Assistance to police	90,558	
	Infrastructure and road network	868,284	
Total		53,051,305	

2016			
Company	Compulsory Social Expenses	Amount Invested	Province
Vale Moçambique (Rio Doce, Limitada)	Padawa-Padawa program in partnership with RM	257,160	Tete
	Cinema in the community- ICS	247,080	
	Donation of 825 desks to the School of Moatize	5,362,500	
	Rehabilitation of 5 attached classrooms of the EPC- Josina Mache, equipped with 200 portfolios	3,114,900	
	Installation of 2 pre-molded classrooms in the Cancope community	1,983,360	
	PPMT (Preparation fo9r the job market)	43,576	

⁸⁶ Source: This information was collected through the questionnaires that were filled in by the respective companies.

2016			
Company	Compulsory Social Expenses	Amount Invested	Province
	Poultry farming	2,736,509	
	Horticulture	631,729	
	Yield crops	1,398,480	
JSPL-Jindal Steel and Power Limited JSPL-Jindal Steel and Power Limited	Resettlement costs to surrounding communities	37,563,751	Maputo
Ncondezi Coal	Coal support for the agriculture sector	1,291,968	Tete
Highland African Mining Company	Assistance to the local Authorities	16,000	Zambézia
	Donation for community events	80,000	
	Educational sponsorship	73,392	
	Assistance to the police	7,990	
	Infrastructure and road network	591,410	
	Compensation for community	36,000	
	Entrepreneurship	87,646	
	Sponsorship to sport	50,459	
Total		55,573,912	

Hydrocarbons

Hydrocarbon companies reported no mandatory social expenditures during the period 2015 and 2016. However, they reported discretionary social expenditures which are described on the next section.

Annex 5: Discretionary social expenditure (2015-2016)⁸⁷

Mines

2015			
Companies	Discretionary Expenses	Amount Invested	Province
Kenmare	Kenmare Supported the Development Association from Kenmare Moma (KMAD). This has developed many activities such as health development, education development and organizational development. In the education sector, KMAD includes support to the education sector, including capacity building of teachers, educational materials and equipment, school infrastructure and furniture, vocational training, environmental awareness of the community and sports. In the health sector, support includes capacity development of medical personnel, equipment, materials and infrastructure improvements, community health and HIV, water and sanitation awareness. 619,487 Nampula	619,487	Nampula
Vale Moçambique (Rio Doce, Limitada)	Water supply to the community of Ntchenga by truck Pipa	3,600,000	Tete
Águas de Namaancha	Supported the Namaancha football team	10,000	Maputo
	Painted the children's centre Esperanca	11,645	
	Offered material to the association AeroClube for inclusion of people with disabilities	79,305	
Highland African Mining Company	Other disbursements to the community	67,925	Marropinno e Morua
Total		4,388,361	

2016			
Company	Discretionary Expenses	Amount Invested	Province
Kenmare	Kenmare Supported the Development Association from Kenmare Moma (KMAD). This has developed many activities such as health development, education development and organizational development. In the education sector, KMAD includes support to the education sector, including capacity building of teachers, educational materials and equipment, school infrastructure and furniture, vocational training, environmental awareness of the community and sports. In the health sector, support includes capacity development of medical personnel, equipment, materials and infrastructure improvements, community health and HIV, water and sanitation awareness. 986,734 Nampula.	986,734	Nampula
Águas de Namaancha	Supported the Namaancha football team	14,000	Maputo
	Rehabilitation of the Namaancha Primary School	57,447	

⁸⁷ Source: This information was collected through the questionnaires that were filled in by the respective companies.

2016			
Company	Discretionary Expenses	Amount Invested	Province
Highland African Mining Company	Other disbursements with the community	46,408	Marropino e Morua
Total		1,104,589	

Hydrocarbons

2015			
Company	Discretionary Expenses	Amount Invested	Province
ENI EAST AFRICA	Water Access Project in Palma	17,616,000	Inhambane
	Training for health professionals	3,552,000	
	Medium-long-term health initiatives, as defined by feasibility studies	11,904,000	
	Social Education Program - 200 Program	321,216,000	
	Junior Teacher Training Program UEM	31,056,000	Maputo
	Master Medea Master's Program	10,176,000	
CMH-Companhia Moçambicana de Hidrocarbonetos	Company Rehabilitation of the EPC Ntwananu, which consisted of the electrification of the school, replacement of the roof, installation of bells on the school grounds, construction of toilets, water supply system and installation of drinking fountains.	2,160,000	Maputo
	It financed the first, second and third phases of ENH's Natural Gas Network Expansion Project, which allowed the use of piped gas in some 1,200 residences and low-income commercial establishments located in the districts of Vilanculos, Inhassoro and Govuro in the province of Inhambane	72,000,000	Inhambane
	It sponsored the production of ten thousand chess teaching books, which were distributed free of charge at 300 public primary schools nationwide		
	Contributed to the valorization of the Mozambican cultural heritage through the support of literature, music and fine arts and The CMH sponsored the ENH football club created in February 2014.		
	A lecture on "Values Chain and productive processes of the Pande and Temane Natural Gas" was held for the 15th anniversary of the company, for the students of the Engineering courses of WUtivi University and during the 5th Edition of the Mozambican Engineering EMU.		Maputo
	CMH delivered the IT equipment to Ntwananu EPC and the Rainbow Center in Maputo City, Emília Daússe Secondary School in Inhambane, the Eduardo Modlane sito Industrial and Commercial Institute, also in Inhambane		Maputo e Inhambane
SASOL/ SPT	Pande Market	322,674	Inhambane
	Clinic & Support Equipment - Pambara	7,324,521	Inhambane

2015			
Company	Discretionary Expenses	Amount Invested	Province
	Inhambane Teachers capacity building	3,154,977	Inhambane
	School desk allocated by Provincial Education Director)	3,132,008	Inhambane
	Supply Equipment for Primary Healthcare - Inhambane	9,253,183	Inhambane
	Running cost on existing projects (community radio Nova Mambone Mangungumete school and hospital)	860,120	Inhambane
	Inhassoro water system	10,527,533	Inhambane
	Development of Scope of Work on CSR Projects	6,040,298	Inhambane
	Enterprise and supplier development initiatives	486,504	Inhambane
	Monitoring & Evaluation of CSI projects (Policy requirement)	3,363,974	Inhambane
	Mabote vocational training centre	150,192	Inhambane
	Advance skills development - Bursaries	25,642,554	Inhambane
	University Collaboration - post graduate studies (5) and upgrading of facilities	39,452	Inhambane
	Nhamacunda Clinic operational support	1,930,940	Inhambane
	Vilanculos Hospital Public Private Partnership initial study	6,046,095	Inhambane
Highland African Mining Company	Outros desembolsos com a comunidade	46,408	Marropino e Morua

2016			
Company	Discretionary Expenses	Amount Invested	Province
ENI EAST AFRICA	Education Projects (Paquitequete School, second phase - Promotion for the access education improvement (Amount spent in 2016	10,305,150	
	Social Education Program - 200 Program	13,858,650	
	Junior Training Program UEM	14,000,790	
CMH-Companhia Moçambicana de Hidrocarbonetos	Financed the opening of a hole of water as a response to a solicitation of Arco Iris Centre, located at Matola Rio, in Maputo province, improving lives of about 41 children that suffered from the problem of water in the area.		
	Rehabilitation of Ntwananu EPC located in Costa de Sol, in Maputo. Company Rehabilitation of the EPC Ntwananu, which consisted of the electrification of the school, replacement of the roof, installation of bells on the school grounds, construction of toilets, water supply system and installation of drinking fountains.		

2016			
Company	Discretionary Expenses	Amount Invested	Province
	It financed the first, second and third phases of ENH's Natural Gas Network Expansion Project, which allowed the use of piped gas in some 1,200 residences and low-income commercial establishments located in the districts of Vilanculos, Inhassoro and Govuro in the province of Inhambane.	24,163,800	
	Sponsored the participation of the Female National Team of Basketball, sub 18 in the African Championship that was hosted by Egypt. Supported the population affected by drought in Gaza and Manica provinces.		
	Effectuated the delivery of computing equipment to Ntwananu EPC (Primary School) and to Arcos Iris, in Maputo city, Emilia Dause Secondary School in Inhambane, Eduardo Mondlane Commercial and Industrial Institute.		
SASOL/ SPT	Supply Equipment for Primary Healthcare - Inhambane	125,761	Inhambane
	Support equipemnt for Clinic - Temane	23,485	Inhambane
	Development of Scope of Work on CSR Projects	18,793	Inhambane
	Clinic & Support Equipment - Pambara	1,669,885	Inhambane
	Inhambane Teachers capacity building	8,139,212	Inhambane
	School desk allocated by Provincial Education Director)	6,137,004	Inhambane
	LPG market development partnership - Inhambane	10,010,212	Inhambane
	Youth development projects	17,461,760	Inhambane
	Asset based community development projects	33,490,447	Inhambane
	Monitoring & Evaluation of CSI projects (Policy requirement)	8,913,935	Inhambane
	Enterprise and supplier development initiatives	8,219,101	Inhambane
	Development of Scope of Work on CSR Projects	4,321,714	Inhambane
	Advance skills development - Bursaries	35,858,244	Inhambane
	University Collaboration - post graduate studies (5) and upgrading of facilities	29,477,961	Inhambane
	Nhamacunda Clinic operational support	15,514,580	Inhambane
	Vilanculos Hospital Public Private Partnership initial study	1,635,890	Inhambane
Nhamacunda School operational support	30,940,896	Inhambane	

Note: The values of Kenmare, SASOL, ENI were denominated in US \$. They were converted into MZN using the exchange rate 2015 [\$ US 1 = MZN 48], 31 December 2015 and 31 December 016 [\$ US 1 = MZN 71.07]

Annex 6: Reconciliation Process 2015

Corporate Income Tax - 2015

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	1,332,520	1,310,410	22,110	-	-	1,332,520	1,310,410	22,110
2	AFRISAL DO MAR, S.A	58,192	-	58,192	-	-	58,192	-	58,192
3	ARA SUL	-	-	-	-	-	-	-	-
4	AVENG MOC., LDA	8,479,501.68	-	8,479,501.68	-	-	8,479,501.68	-	8,479,501.68
5	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
6	BIWORLD INTERNATIONAL, LTD	2,668,443	-	2,668,443	-	-	2,668,443	-	2,668,443
7	CAPITOL RESOURCES, LDA	11,991	11,991	-	-	-	-	11,991	-
8	CERÁMICA DE VILA PERY, LDA	340,522	-	340,522	-	-	340,522	-	340,522
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	9,638,589	-	9,638,589	-	-	9,638,589	-	9,638,589
10	CHAMBADEJIOUS, LTD	629,167	-	629,167	-	-	629,167	-	629,167
11	CIMENTOS DE MOC., S.A.R.L.	85,342,124	85,342,124	-	-	-	85,342,124	85,342,124	-
12	CIMENTOS DE NACALA, LDA	2,081,350	1,668,362	412,988	-	-	2,081,350	1,668,362	412,988
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	2,804,569	-	2,804,569	-	-	2,804,569	-	2,804,569
15	CONSTRÓL, LDA	1,202,900	-	1,202,900	-	-	1,202,900	-	1,202,900
16	DAMODAR FERRO, LDA	687,175	-	687,175	-	-	687,175	-	687,175
17	DI SHENG MINERAL RESOURCES, LDA	30,000	-	30,000	-	-	30,000	-	30,000
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	4,191,722	4,191,722	-	-	-	4,191,722	4,191,722	-
19	ENGETEC, LDA	671,046	-	671,046	-	-	671,046	-	671,046
20	ENOP, LDA	160,206	-	160,206	-	-	160,206	-	160,206
21	ENRC MOZ., LDA	28,448,348	24,474,892	3,973,456	-	3,973,456	28,448,348	28,448,348	-
22	ETA STAR MOZ., S.A	30,000	30,000	-	-	-	30,000	30,000	-
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	11,706,987	-	11,706,987	-	-	11,706,987	-	11,706,987
24	G.S. CIMENTOS S.A.R.L.	83,714	-	83,714	-	-	83,714	-	83,714
25	GK ANCUABE GRAPHITE MINE, S.A	23,914	-	23,914	-	-	23,914	-	23,914
26	GOLD ONE MOZ., LDA	2,920	-	2,920	-	-	2,920	-	2,920
27	HAIYU (MOZ.) MINING CO., LDA	99,000	-	99,000	-	-	99,000	-	99,000
28	HIGHLAND AFRICAN MINING COMPANY, LDA	-	-	-	-	-	-	-	-
29	HS MINING, LDA	818,995	-	818,995	-	-	818,995	-	818,995
30	ICVL ZAMBEZE, LDA	3,850,800	3,850,800	-	-	-	3,850,800	3,850,800	-
31	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	11,813,187	-	11,813,187	-	-	11,813,187	-	11,813,187
32	JSPM MOC. MINERAIS, LDA	6,797,702	-	6,797,702	-	6,747,042	6,797,702	6,747,042	50,660
33	KENMARE MOMA MINING (MAURITIUS), LTD	71,178,803	71,078,803	100,000	100,000	-	71,078,803	71,078,803	-
34	MIDWEST ÁFRICA, LDA	30,000	30,000	-	-	-	30,000	30,000	-
35	MINA ALUMINA, LDA	798,352	-	798,352	-	-	798,352	-	798,352
36	MINAS DE BENGÁ, LDA	1,913,271	1,761,058	152,213	-	52,213	1,913,271	1,813,271	100,000
37	MINAS DE REVUBÓ, LDA	11,185,911	11,185,911	-	-	-	11,185,911	11,185,911	-
38	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
39	MONTEPEZ RUBY MINING, LDA	357,778,150	420,951,652	- 63,173,501	-	20,000,318	357,778,150	400,951,334	- 43,173,183
40	MCONDEZI COAL COMPANY MOZ., LDA	104,349	72,875	31,475	-	-	104,349	72,875	31,475
41	NIPIQUILE PROJECTO INVEST. COMERCIO E SERVIÇOS, LDA	133,333	-	133,333	-	-	133,333	-	133,333
42	PATHFINDER MOC., S.A	30,000	30,000	-	-	-	30,000	30,000	-
43	PEDREIRA ARCO IRIS, LDA	100,000	-	100,000	-	-	100,000	-	100,000
44	PEDREIRA DE TETE, LDA	199,545	-	199,545	-	-	199,545	-	199,545
45	PEDREIRA NAMAACHA, LDA	349,145	-	349,145	-	-	349,145	-	349,145
46	PEMAR, LDA	9,520,881	-	9,520,881	-	-	9,520,881	-	9,520,881
47	PENBA COMBUSTÍVEIS, LDA	723,009	-	723,009	-	-	723,009	-	723,009
48	PENBA CONSTRUCTION, LDA	1,758,000	-	1,758,000	-	-	1,758,000	-	1,758,000
49	PREFANGOL MOC., S.A	7,532,355	-	7,532,355	-	-	7,532,355	-	7,532,355
50	RAYOMI, LDA	1,322,250	-	1,322,250	-	-	1,322,250	-	1,322,250
51	RIBEMOZ BETÃO PRONTO E PEDREIRAS, LDA	171,642	145,955	25,687	-	25,687	171,642	171,642	-
52	SLT MINING, LDA	40,000	-	40,000	-	-	40,000	-	40,000
53	SOCIEDADE ÁGUAS DE MOC., LDA	4,025,152	3,872,512	152,640	-	120,000	4,025,152	3,992,512	32,640
54	SONIL - SOCIEDADE DO NIASSA, LDA	137,458	-	137,458	-	-	137,458	-	137,458
55	SULBRITA, LDA	851,689	803,585	48,103	-	-	851,689	803,585	48,103
56	TERRAMÁE, LDA	569,291	-	569,291	-	-	569,291	-	569,291
57	TOVISI REV, S.A	-	-	-	-	-	-	-	-
58	TRANSALY, LDA	12,326,058	12,326,058	-	-	-	12,326,058	12,326,058	-
59	TWIGG EXPLORATION E MINING, LDA	1,002,708	-	1,002,708	-	-	1,002,708	-	1,002,708
60	VALE MOC., S.A	354,395,145	354,395,145	-	-	-	354,395,145	354,395,145	-
Hydrocarbons Sector									
1	ANADARKO MOC. ÁREA 1, LDA	6,483,336,623	1,691,968,724	4,791,367,899	- 4,484,000,000	307,367,899	1,999,336,623	1,999,336,623	-
2	BUZI HYDROCARBONS PTE, LDA	140,206	140,496	- 291	-	291	140,206	140,206	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOC., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	109,868	109,868	-	-	-	109,868	109,868	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	358,534,269	567,564,422	- 209,030,153	209,030,153	-	567,564,422	567,564,422	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	3,707,863	3,530,961	176,902	-	2,170,919	5,878,782	5,169,255	709,527
7	ENI EAST AFRICA, SPA	1,041,911,661	1,066,694,648	- 24,782,987	24,782,987	-	1,066,694,648	1,066,694,648	-
8	GALP ENERGIA ROVUMA B.V.	1,258,721	1,258,721	-	-	-	1,258,721	1,258,721	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOC., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	438,990,688	438,957,352	33,336	- 33,336	-	438,957,352	438,957,352	-
12	MITSUI & CO., LTD	877,879	877,879	-	-	-	877,879	877,879	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	28,246,940	28,246,940	-	-	-	28,246,940	28,246,940	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	1,111,276,143	1,071,054,143	40,222,000	- 40,222,000	-	1,071,054,143	1,071,054,143	-
17	SASOL PETROLEUM MIO, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	14,574,160	14,574,160	-	-	-	14,574,160	14,574,160	-
19	SASOL PETROLEUM MOZ., LDA	2,279,129	2,279,129	-	-	-	2,279,129	2,279,129	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	2,542,613,703	2,532,697,430	9,916,273	-	9,916,273	2,542,613,703	2,542,613,703	-
23	IWENTHORTH PETROLEOS MOC., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		1,022,182,085	997,533,856	24,648,229	- 100,000	- 9,081,919	1,022,082,085	988,451,937	33,630,148
Sub-total Hydrocarbons Sector		12,027,857,853	7,419,954,874	4,607,902,979	- 4,288,271,277	318,922,175	7,739,586,577	7,738,877,049	709,527
Grand Total		13,050,039,938	8,417,488,730	4,632,551,208	- 4,288,371,277	309,840,256	8,761,668,661	8,727,328,986	34,339,676

Individual Income Tax - 2015

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	500,055	500,055	-	-	-	500,055	500,055	-
2	AFRISAL DO MAR, S.A	546,287	-	546,287	-	-	546,287	-	546,287
3	ARA SUL	-	-	-	-	-	-	-	-
4	AVENG MOC., LDA	25,679,486.67	-	25,679,486.67	-	-	25,679,486.67	-	25,679,486.67
5	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
6	BIWORLD INTERNATIONAL, LTD	111,654	-	111,654	-	-	111,654	-	111,654
7	CAPITOL RESOURCES, LDA	7,150,852	6,681,946	468,906	-	468,906	7,150,852	7,150,852	-
8	CERÂMICA DE VILA PERY, LDA	6,900	-	6,900	-	-	6,900	-	6,900
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	47,802,914	-	47,802,914	-	-	47,802,914	-	47,802,914
10	CHAMBADEIQUIS, LTD	298,400	-	298,400	-	-	298,400	-	298,400
11	CIMENTOS DE MOC., S.A.R.L.	48,671,195	48,682,532	-11,337	-	-	48,671,195	48,682,532	-11,337
12	CIMENTOS DE NIACALA, LDA	1,550,369	1,550,369	-	-	-	1,550,369	1,550,369	-
13	CLEAN TECH MINING, LDA	13,625	-	13,625	-	-	13,625	-	13,625
14	CONDOR, LDA	725,315	-	725,315	-	-	725,315	-	725,315
15	CONSTRÓL, LDA	1,332,901	-	1,332,901	-	-	1,332,901	-	1,332,901
16	DAMODAR FERRO, LDA	6,005	-	6,005	-	-	6,005	-	6,005
17	DI SHENG MINERAL RESOURCES, LDA	167,490	-	167,490	-	-	167,490	-	167,490
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	6,302,978	6,302,978	-	-	-	6,302,978	6,302,978	-
19	ENGETEC, LDA	73,284	-	73,284	-	-	73,284	-	73,284
20	ENOP, LDA	9,934,367	-	9,934,367	-	-	9,934,367	-	9,934,367
21	ENRC MOZ., LDA	2,937,820	2,937,820	-	-	-	2,937,820	2,937,820	-
22	ETA STAR MOZ., S.A	1,032,392	1,032,392	-	-	-	1,032,392	1,032,392	-
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	5,081,895	-	5,081,895	-	-	5,081,895	-	5,081,895
24	G.S. CIMENTOS S.A.R.L.	2,015,831	-	2,015,831	-	-	2,015,831	-	2,015,831
25	GK ANCUABE GRAPHITE MINE, S.A	697,503	-	697,503	-	-	697,503	-	697,503
26	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
27	HAIYU (MOZ.) MINING CO., LDA	169,288	-	169,288	-	-	169,288	-	169,288
28	HIGHLAND AFRICAN MINING COMPANY, LDA	1,965,817	1,190,182	775,636	-	201,843	1,965,817	1,392,025	573,793
29	HS MINING, LDA	-	-	-	-	-	-	-	-
30	ICVL ZAMBEZE, LDA	7,848,628	-	7,848,628	-	9,058,392	7,848,628	9,058,392	-1,209,764
31	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	3,725,014	-	3,725,014	-	-	3,725,014	-	3,725,014
32	JSPM MOC. MINERAIS, LDA	24,920,692	25,332,859	-412,166	88,606	4,347,094	24,832,086	29,679,952	-4,847,866
33	KENMARE MOMA MINING (MAURITIUS), LTD	257,574,652	257,574,652	-	-	-	257,574,652	257,574,652	-
34	MIDWEST ÁFRICA, LDA	554,343	554,343	-	-	-	554,343	554,343	-
35	MINA ALUMINA, LDA	501,108	-	501,108	-	-	501,108	-	501,108
36	MINAS DE BENGALA, LDA	23,681,037	23,681,037	-	-	-	23,681,037	23,681,037	-
37	MINAS DE REVUBOÉ, LDA	13,726,811	13,708,781	18,030	-	18,030	13,726,811	13,726,811	-
38	MINAS MOATIZE, LDA	273,452	-	273,452	-	-	273,452	-	273,452
39	MONTEPEZ RUBY MINING, LDA	16,985,939	18,662,895	-1,676,956	-	-	16,985,939	18,662,895	-1,676,956
40	NCONDEZI COAL COMPANY MOZ., LDA	2,975,899	2,495,686	480,213	-	-	2,975,899	2,495,686	480,213
41	NIFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	1,058,045	-	1,058,045	-	-	1,058,045	-	1,058,045
42	PATHFINDER MOC., S.A	273,559	273,559	-	-	-	273,559	273,559	-
43	PEDREIRA ARCO IRIS, LDA	73,300	-	73,300	-	-	73,300	-	73,300
44	PEDREIRA DE TETE, LDA	-	-	-	-	-	-	-	-
45	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
46	PEMAR, LDA	35,827	-	35,827	-	-	35,827	-	35,827
47	PEMBA COMBUSTÍVEIS, LDA	749,092	-	749,092	-	-	749,092	-	749,092
48	PEMBA CONSTRUCTION, LDA	-	-	-	-	-	-	-	-
49	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
50	RAYOMI, LDA	2,489,497	-	2,489,497	-	-	2,489,497	-	2,489,497
51	RIBEMOZ BETÃO PRONTO E PEDREIRAS, LDA	4,664,532	5,128,160	-463,628	463,628	-	4,664,532	5,128,160	-463,628
52	SLT MINING, LDA	1,578,099	-	1,578,099	-	-	1,578,099	-	1,578,099
53	SOCIEDADE ÁGUAS DE MOC., LDA	193,425	174,388	19,038	-	19,038	193,425	193,425	-
54	SONIL - SOCIEDADE DO NIASSA, LDA	34,398	-	34,398	-	-	34,398	-	34,398
55	SULBRITA, LDA	6,743,519	6,743,519	-	-	-	6,743,519	6,743,519	-
56	TERRAMÁE, LDA	-	-	-	-	-	-	-	-
57	TOVISI REN, S.A	1,514,490	-	1,514,490	-	-	1,514,490	-	1,514,490
58	TRANSALY, LDA	4,288,343	3,837,414	450,929	-	450,929	4,288,343	4,288,343	-
59	ITWIGG EXPLORATION E MINING, LDA	9,662,944	-	9,662,944	-	-	9,662,944	-	9,662,944
60	VALE MOC., S.A	536,451,843	1,000,054,944	-463,603,100	463,603,100	-	1,000,054,944	1,000,054,944	-463,603,100
Hydrocarbons Sector									
1	ANADARKO MOC. AREA 1, LDA	194,942,110	193,653,485	1,288,625	-	-	194,942,110	193,653,485	1,288,625
2	BUZI HYDROCARBONS PTE, LDA	2,179,886	2,179,886	-	-	-	2,179,886	2,179,886	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOC., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	6,724,582	5,557,205	1,167,377	1,167,377	-	5,557,205	5,557,205	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	53,849,170	53,849,170	-	-	-	53,849,170	53,849,170	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	31,946,801	30,120,398	1,826,403	5,028,181	12,157,206	36,974,982	17,963,191	19,011,790
7	ENI EAST ÁFRICA, SPA	372,468,216	373,716,751	-1,248,535	271,427	-	372,196,788	373,716,751	-1,519,963
8	GALP ENERGIA ROVUMA B.V.	1,778,768	1,778,768	-	-	-	1,778,768	1,778,768	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOC., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	25,150,544	25,150,544	-	-	-	25,150,544	25,150,544	-
12	NETCO, LTD	5,467,201	5,467,201	-	-	-	5,467,201	5,467,201	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	480,884	596,534	-115,651	115,651	-	596,534	596,534	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	54,202,030	54,202,030	-	-	-	54,202,030	54,202,030	-
23	WENTHWORTH PETRÓLEOS MOC., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		1,087,353,110	1,427,100,509	-339,747,399	463,978,122	14,564,231	1,551,331,231	1,441,664,739	109,666,492
Sub-total Hydrocarbons Sector		749,190,190	746,271,971	2,918,219	3,705,027	12,157,206	752,895,217	734,114,765	18,780,452
Grand Total		1,836,543,300	2,173,372,480	-336,829,180	467,683,149	2,407,024	2,304,226,448	2,175,779,504	128,446,944

Surface Tax - 2015

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	JACOSTERRAS MOC., LDA	-	-	-	-	-	-	-	-
2	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
3	ARA SUL	-	-	-	-	-	-	-	-
4	AVENG MOC., LDA	-	-	-	-	-	-	-	-
5	BENGALA MINAS, LDA	856,277	454,834	401,443	-	-	856,277	454,834	401,443
6	BIWORLD INTERNATIONAL, LTD	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	745,451	1,683,933	938,482	938,482	-	1,683,933	1,683,933	-
8	CERÂMICA DE VILA PEREY, LDA	41,000	-	41,000	-	-	41,000	-	41,000
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CHAMBADEJOUS, LTD	-	-	-	-	-	-	-	-
11	CIMENTOS DE MOC., S.A.R.L.	162,399	216,532	54,133	54,133	-	216,532	216,532	-
12	CIMENTOS DE NACALA, LDA	-	40,800	40,800	40,800	-	40,800	40,800	-
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTRÓL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	119,064	-	119,064	-	-	119,064	-	119,064
17	DI SHENG MINERAL RESOURCES, LDA	607,731	-	607,731	-	-	607,731	-	607,731
18	EMPRESA MOCAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	57,500	57,500	-	-	-	57,500	57,500	-
19	ENGTEC, LDA	-	-	-	-	-	-	-	-
20	ENOP, LDA	-	-	-	-	-	-	-	-
21	ENRC MOZ., LDA	1,018,144	1,357,525	339,381	339,381	-	1,357,525	1,357,525	-
22	ETA STAR MOZ., S.A	76,994	-	76,994	-	76,994	76,994	76,994	-
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
24	G.S. CIMENTOS S.A.R.L.	46,800	-	46,800	-	-	46,800	-	46,800
25	GK ANCUABE GRAPHITE MINE, S.A	120,000	-	120,000	-	-	120,000	-	120,000
26	GOLD ONE MOZ., LDA	1,080,000	-	1,080,000	-	-	1,080,000	-	1,080,000
27	HAIYU (MOZ.) MINING CO., LDA	588,000	-	588,000	-	-	588,000	-	588,000
28	HIGHLAND AFRICAN MINING COMPANY, LDA	17,322	-	17,322	-	-	17,322	-	17,322
29	HS MINING, LDA	-	-	-	-	-	-	-	-
30	ICVL ZAMBEZE, LDA	291,458	291,458	-	-	-	291,458	291,458	-
31	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
32	JSPM MOC. MINERAIS, LDA	1,585,871	2,114,495	528,624	528,624	-	2,114,495	2,114,495	-
33	KENMARE MOMA MINING (MAURITIUS), LTD	2,783,679	2,783,679	-	-	-	2,783,679	2,783,679	-
34	MIDWEST AFRICA, LDA	356,400	475,200	118,800	118,800	-	475,200	475,200	-
35	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
36	MINAS DE BENGUA, LDA	2,417,032	2,417,032	-	-	-	2,417,032	2,417,032	-
37	MINAS DE REVUBOÉ, LDA	89,202	118,937	29,734	29,734	-	118,937	118,937	-
38	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
39	MONTEPUEZ RUBY MINING, LDA	655,614	874,153	218,539	218,539	-	874,153	874,153	-
40	NCONDEZI COAL COMPANY MOZ., LDA	471,346	628,462	157,115	-	-	471,346	628,462	157,115
41	NIHQUILÉ PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	10,000	-	10,000	-	-	10,000	-	10,000
42	PATHFINDER MOC., S.A	-	-	-	-	-	-	-	-
43	PEDREIRA ARCO IRIS, LDA	30,000	-	30,000	-	-	30,000	-	30,000
44	PEDREIRA DE TETE, LDA	500,000	-	500,000	-	-	500,000	-	500,000
45	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
46	PEMAR, LDA	-	-	-	-	-	-	-	-
47	PEMBA COMBUSTÍVEIS, LDA	30,000	-	30,000	-	-	30,000	-	30,000
48	PEMBA CONSTRUCTION, LDA	-	-	-	-	-	-	-	-
49	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
50	RAYOMI, LDA	-	-	-	-	-	-	-	-
51	RIBEMOZ BETAO PRONTO E PEDREIRAS, LDA	15,000	15,000	-	-	-	15,000	15,000	-
52	SLT MINING, LDA	25,000	-	25,000	-	-	25,000	-	25,000
53	SOCIEDADE ÁGUAS DE MOC., LDA	-	-	-	-	-	-	-	-
54	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
55	SULBRITA, LDA	52,320	52,320	-	-	-	52,320	52,320	-
56	TERRAMÁE, LDA	-	-	-	-	-	-	-	-
57	TOVISI REN, S.A	-	-	-	-	-	-	-	-
58	TRANSALY, LDA	22,500	-	22,500	-	-	22,500	-	22,500
59	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
60	VALE MOC., S.A	356,702	1,426,808	1,070,106	1,070,106	-	1,426,808	1,426,808	-
Grand Total		15,228,807	15,008,668	220,139	3,338,599	76,994	18,567,406	15,085,662	3,481,744

Tax on Mining Production - 2015

№	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	349,509	315,716	33,793	-	33,793	349,509	349,509	-
2	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
3	ARA SUL	292,979	292,979	-	-	-	292,979	292,979	-
4	AVENG MOC., LDA	-	-	-	-	-	-	-	-
5	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
6	BIWORLD INTERNATIONAL, LTD	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERÂMICA DE VILA PERY, LDA	116,072	-	116,072	-	-	116,072	-	116,072
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CHAMBADEJOUS, LTD	-	-	-	-	-	-	-	-
11	CIMENTOS DE MOC., S.A.R.L.	3,859,569	3,859,569	-	-	-	3,859,569	3,859,569	-
12	CIMENTOS DE NACALA, LDA	28,976	39,150	10,174	10,174	-	39,150	39,150	-
13	CLEAN TECH MINING, LDA	3,447,600	-	3,447,600	-	-	3,447,600	-	3,447,600
14	CONDOR, LDA	1,798	-	1,798	-	-	1,798	-	1,798
15	CONSTROL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENGETEC, LDA	-	-	-	-	-	-	-	-
20	ENOP, LDA	-	-	-	-	-	-	-	-
21	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
22	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	9,127,608	-	9,127,608	-	-	9,127,608	-	9,127,608
24	G.S. CIMENTOS S.A.R.L.	-	-	-	-	-	-	-	-
25	GK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
26	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
27	HAIYU (MOZ.) MINING CO., LDA	3,065,526	-	3,065,526	-	-	3,065,526	-	3,065,526
28	HIGHLAND AFRICAN MINING COMPANY, LDA	11,120,122	1,570,423	9,549,699	-	-	11,120,122	1,570,423	9,549,699
29	HS MINING, LDA	-	-	-	-	-	-	-	-
30	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
31	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	325,369	-	325,369	-	-	325,369	-	325,369
32	JSPM MOC. MINERAIS, LDA	2,479,691	7,204,073	4,724,382	365,575	-	2,845,267	7,204,073	4,358,807
33	KENMARE MOMA MINING (MAURITIUS), LTD	97,799,749	114,941,128	17,141,379	17,141,379	-	114,941,128	114,941,128	-
34	MIDWEST AFRICA, LDA	-	-	-	-	-	-	-	-
35	MINA ALUMINA, LDA	164,716	-	164,716	-	-	164,716	-	164,716
36	MINAS DE BENGÁ, LDA	29,099,140	38,783,172	9,684,032	9,684,032	-	38,783,172	38,783,172	-
37	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-
38	MINAS MOATIZE, LDA	539,021	-	539,021	-	-	539,021	-	539,021
39	MONTEPEJUEZ RUBY MINING, LDA	150,407,187	177,990,853	27,583,666	1,475,459	27,637,815	151,882,647	150,353,038	1,529,608
40	NCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
41	NIFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
42	PATHFINDER MOC., S.A	819,500	819,500	-	-	-	819,500	819,500	-
43	PEDREIRA ARCO IRIS, LDA	359,970	-	359,970	-	-	359,970	-	359,970
44	PEDREIRA DE TETE, LDA	154,632	-	154,632	-	-	154,632	-	154,632
45	PEDREIRA NAMAACHA, LDA	909,160	-	909,160	-	-	909,160	-	909,160
46	PEMAR, LDA	693,726	-	693,726	-	-	693,726	-	693,726
47	PEMBA COMBUSTÍVEIS, LDA	9,514	-	9,514	-	-	9,514	-	9,514
48	PEMBA CONSTRUCTION, LDA	-	-	-	-	-	-	-	-
49	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
50	RAYOMI, LDA	-	-	-	-	-	-	-	-
51	RIBEMOZ BETÃO PRONTO E PEDREIRAS, LDA	237,053	237,053	-	-	-	237,053	237,053	-
52	SLT MINING, LDA	-	-	-	-	-	-	-	-
53	SOCIEDADE ÁGUAS DE MOC., LDA	4,152,321	3,302,666	849,656	602,101	247,555	3,550,220	3,550,220	-
54	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
55	SULBRITA, LDA	2,972,825	3,199,090	226,264	226,264	-	3,199,090	3,199,090	-
56	TERRAMAE, LDA	-	-	-	-	-	-	-	-
57	TOVISI REN, S.A	-	-	-	-	-	-	-	-
58	TRANSALY, LDA	194,497	194,497	-	-	-	194,497	194,497	-
59	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
60	VALE MOC., S.A	56,223,743	207,605,500	151,381,758	151,430,358	-	207,654,100	207,605,500	48,600
Grand Total		378,951,574	560,355,369	- 181,403,795	179,731,141	- 27,356,467	558,682,715	532,998,902	25,683,812

Income Tax on Mineral Resource - 2015

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	JACOSTERRAS MOC., LDA	-	-	-	-	-	-	-	-
2	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
3	ARA SUL	-	-	-	-	-	-	-	-
4	AVENG MOC., LDA	-	-	-	-	-	-	-	-
5	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
6	BIWORLD INTERNATIONAL, LTD	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERAMICA DE VILA PERY, LDA	-	-	-	-	-	-	-	-
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CHAMBADEJOUS, LTD	-	-	-	-	-	-	-	-
11	CIMENTOS DE MOC., S.A.R.L.	-	-	-	-	-	-	-	-
12	CIMENTOS DE NACALA, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTRÓL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENGETEC, LDA	-	-	-	-	-	-	-	-
20	ENOP, LDA	-	-	-	-	-	-	-	-
21	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
22	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
24	G.S. CIMENTOS S.A.R.L.	-	-	-	-	-	-	-	-
25	GK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
26	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
27	HAIYU (MOZ.) MINING CO., LDA	-	-	-	-	-	-	-	-
28	HIGHLAND AFRICAN MINING COMPANY, LDA	-	-	-	-	-	-	-	-
29	HS MINING, LDA	-	-	-	-	-	-	-	-
30	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
31	JRC CONSTRUÇÕES E OBRAS PUBLICAS, LDA	-	-	-	-	-	-	-	-
32	JSPM MOC. MINERAIS, LDA	-	-	-	-	-	-	-	-
33	KENMARE MOMA MINING (MAURITIUS), LTD	-	-	-	-	-	-	-	-
34	MIDWEST AFRICA, LDA	-	-	-	-	-	-	-	-
35	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
36	MINAS DE BENGÁ, LDA	-	-	-	-	-	-	-	-
37	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-
38	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
39	MONTEPUEZ RUBY MINING, LDA	-	-	-	-	-	-	-	-
40	INCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
41	NIFIQUILE PROJECTO INVEST. COMERCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
42	PATHFINDER MOC., S.A	-	-	-	-	-	-	-	-
43	PEDREIRA ARCO IRIS, LDA	-	-	-	-	-	-	-	-
44	PEDREIRA DE TETE, LDA	-	-	-	-	-	-	-	-
45	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
46	PEMAR, LDA	-	-	-	-	-	-	-	-
47	PEMBA COMBUSTIVEIS, LDA	-	-	-	-	-	-	-	-
48	PEMBA CONSTRUCTION, LDA	-	-	-	-	-	-	-	-
49	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
50	RAYOMI, LDA	-	-	-	-	-	-	-	-
51	RÍBEMOZ BETÃO PRONTO E PEDREIRAS, LDA	-	-	-	-	-	-	-	-
52	SLT MINING, LDA	-	-	-	-	-	-	-	-
53	SOCIEDADE ÁGUAS DE MOC., LDA	-	-	-	-	-	-	-	-
54	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
55	SULBRITA, LDA	-	-	-	-	-	-	-	-
56	TERRAMÁE, LDA	-	-	-	-	-	-	-	-
57	TOVISI REN, S.A	-	-	-	-	-	-	-	-
58	TRANSALY, LDA	-	-	-	-	-	-	-	-
59	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
60	VALE MOC., S.A	-	-	-	-	-	-	-	-
Grand Total		-	-	-	-	-	-	-	-

Tax on Petroleum Production in Cash - 2015

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ., ÁREA 1, LDA	-	-	-	-	-	-	-	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	71,097,420	69,700,267	1,397,152	7,835,003	8,138,742	78,932,423	77,839,009	1,093,414
7	ENI EAST AFRICA, SPA	-	-	-	-	-	-	-	-
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	162,694,650	162,694,650	-	-	-	162,694,650	162,694,650	-
12	MIITSUI & CO. LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPLOR. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	176,600,232	137,557,701	39,042,531	-39,042,531	-	137,557,701	137,557,701	-
23	WENTHWORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		410,392,302	369,952,618	40,439,684	- 31,207,528	8,138,742	379,184,774	378,091,360	1,093,414

Tax on Petroleum Production in Kind - 2015

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ., ÁREA 1, LDA	-	-	-	-	-	-	-	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	-	-	-	-	-	-	-	-
7	ENI EAST AFRICA, SPA	-	-	-	-	-	-	-	-
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	-	-	-	-	-	-	-	-
12	MIITSUI & CO. LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPLOR. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	264,987,128	264,854,607	132,520.47	-	-	264,987,127.86	264,854,607.39	132,520.47
23	WENTHWORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		264,987,127.86	264,854,607.39	132,520.47	-	-	264,987,127.86	264,854,607.39	132,520.47

Dividends - 2015

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	-	-	-	-	-	-	-	-
2	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
3	ARA SUL	-	-	-	-	-	-	-	-
4	AVENG MOC., LDA	-	-	-	-	-	-	-	-
5	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
6	BIWORLD INTERNATIONAL, LTD	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERÂMICA DE VILA PEREIRA, LDA	-	-	-	-	-	-	-	-
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CHAMBADEJOS, LTD	-	-	-	-	-	-	-	-
11	CIMENTOS DE MOC., S.A.R.L.	6,864,120	6,864,120	-	-	6,864,120	6,864,120	-	-
12	CIMENTOS DE NACALA, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTRÓL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENGETEC, LDA	-	-	-	-	-	-	-	-
20	ENOP, LDA	-	-	-	-	-	-	-	-
21	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
22	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
23	FÁBRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
24	G.S. CIMENTOS S.A.R.L.	-	-	-	-	-	-	-	-
25	GK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
26	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
27	HAIYU (MOZ.) MINING CO., LDA	-	-	-	-	-	-	-	-
28	HIGHLAND AFRICAN MINING COMPANY, LDA	-	-	-	-	-	-	-	-
29	HS MINING, LDA	-	-	-	-	-	-	-	-
30	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
31	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
32	JSPM MOC. MINERAIS, LDA	-	-	-	-	-	-	-	-
33	KENMARE MOMA MINING (MAURITIUS), LTD	-	-	-	-	-	-	-	-
34	MIDWEST AFRICA, LDA	-	-	-	-	-	-	-	-
35	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
36	MINAS DE BENGALA, LDA	-	-	-	-	-	-	-	-
37	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-
38	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
39	MONTEPEZ RUBY MINING, LDA	-	-	-	-	-	-	-	-
40	NCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
41	NIFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
42	PATHFINDER MOC., S.A	-	-	-	-	-	-	-	-
43	PEDREIRA ARCO IRIS, LDA	-	-	-	-	-	-	-	-
44	PEDREIRA DE TETE, LDA	-	-	-	-	-	-	-	-
45	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
46	PEMAR, LDA	-	-	-	-	-	-	-	-
47	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-
48	PEMBA CONSTRUCTION, LDA	-	-	-	-	-	-	-	-
49	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
50	RAYOMI, LDA	-	-	-	-	-	-	-	-
51	RIBEMOZ BÉTAO PRONTO E PEDREIRAS, LDA	-	-	-	-	-	-	-	-
52	SLT MINING, LDA	-	-	-	-	-	-	-	-
53	SOCIEDADE ÁGUAS DE MOC., LDA	-	-	-	-	-	-	-	-
54	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
55	SULBRITA, LDA	-	-	-	-	-	-	-	-
56	TERRAMAE, LDA	-	-	-	-	-	-	-	-
57	TOVISI REN, S.A	-	-	-	-	-	-	-	-
58	TRANSALY, LDA	-	-	-	-	-	-	-	-
59	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
60	VALE MOC., S.A	-	-	-	-	-	-	-	-
Hydrocarbons Sector									
1	ANADARKO MOC. ÁREA 1, LDA	-	-	-	-	-	-	-	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOC., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	309,642,121	309,642,121	-	-	309,642,121	309,642,121	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	-	-	-	-	-	-	-	-
7	ENI EAST AFRICA, SPA	-	-	-	-	-	-	-	-
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOC., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	-	-	-	-	-	-	-	-
12	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PIT EXPLO. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
23	I WENTHWORTH PETRÓLEOS MOC., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		6,864,120	6,864,120	-	-	-	6,864,120	6,864,120	-
Sub-total Hydrocarbons Sector		309,642,121	309,642,121	-	-	-	309,642,121	309,642,121	-
Grand Total		316,506,241	316,506,241	-	-	-	316,506,241	316,506,241	-

Contribution to Social Projects - 2015

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ., ÁREA 1, LDA	36,629,000	36,629,000	-	-	-	36,629,000	36,629,000	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	-	-	-	-	-	-	-	-
7	ENI EAST AFRICA, SPA	-	-	-	-	-	-	-	-
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	-	-	-	-	-	-	-	-
12	MIITSUI & CO. LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPLOR. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	7,710,000	- 7,710,000	8,994,000	1,284,000	8,994,000	8,994,000	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
23	WENTHWORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		36,629,000	44,339,000	- 7,710,000	8,994,000	1,284,000	45,623,000	45,623,000	-

Contribution to Institutional Support - 2015

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ., ÁREA 1, LDA	69,100,000	69,100,000	-	-	-	69,100,000	69,100,000	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	-	-	-	-	-	-	-	-
7	ENI EAST AFRICA, SPA	-	-	-	-	-	-	-	-
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	-	-	-	-	-	-	-	-
12	MIITSUI & CO. LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPLOR. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	1,927,500	1,927,500	-	-	-	1,927,500	1,927,500	-
23	WENTHWORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		71,027,500	71,027,500	-	-	-	71,027,500	71,027,500	-

Contribution to Support and Training Program - 2015

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ., ÁREA 1, LDA	41,829,656	41,829,656	-	-	-	41,829,656	41,829,656	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	-	-	-	-	-	-	-	-
7	ENI EAST AFRICA, SPA	-	-	-	-	-	-	-	-
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	-	-	-	-	-	-	-	-
12	MIITSUI & CO. LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPLO. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	7,710,000	- 7,710,000	8,994,000	1,284,000	8,994,000	8,994,000	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
23	WENTHWORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		41,829,656	49,539,656	- 7,710,000	8,994,000	1,284,000	50,823,656	50,823,656	-

Capital Gains - 2015

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOÇ., LDA	-	-	-	-	-	-	-	-
2	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
3	ARA SUL	-	-	-	-	-	-	-	-
4	AVENG MOÇ., LDA	-	-	-	-	-	-	-	-
5	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
6	BIWORLD INTERNATIONAL, LTD	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERAMICA DE VILA PEREY, LDA	-	-	-	-	-	-	-	-
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CHAMBADEJOUS, LTD	-	-	-	-	-	-	-	-
11	CIMENTOS DE MOÇ., S.A.R.L.	-	-	-	-	-	-	-	-
12	CIMENTOS DE NACALA, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONTROL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENGETEC, LDA	-	-	-	-	-	-	-	-
20	ENOP, LDA	-	-	-	-	-	-	-	-
21	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
22	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
23	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
24	G.S. CIMENTOS S.A.R.L.	-	-	-	-	-	-	-	-
25	IGK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
26	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
27	HAIYU (MOZ.) MINING CO., LDA	-	-	-	-	-	-	-	-
28	HIGHLAND AFRICAN MINING COMPANY, LDA	-	-	-	-	-	-	-	-
29	HS MINING, LDA	-	-	-	-	-	-	-	-
30	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
31	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
32	JSPIL MOÇ. MINERAIS, LDA	-	-	-	-	-	-	-	-
33	KENMARE MOMA MINING (MAURITIUS), LTD	-	-	-	-	-	-	-	-
34	MIDWEST AFRICA, LDA	-	-	-	-	-	-	-	-
35	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
36	MINAS DE BENGALA, LDA	-	-	-	-	-	-	-	-
37	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-
38	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
39	MONTEPEJUEZ RUBY MINING, LDA	-	-	-	-	-	-	-	-
40	NCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
41	NFIQUILE PROJECTO INVEST. COMERCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
42	PATHFINDER MOÇ., S.A	-	-	-	-	-	-	-	-
43	PEDREIRA ARCO IRIS, LDA	-	-	-	-	-	-	-	-
44	PEDREIRA DE TETE, LDA	-	-	-	-	-	-	-	-
45	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
46	PEMAR, LDA	-	-	-	-	-	-	-	-
47	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-
48	PEMBA CONSTRUCTION, LDA	-	-	-	-	-	-	-	-
49	PREFANGOL MOÇ., S.A	-	-	-	-	-	-	-	-
50	RAYOMI, LDA	-	-	-	-	-	-	-	-
51	RIBEMOZ BETÃO PRONTO E PEDREIRAS, LDA	-	-	-	-	-	-	-	-
52	SLT MINING, LDA	-	-	-	-	-	-	-	-
53	SOCIEDADE ÁGUAS DE MOÇ., LDA	-	-	-	-	-	-	-	-
54	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
55	SULBRITA, LDA	-	-	-	-	-	-	-	-
56	TERRAMAE, LDA	-	-	-	-	-	-	-	-
57	TOVISI REN, S.A	-	-	-	-	-	-	-	-
58	TRANSALY, LDA	-	-	-	-	-	-	-	-
59	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
60	VALE MOÇ., S.A	-	-	-	-	-	-	-	-
Hydrocarbons Sector									
1	ANADARKO MOÇ. AREA 1, LDA	2,410,000,000	-	2,410,000,000	-	2,410,000,000	-	-	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	-	-	-	-	-	-	-	-
7	ENI EAST AFRICA, SPA	-	-	-	-	-	-	-	-
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	-	-	-	-	-	-	-	-
12	MIITSUJI & CO., LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPLO. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
23	WENTHWORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		-	-	-	-	-	-	-	-
Sub-total Hydrocarbons Sector		2,410,000,000	-	2,410,000,000	-	2,410,000,000	-	-	-
Grand Total		2,410,000,000	-	2,410,000,000	-	2,410,000,000	-	-	-

Environmental License - 2015

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	-	-	-	-	-	-	-	-
2	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
3	ARA SUL	-	-	-	-	-	-	-	-
4	AVENG MOC., LDA	-	-	-	-	-	-	-	-
5	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
6	BIWORLD INTERNATIONAL, LTD	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERAMICA DE VILA PERY, LDA	-	-	-	-	-	-	-	-
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CHAMBADEJOUS, LTD	-	-	-	-	-	-	-	-
11	CIMENTOS DE MOC., S.A.R.L.	-	-	-	-	-	-	-	-
12	CIMENTOS DE NACALA, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	1,023,900	-	1,023,900	-	-	1,023,900	-	1,023,900
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONTROL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENGETEC, LDA	-	-	-	-	-	-	-	-
20	ENOP, LDA	-	-	-	-	-	-	-	-
21	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
22	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
23	FÁBRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
24	G.S. CIMENTOS S.A.R.L.	-	-	-	-	-	-	-	-
25	IGK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
26	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
27	HAIYU (MOZ.) MINING CO., LDA	-	-	-	-	-	-	-	-
28	HIGHLAND AFRICAN MINING COMPANY, LDA	-	-	-	-	-	-	-	-
29	HS MINING, LDA	-	-	-	-	-	-	-	-
30	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
31	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
32	JSPIL MOC. MINERAIS, LDA	-	-	-	-	-	-	-	-
33	KENMARE MOMA MINING (MAURITIUS), LTD	-	-	-	-	-	-	-	-
34	MIDWEST AFRICA, LDA	-	-	-	-	-	-	-	-
35	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
36	MINAS DE BENGÁ, LDA	-	-	-	-	-	-	-	-
37	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-
38	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
39	MONTEPUJÉZ RUBY MINING, LDA	-	-	-	-	-	-	-	-
40	NCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
41	NFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
42	PATHFINDER MOC., S.A	-	-	-	-	-	-	-	-
43	PEDREIRA ARCO IRIS, LDA	-	-	-	-	-	-	-	-
44	PEDREIRA DE TETE, LDA	-	-	-	-	-	-	-	-
45	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
46	PEMAR, LDA	-	-	-	-	-	-	-	-
47	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-
48	PEMBA CONSTRUCTION, LDA	-	-	-	-	-	-	-	-
49	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
50	RAYOMI, LDA	-	-	-	-	-	-	-	-
51	RIBEMOZ BETÃO PRONTO E PEDREIRAS, LDA	-	-	-	-	-	-	-	-
52	SLT MINING, LDA	-	-	-	-	-	-	-	-
53	SOCIEDADE ÁGUAS DE MOC., LDA	-	-	-	-	-	-	-	-
54	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
55	SULBRITA, LDA	-	-	-	-	-	-	-	-
56	TERRAMÁE, LDA	-	-	-	-	-	-	-	-
57	TOVISI REN, S.A	-	-	-	-	-	-	-	-
58	TRANSALY, LDA	-	-	-	-	-	-	-	-
59	TWIGG EXPLORATION E MINING, LDA	10,233,000	-	10,233,000	-	-	10,233,000	-	10,233,000
60	VALE MOC., S.A	-	-	-	-	-	-	-	-
Hydrocarbons Sector									
1	ANADARKO MOC. AREA 1, LDA	-	-	-	-	-	-	-	-
2	BUZI HYDROCARBONS PTE, LDA	-	-	-	-	-	-	-	-
3	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOC., S.A	-	-	-	-	-	-	-	-
4	COMPANHIA MOÇAMBICANA DE GASODUTO, S.A	-	-	-	646,947,861	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
6	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	-	-	-	-	-	-	-	-
7	ENI EAST AFRICA, SPA	2,677,000	26,775,000	- 24,098,000	-	-	2,677,000	26,775,000	- 24,098,000
8	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-
9	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
10	KOREAN GAS MOC., LDA	-	-	-	-	-	-	-	-
11	MATOLA GAS COMPANY, S.A	-	-	-	-	-	-	-	-
12	NETSUJI & CO., LTD	-	-	-	-	-	-	-	-
13	PETRONAS CARIGALI MOZ. E & P, LDA	-	-	-	-	-	-	-	-
14	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
15	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
16	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
17	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
18	SASOL PETROLEUM MOZ. EXPLORATION, LTD	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM TEMANE, LDA	4,127,500	-	4,127,500	-	4,127,500	4,127,500	4,127,500	-
23	WENTHWORTH PETROLEOS MOC., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		11,256,900	-	11,256,900	-	-	11,256,900	-	11,256,900
Sub-total Hydrocarbons Sector		6,804,500	26,775,000	- 19,970,500	646,947,861	4,127,500	6,804,500	30,902,500	- 24,098,000
Grand Total		18,061,400	26,775,000	- 8,713,600	646,947,861	4,127,500	18,061,400	30,902,500	- 12,841,100

Annex 7: Reconciliation Process 2016

Corporate Income Tax - 2016

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	250,056	250,056	-	-	-	250,056	250,056	-
2	ACOSTERRAS OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
3	AFRISAL DO MAR, S.A	42,896	-	42,896	-	-	42,896	-	42,896
4	ARA SUL	-	-	-	-	-	-	-	-
5	AVENG MOC., LDA	-	-	-	-	-	-	-	-
6	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	65,095	-	65,095	-	-	65,095	-	65,095
8	CERAMICA DE VILA PERY, LDA	333,808	-	333,808	-	-	333,808	-	333,808
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CIMENTOS DE MOC., S.A.R.L.	90,143,793	59,607,376	30,536,417	-	30,536,417	90,143,793	90,143,793	-
11	CINAC - CIMENTOS DE NACALA, S.A	34,098,730	12,046,768	22,051,962	-	21,638,896	34,098,730	33,685,664	413,066
12	CLATTONY CONSTRUÇÕES, LDA	559,171	-	559,171	-	-	559,171	-	559,171
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTRÓL, LDA	7,099,532	-	7,099,532	-	-	7,099,532	-	7,099,532
16	DAMODAR FERRO, LDA	740,553	-	740,553	-	-	740,553	-	740,553
17	DI SHENG MINERAL RESOURCES, LDA	10,000	-	10,000	-	-	10,000	-	10,000
18	EMPRESA MOCAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	113,101	113,101	-	-	-	113,101	113,101	-
19	ENOP, LDA	100,000	-	100,000	-	-	100,000	-	100,000
20	ENRC MOZ., LDA	10,287,865	10,287,865	-	-	-	10,287,865	10,287,865	-
21	ETA STAR MOZ., S.A	30,000	-	-	-	-	30,000	-	30,000
22	FÁBRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
23	G. S. CIMENTOS, S.A.R.L	194,592	-	194,592	-	-	194,592	-	194,592
24	GK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
25	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
26	HAIYU (MOZ.) MINING CO, LDA	-	-	-	-	-	-	-	-
27	ICVL ZAMBEZE, LDA	597,539	597,539	-	-	-	597,539	597,539	-
28	JOACO CIMENTOS, LDA	-	-	-	-	-	-	-	-
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	9,731,826	-	9,731,826	-	-	9,731,826	-	9,731,826
30	JSPM MOC. MINERAIS, LDA	1,606,676	-	1,606,676	-	1,568,163	1,606,676	1,568,163	38,513
31	KENMARE MOMA MINING (MAURITIUS) LDA	123,619,012	123,619,012	-	-	-	123,619,012	123,619,012	-
32	MIDWEST AFRICA, LDA	30,000	10,000	20,000	-	20,000	30,000	30,000	-
33	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
34	MINAS DE REVUBOÉ, LDA	3,531,715	3,531,715	-	-	-	3,531,715	3,531,715	-
35	MINAS DE BENGÁ, LDA	1,429,419	1,029,414	400,005	-	400,005	1,429,419	1,429,419	-
36	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
37	MONTEPEZ RUBY MINING, LDA	1,360,952,024	1,269,548,237	91,403,787	238,911	89,187,044	1,361,190,935	1,358,735,281	2,455,655
38	MYALA RESOURCES, LDA	-	-	-	-	-	-	-	-
39	NCONDEZI COAL COMPANY MOZ., LDA	64,307	61,264	3,043	3,043	-	61,264	61,264	-
40	NIFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
41	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
42	PEMAR, LDA	-	-	-	-	-	-	-	-
43	PENBA COMBUSTÍVEIS, LDA	1,019,859	-	1,019,859	-	-	1,019,859	-	1,019,859
44	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
45	RAYOMI, LDA	3,255,246	-	3,255,246	-	-	3,255,246	-	3,255,246
46	SIMÃO FERREIRA E FILHOS MOC., LDA	2,263,109	-	2,263,109	-	-	2,263,109	-	2,263,109
47	SLT MINING, LDA	-	-	-	-	-	-	-	-
48	SOCIEDADE ÁGUAS DE MOC., LDA	12,371,621	11,276,219	1,095,402	-	1,095,402	12,371,621	12,371,621	-
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	80,014	-	80,014	-	-	80,014	-	80,014
50	SONIL SOCIEDADE DO NIASSA	2,317,866	-	2,317,866	-	-	2,317,866	-	2,317,866
51	SULBRITA, LDA	453,336	453,336	-	-	-	453,336	453,336	-
52	TOVISI REN, S.A	261,611	-	261,611	-	-	261,611	-	261,611
53	TRANSALY, LDA	100,000	100,000	-	-	-	100,000	100,000	-
54	TWIGG EXPLORATION E MINING, LDA	3,636,010	-	3,636,010	-	-	3,636,010	-	3,636,010
55	VALE MOC., S.A	606,800,798	622,794,617	15,993,819	15,993,819	-	622,794,617	622,794,617	-
Hydrocarbons Sector									
1	ANADARKO MOC., ÁREA 1, LDA	2,868,243,688	793,843,688	2,074,400,000	-	2,074,000,000	794,243,688	793,843,688	400,000
2	BHARAT PETROLEUM RESOURCES LTD	-	-	-	-	-	-	-	-
3	BUZI HYDROCARBONS PTE, LDA	284,646	284,646	-	-	-	284,646	284,646	-
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOC., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOCAMBICANA DE GASODUTOS S.A	615,721	615,721	-	-	-	615,721	615,721	-
6	COMPANHIA MOCAMBICANA DE HIDROCARBONETOS, S.A	388,200,651	386,957,442	1,243,209	-	-	388,200,651	386,957,442	1,243,209
7	EMPRESA NACIONAL DE HIDROCARBONETOS, E.P.	4,166,649	-	4,166,649	-	2,846,951	4,166,649	2,846,951	1,319,698
8	ENI EAST AFRICA, SPA	522,744,608	522,744,608	-	-	-	522,744,608	522,744,608	-
9	GALP ROVUMA B.V	131,509	131,509	-	-	-	131,509	131,509	-
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
11	KOREAN GAS MOC., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	1,103,280,749	1,173,384,493	70,103,744	70,103,744	-	1,173,384,493	1,173,384,493	-
13	MIITSUI & CO., LTD	969,267	969,267	-	-	-	969,267	969,267	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	13,922,648	2,696,218	11,226,430	-	11,226,430	13,922,648	13,922,648	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	977,097,022	1,770,032,856	792,935,834	792,935,834	-	1,770,032,856	1,770,032,856	-
19	SASOL PETROLEUM MIO, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION, LTD	28,924,570	28,827,361	97,208	97,208	-	28,827,361	28,827,361	-
21	SASOL PETROLEUM MOZ., LDA	57,039,982	57,039,982	-	-	-	57,039,982	57,039,982	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	1,864,210,383	1,332,255,951	531,954,432	531,774,097	-	1,332,436,285	1,332,255,951	180,335
25	WENTHWORTH PETROLEOS MOC., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		2,278,191,183	2,115,356,519	162,834,664	16,229,687	144,445,926	2,294,420,870	2,259,802,445	34,618,424
Sub-total Hydrocarbons Sector		7,829,832,093	6,069,783,743	1,760,048,350	- 1,742,831,728	14,073,380	6,087,000,365	6,083,857,124	3,143,242
Grand Total		10,108,023,276	8,185,140,262	1,922,883,014	- 1,726,602,041	158,519,307	8,381,421,235	8,343,659,569	37,761,666

Individual Income Tax - 2016

№	Name of company	Initial Value			Reconciliation			Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company		
Mining Sector										
1	ACOSTERRAS MOC., LDA	765,140	765,140	-	-	-	765,140	765,140	-	
2	ACOSTERRAS OBRAS PUBLICAS, LDA	-	-	-	-	-	-	-	-	
3	AFRISAL DO MAR, S.A	666,595	-	666,595	-	-	666,595	-	666,595	
4	ARA SUL	6,111,117	-	6,111,117	-	-	6,111,117	-	6,111,117	
5	AVENG MOC., LDA	17,369,078	-	17,369,078	-	-	17,369,078	-	17,369,078	
6	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-	
7	CAPITOL RESOURCES, LDA	9,866,232	9,866,232	-	-	-	9,866,232	9,866,232	-	
8	CERAMICA DE VILA PERY, LDA	82,800	-	82,800	-	-	82,800	-	82,800	
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	32,431,833	-	32,431,833	-	-	32,431,833	-	32,431,833	
10	CIMENTOS DE MOC., S.A.R.L.	65,115,862	65,794,467	678,605	-	-	65,115,862	65,794,467	678,605	
11	CINAC - CIMENTOS DE NACALA, S.A	2,014,796	2,014,796	-	-	-	2,014,796	2,014,796	-	
12	CLATTONY CONSTRUÇÕES, LDA	-	-	-	-	-	-	-	-	
13	CLEAN TECH MINING, LDA	109,000	-	109,000	-	-	109,000	-	109,000	
14	CONDOR, LDA	609,509	-	609,509	-	-	609,509	-	609,509	
15	CONSTROL, LDA	2,398,359	-	2,398,359	-	-	2,398,359	-	2,398,359	
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-	
17	DI SHENG MINERAL RESOURCES, LDA	30,380	-	30,380	-	-	30,380	-	30,380	
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	6,958,238	-	6,958,238	-	6,958,238	6,958,238	6,958,238	-	
19	ENOP, LDA	9,497,208	-	9,497,208	-	-	9,497,208	-	9,497,208	
20	ENRC MOZ., LDA	1,206,724	1,206,724	-	-	-	1,206,724	1,206,724	-	
21	ETA STAR MOZ., S.A	517,594	1,166,981	649,388	-	-	517,594	1,166,981	649,388	
22	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-	
23	G. S. CIMENTOS, S.A.R.L.	2,506,813	-	2,506,813	-	-	2,506,813	-	2,506,813	
24	GK ANCUABE GRAPHITE MINE, S.A	2,058,641	-	2,058,641	-	-	2,058,641	-	2,058,641	
25	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-	
26	HAIYU (MOZ.) MINING CO, LDA	92,191	-	92,191	-	-	92,191	-	92,191	
27	ICVL ZAMBEZE, LDA	6,427,878	587,847	5,840,030	-	5,840,030	6,427,878	6,427,878	-	
28	JOACO CIMENTOS, LDA	1,355,729	-	1,355,729	-	-	1,355,729	-	1,355,729	
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	1,383,575	-	1,383,575	-	-	1,383,575	-	1,383,575	
30	JSPM MOC. MINERAIS, LDA	17,576,534	24,905,411	7,328,877	-	612,879	16,963,655	29,782,055	12,818,400	
31	KENMARE MOMA MINING (MAURITIUS) LDA	363,674,308	363,674,308	-	-	-	363,674,308	363,674,308	-	
32	MIDWEST ÁFRICA, LDA	703,813	703,813	-	-	-	703,813	703,813	-	
33	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-	
34	MINAS DE REVUBOÉ, LDA	8,465,466	8,936,471	471,005	-	-	8,465,466	8,936,471	471,005	
35	MINAS DE BENGALA, LDA	23,658,143	23,658,143	-	-	-	23,658,143	23,658,143	-	
36	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-	
37	MONTEPUEZ RUBY MINING, LDA	58,797,587	57,059,625	1,737,962	-	-	58,797,587	57,059,625	1,737,962	
38	MYALA RESOURCES, LDA	61,809	-	61,809	-	-	61,809	-	61,809	
39	INCONDEZI COAL COMPANY MOZ., LDA	1,985,010	1,985,010	-	-	-	1,985,010	1,985,010	-	
40	NIFIQUILE PROJECTO INVEST. COMERCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-	
41	PEDREIRA NAMAACHA, LDA	282,520	-	282,520	-	-	282,520	-	282,520	
42	PEMAR, LDA	1,136,000	-	1,136,000	-	-	1,136,000	-	1,136,000	
43	PEMBA COMBUSTIVEIS, LDA	369,937	-	369,937	-	-	369,937	-	369,937	
44	PREFANGOL MOC., S.A	1,462,279	-	1,462,279	-	-	1,462,279	-	1,462,279	
45	RAYOMI LDA	738,894	-	738,894	-	-	738,894	-	738,894	
46	SIMÃO FERREIRA E FILHOS MOC., LDA	-	-	-	-	-	-	-	-	
47	SLT MINING, LDA	2,083,686	-	2,083,686	-	-	2,083,686	-	2,083,686	
48	SOCIEDADE ÁGUAS DE MOC., LDA	492,952	376,057	116,895	-	116,895	376,057	376,057	-	
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	-	-	-	-	-	-	-	-	
50	SONIL - SOCIEDADE DO NIASSA, LDA	117,475	-	117,475	-	-	117,475	-	117,475	
51	SULBRITA, LDA	6,743,519	6,743,519	-	-	-	6,743,519	6,743,519	-	
52	TOVISI REN, S.A	1,509,607	-	1,509,607	-	-	1,509,607	-	1,509,607	
53	TRANSALY LDA	5,171,001	5,171,001	-	-	-	5,171,001	5,171,001	-	
54	TWIGG EXPLORATION E MINING LDA	55,171,362	-	55,171,362	-	-	55,171,362	-	55,171,362	
55	VALE MOC., LDA	213,447,833	675,759,557	462,311,725	462,414,659	-	675,862,491	675,759,557	102,934	
Hydrocarbons Sector										
1	ANADARKO MOC. ÁREA 1, LDA	297,934,766	297,934,766	-	-	-	297,934,766	297,934,766	-	
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-	
3	BUZI HYDROCARBONS	2,223,953	2,615,117	391,164	-	391,164	2,223,953	2,223,953	-	
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOC., S.A	-	-	-	-	-	-	-	-	
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	8,160,479	8,160,479	-	-	-	8,160,479	8,160,479	-	
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	62,311,993	62,311,993	-	-	-	62,311,993	62,311,993	-	
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	44,550,166	35,037,357	9,512,810	-	657,308	43,892,858	35,912,310	7,980,548	
8	ENI EAST AFRICA SPA	392,706,768	393,073,019	366,251	-	366,251	393,073,019	393,073,019	-	
9	GALP ROVUMA	2,457,625	2,457,625	-	-	-	2,457,625	2,457,625	-	
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-	
11	KOREAN GAS MOC., LDA	-	-	-	-	-	-	-	-	
12	MATOLA GAS COMPANY, SA	47,349,720	47,349,720	-	-	-	47,349,720	47,349,720	-	
13	MIITSUI & CO., LTD	9,343,270	9,343,270	-	-	-	9,343,270	9,343,270	-	
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-	
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-	
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-	
17	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	2,548,099	2,422,672	125,427	-	125,427	2,548,099	2,548,099	-	
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-	
19	SASOL PETROLEUM MID, LDA	-	-	-	-	-	-	-	-	
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	-	-	-	-	-	-	-	-	
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-	
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-	
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-	
24	SASOL PETROLEUM TEMANE, LDA	76,783,818	76,783,818	-	-	-	76,783,818	76,783,818	-	
25	WENTHORTH PETRÓLEOS MOC., LDA	-	-	-	-	-	-	-	-	
Sub-total Mining Sector		933,225,026	1,250,375,103	317,150,077	461,684,885	17,674,912	1,394,909,911	1,268,050,014	126,859,897	
Sub-total Hydrocarbons Sector		946,370,657	937,489,835	8,880,822	291,057	609,217	946,079,600	938,099,052	7,980,548	
Grand Total		1,879,595,683	2,187,864,937	308,269,255	461,393,828	18,284,129	2,340,989,511	2,206,149,066	134,840,445	

Surface Tax - 2016

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOÇ., LDA	165,000	-	165,000	-	165,000	165,000	165,000	-
2	ACOSTERRAS OBRAS PÚBLICAS, LDA	742,741	-	742,741	-	-	742,741	-	742,741
3	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
4	ARA SUL	-	-	-	-	-	-	-	-
5	AVENG MOÇ., LDA	-	-	-	-	-	-	-	-
6	BENGALA MINAS, LDA	387,684	516,912	- 129,228	129,228	-	516,912	516,912	-
7	CAPITOL RECURSOS, LDA	-	608,078	-	608,078	-	608,078	608,078	-
8	CERÂMICA DE VILA PERY, LDA	41,000	-	41,000	-	-	41,000	-	41,000
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CIMENTOS DE MOÇ., S.A.R.L	264,923	264,923	-	-	-	264,923	264,923	-
11	CINAC - CIMENTOS DE NACALA, S.A	-	-	-	-	-	-	-	-
12	CLATTONY CONSTRUÇÕES, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	6,000	-	6,000	-	-	6,000	-	6,000
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTRÓL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	2,828,617	-	2,828,617	-	-	2,828,617	-	2,828,617
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	35,051	35,051	-	-	-	35,051	35,051	-
19	ENOP, LDA	-	-	-	-	-	-	-	-
20	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
21	ETA STAR MOZ., S.A	179,653	179,653	-	-	-	179,653	179,653	-
22	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	210,000	-	210,000	-	-	210,000	-	210,000
23	G. S. CIMENTOS, S.A.R.L	-	-	-	-	-	-	-	-
24	GK ANCUABE GRAPHITE MINE, S.A	111,330	-	111,330	-	-	111,330	-	111,330
25	GOLD ONE MOZ., LDA	1,080,000	-	1,080,000	-	-	1,080,000	-	1,080,000
26	HAIYU (MOZ.) MINING CO. LDA	-	-	-	-	-	-	-	-
27	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
28	JOACO CIMENTOS, LDA	-	-	-	-	-	-	-	-
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	1,735	-	1,735	-	-	1,735	-	1,735
30	JSPIL MOÇ. MINERAIS, LDA	-	-	-	-	-	-	-	-
31	KENMARE MOMA MINING (MAURITIUS) LDA	4,824,400	4,824,400	-	-	-	4,824,400	4,824,400	-
32	MIDWEST AFRICA LDA	99,000	396,000	- 297,000	297,000	-	396,000	396,000	-
33	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
34	MINAS DE REVUBOÉ, LDA	89,202	118,937	- 29,734	29,734	-	118,937	118,937	-
35	MINAS DE BENGÁ, LDA	-	-	-	-	-	-	-	-
36	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
37	MONTEPUJÉZ RUBY MINING, LDA	5,867,254.10	1,748,305.00	4,118,949.10	4,118,949.10	-	1,748,305.00	1,748,305.00	-
38	MYALA RESOURCES, LDA	-	-	-	-	-	-	-	-
39	NCONDEZI COAL COMPANY MOZ., LDA	565,616	754,154	- 188,539	-	-	565,616	754,154	- 188,539
40	NIFIQUILE PROJECTO INVEST. COMERCIO E SERVIÇOS, LDA	437,500	-	437,500	-	-	437,500	-	437,500
41	PEDREIRA NAMAACHA, LDA	300,000	-	300,000	-	-	300,000	-	300,000
42	PEMAR, LDA	-	-	-	-	-	-	-	-
43	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-
44	PREFANGOL MOÇ., S.A	506	-	506	-	-	506	-	506
45	RAYOMI, LDA	-	-	-	-	-	-	-	-
46	SIMÃO FERREIRA E FILHOS MOÇ., LDA	12,500	-	12,500	-	-	12,500	-	12,500
47	SLT MINING, LDA	-	-	-	-	-	-	-	-
48	SOCIEDADE ÁGUAS DE MOÇ., LDA	-	-	-	-	-	-	-	-
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	11,453	-	11,453	-	-	11,453	-	11,453
50	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
51	SULBRITA, LDA	9,540	9,540	-	-	-	9,540	9,540	-
52	TOVISI RÉN, S.A	-	-	-	-	-	-	-	-
53	TRANSALY, LDA	65,625	87,500	- 21,875	21,875	-	87,500	87,500	-
54	TWIGG EXPLORATION E MINING, LDA	1,088	-	1,088	-	-	1,088	-	1,088
55	VALE MOÇ., S.A	-	-	-	-	-	-	-	-
Grand Total		18,337,418	9,543,453	8,793,965	- 3,033,034	165,000	15,304,384	9,708,453	5,595,931

Tax on Mining Production - 2016

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference		
		State	Company	Difference	State	Company	State	Company			
Mining Sector											
1	ACOSTERRAS MOÇ., LDA	84,306	94,660	-	10,354	-	-	84,306	94,660	-	10,354
2	ACOSTERRAS OBRAS PUBLICAS, LDA	131,444	-	-	131,444	-	-	131,444	-	-	131,444
3	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-	-	-
4	ARA SUL	95,641	-	-	95,641	-	95,641	95,641	-	-	95,641
5	AVENG MOÇ., LDA	-	-	-	-	-	-	-	-	-	-
6	BENGALA MINAS, LDA	66,501	-	-	66,501	-	-	66,501	-	-	66,501
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-	-	-
8	CERÁMICA DE VILA PERY, LDA	162,471	-	-	162,471	-	-	162,471	-	-	162,471
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-	-	-
10	CIMENTOS DE MOÇ., S.A.R.L.	1,726,260	1,919,842	-	193,582	-	-	1,726,260	1,919,842	-	193,582
11	CINAC - CIMENTOS DE NACALA, S.A	36,470	10,908	-	25,563	-	-	36,470	10,908	-	25,563
12	CLATTONY CONSTRUÇÕES, LDA	-	-	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	5,279,991	-	-	5,279,991	-	-	5,279,991	-	-	5,279,991
14	CONDOR, LDA	4,972	-	-	4,972	-	-	4,972	-	-	4,972
15	CONTROL, LDA	-	-	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-	-	-
19	ENOP, LDA	-	-	-	-	-	-	-	-	-	-
20	ENRC MOZ., LDA	-	-	-	-	-	-	-	-	-	-
21	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-	-	-
22	FÁBRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	3,066,180	-	-	3,066,180	-	-	3,066,180	-	-	3,066,180
23	G. S. CIMENTOS, S.A.R.L	-	-	-	-	-	-	-	-	-	-
24	GK ANCUABE GRAPHITE MINE, S.A	140,426	-	-	140,426	-	-	140,426	-	-	140,426
25	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-	-	-
26	HAIYU (MOZ.) MINING CO, LDA	4,017,299	-	-	4,017,299	-	-	4,017,299	-	-	4,017,299
27	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-	-	-
28	JOACO CIMENTOS, LDA	85,937	-	-	85,937	-	-	85,937	-	-	85,937
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	395,911	-	-	395,911	-	-	395,911	-	-	395,911
30	JSPL MOÇ. MINERAIS, LDA	215,252	4,376,043	-	4,160,791	1,775,375	-	1,990,627	4,376,043	-	2,385,416
31	KENMARE MOMA MINING (MAURITIUS) LDA	150,858,584	150,858,584	-	-	-	-	150,858,584	150,858,584	-	-
32	MIDWEST ÁFRICA, LDA	-	-	-	-	-	-	-	-	-	-
33	MINA ALUMINA, LDA	765,445	-	-	765,445	-	-	765,445	-	-	765,445
34	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-	-	-
35	MINAS DE BENGALA, LDA	-	-	-	-	-	-	-	-	-	-
36	MINAS MOATIZE, LDA	1,761,479	-	-	1,761,479	-	-	1,761,479	-	-	1,761,479
37	MONTEPUEZ RUBY MINING, LDA	479,784,153	473,862,521	-	5,921,632	16,376,550	22,280,004	496,160,703	496,142,526	-	18,178
38	MYALA RESOURCES, LDA	504,836	-	-	504,836	-	-	504,836	-	-	504,836
39	NCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-	-	-
40	NIFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	87,500	-	-	87,500	-	-	87,500	-	-	87,500
41	PEDREIRA NAMAACHA, LDA	549,749	-	-	549,749	-	-	549,749	-	-	549,749
42	PEMAR, LDA	-	-	-	-	-	-	-	-	-	-
43	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-	-	-
44	PREFANGOL MOÇ., S.A	-	-	-	-	-	-	-	-	-	-
45	RAYOMI, LDA	-	-	-	-	-	-	-	-	-	-
46	SIMÃO FERREIRA E FILHOS MOÇ., LDA	296,316	-	-	296,316	-	-	296,316	-	-	296,316
47	SLT MINING, LDA	-	-	-	-	-	-	-	-	-	-
48	SOCIEDADE ÁGUAS DE MOÇ., LDA	7,328,453	7,328,453	-	-	-	-	7,328,453	7,328,453	-	-
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	615,818	-	-	615,818	-	-	615,818	-	-	615,818
50	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-	-	-
51	SULBRITA, LDA	-	-	-	-	-	-	-	-	-	-
52	TOVISI REN, S.A	-	-	-	-	-	-	-	-	-	-
53	TRANSALY, LDA	165,517	165,517	-	-	-	-	165,517	165,517	-	-
54	TWIGG EXPLORATION E MINING, LDA	56,032	-	-	56,032	-	-	56,032	-	-	56,032
55	VALE MOÇ., S.A	289,716,439	373,689,959	-	83,973,520	85,400,331	-	375,116,771	373,689,959	-	1,426,812
Grand Total		947,999,382	1,012,306,486	-	64,307,105	103,552,257	22,375,646	1,051,551,638	1,034,682,132	-	16,869,507

Income Tax on Mineral Resource - 2016

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	-	-	-	-	-	-	-	-
2	ACOSTERRAS OBRAS PUBLICAS, LDA	-	-	-	-	-	-	-	-
3	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
4	ARA SUL	-	-	-	-	-	-	-	-
5	AVENG MOC., LDA	-	-	-	-	-	-	-	-
6	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERAMICA DE VILA PEREY, LDA	-	-	-	-	-	-	-	-
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CIMENTOS DE MOC., S.A.R.L	-	-	-	-	-	-	-	-
11	CINAC - CIMENTOS DE NACALA, S.A	-	-	-	-	-	-	-	-
12	CLATTONY CONSTRUÇÕES, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTROL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENOP, LDA	-	-	-	-	-	-	-	-
20	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
21	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
22	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
23	G. S. CIMENTOS, S.A.R.L	-	-	-	-	-	-	-	-
24	GK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
25	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
26	HAIYU (MOZ.) MINING CO, LDA	-	-	-	-	-	-	-	-
27	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
28	JOACO CIMENTOS, LDA	-	-	-	-	-	-	-	-
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
30	JSP.L MOC. MINERAIS, LDA	-	-	-	-	-	-	-	-
31	KENMARE MOMA MINING (MAURITIUS) LDA	-	-	-	-	-	-	-	-
32	MIDWEST ÁFRICA, LDA	-	-	-	-	-	-	-	-
33	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
34	MINAS DE REVUBOE, LDA	-	-	-	-	-	-	-	-
35	MINAS DE BENGA, LDA	-	-	-	-	-	-	-	-
36	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
37	MONTEPUEZ RUBY MINING, LDA	-	-	-	-	-	-	-	-
38	MYALA RESOURCES, LDA	-	-	-	-	-	-	-	-
39	NCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
40	NIFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
41	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
42	PEMAR, LDA	-	-	-	-	-	-	-	-
43	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-
44	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
45	RAYOMI, LDA	-	-	-	-	-	-	-	-
46	SIMÃO FERREIRA E FILHOS MOC., LDA	-	-	-	-	-	-	-	-
47	SLT MINING, LDA	-	-	-	-	-	-	-	-
48	SOCIEDADE AGUAS DE MOC., LDA	-	-	-	-	-	-	-	-
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	-	-	-	-	-	-	-	-
50	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
51	SULBRITA, LDA	-	-	-	-	-	-	-	-
52	TOVISI REU, S.A	-	-	-	-	-	-	-	-
53	TRANSALY, LDA	-	-	-	-	-	-	-	-
54	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
55	VALE MOC., S.A	-	-	-	-	-	-	-	-
Grand Total		-	-	-	-	-	-	-	-

Tax on Petroleum Production in Cash - 2016

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ. AREA 1, LDA	-	-	-	-	-	-	-	-
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-
3	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	184,417,260	158,635,971	25,781,289	-	25,781,289	184,417,260	184,417,260	-
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-
9	GALP ROVUMA	-	-	-	-	-	-	-	-
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
11	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	158,741,689	158,741,689	-	-	-	158,741,689	158,741,689	-
13	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	185,901,306	175,934,908	9,966,398	-9,966,398	-	175,934,908	175,934,908	-
25	WENTHWORTH PETRÓLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		529,060,255	493,312,568	35,747,687	-9,966,398	25,781,289	519,093,857	519,093,857	-

Tax on Petroleum Production in Kind - 2016

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ. AREA 1, LDA	-	-	-	-	-	-	-	-
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-
3	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	-	-	-	-	-	-	-	-
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-
9	GALP ROVUMA	-	-	-	-	-	-	-	-
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
11	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	-	-	-	-	-	-	-	-
13	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	359,393,526.49	360,555,236.17	1,161,709.68	-	-	359,393,526.49	360,555,236.17	- 1,161,709.68
25	WENTHWORTH PETRÓLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		359,393,526.49	360,555,236	- 1,161,710	-	-	359,393,526	360,555,236	- 1,161,710

Dividends - 2016

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOC., LDA	-	-	-	-	-	-	-	-
2	ACOSTERRAS OBRAS PUBLICAS, LDA	-	-	-	-	-	-	-	-
3	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
4	ARA SUL	-	-	-	-	-	-	-	-
5	AVENG MOC., LDA	-	-	-	-	-	-	-	-
6	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERÁMICA DE VILA PERY, LDA	-	-	-	-	-	-	-	-
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CIMENTOS DE MOC., S.A.R.L.	-	-	-	-	-	-	-	-
11	CINAC - CIMENTOS DE NACALA, S.A	-	-	-	-	-	-	-	-
12	CLATTONY CONSTRUÇÕES, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTRÓL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENOP, LDA	-	-	-	-	-	-	-	-
20	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
21	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
22	FÁBRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
23	G. S. CIMENTOS, S.A.R.L	-	-	-	-	-	-	-	-
24	GK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
25	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
26	HATYU (MOZ.) MINING CO, LDA	-	-	-	-	-	-	-	-
27	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
28	JOACO CIMENTOS, LDA	-	-	-	-	-	-	-	-
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
30	JSPM MOC. MINERAIS, LDA	-	-	-	-	-	-	-	-
31	KENMARE MOMA MINING (MAURITIUS) LDA	-	-	-	-	-	-	-	-
32	MIDWEST ÁFRICA, LDA	-	-	-	-	-	-	-	-
33	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
34	MINAS DE REVUBOÉ	-	-	-	-	-	-	-	-
35	MINAS DE BENGALA, LDA	-	-	-	-	-	-	-	-
36	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
37	MONTEPUJÉZ RUBY MINING, LDA	-	-	-	-	-	-	-	-
38	MYALA RESOURCES, LDA	-	-	-	-	-	-	-	-
39	INCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
40	NIHQULE PROJECTO INVEST. COMERCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
41	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
42	PEMAR, LDA	-	-	-	-	-	-	-	-
43	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-
44	PREFANGOL MOC., S.A	-	-	-	-	-	-	-	-
45	RAYOMI, LDA	-	-	-	-	-	-	-	-
46	SIMÃO FERREIRA E FILHOS MOC., LDA	-	-	-	-	-	-	-	-
47	SLT MINING, LDA	-	-	-	-	-	-	-	-
48	SOCIEDADE ÁGUAS DE MOC., LDA	-	-	-	-	-	-	-	-
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	-	-	-	-	-	-	-	-
50	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
51	SULBRITA, LDA	-	-	-	-	-	-	-	-
52	TOVISI REN, S.A	-	-	-	-	-	-	-	-
53	TRANSALY, LDA	-	-	-	-	-	-	-	-
54	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
55	VALE MOC., S.A	-	-	-	-	-	-	-	-
Hydrocarbons Sector									
1	ANADARKO MOC. ÁREA 1, LDA	-	-	-	-	-	-	-	-
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-
3	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOC., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	120,023,410	120,023,410	-	-	120,023,409,99	120,023,410	-	-
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	-	-	-	-	-	-	-	-
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-
9	GALP ROVUMA	-	-	-	-	-	-	-	-
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
11	KOREAN GAS MOC., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	111,531,420	111,531,420	-	-	111,531,420,00	111,531,420	-	-
13	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPLO. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
25	WENTHWORTH PETRÓLEOS MOC., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		-	-	-	-	-	-	-	-
Sub-total Hydrocarbons Sector		231,554,830	231,554,830	-	-	231,554,830	231,554,830	-	-
Grand Total		231,554,830	231,554,830	-	-	231,554,830	231,554,830	-	-

Contribution to Social Projects - 2016

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ. AREA 1, LDA	53,820,000	53,820,000	-	-	-	53,820,000	53,820,000	-
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-
3	BUZI HYDROCARBONS	17,622,000	17,622,000	-	-	-	17,622,000	17,622,000	-
4	COMPANHIA DE DESENVOLVIMENTO DE GAS DE MOÇ., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	-	-	-	-	-	-	-	-
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-
9	GALP ROVUMA	-	-	-	-	-	-	-	-
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
11	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	-	-	-	-	-	-	-	-
13	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPLOR. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	15,588,000	15,588,000	-	-	-	15,588,000	15,588,000	-
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
25	WENTHORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		87,030,000	87,030,000	-	-	-	87,030,000	87,030,000	-

Contribution to Institutional Support - 2016

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ. AREA 1, LDA	94,840,000	94,840,000	-	-	-	94,840,000	94,840,000	-
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-
3	BUZI HYDROCARBONS	22,842,000	22,842,000	-	-	-	22,842,000	22,842,000	-
4	COMPANHIA DE DESENVOLVIMENTO DE GAS DE MOÇ., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	-	-	-	-	-	-	-	-
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-
9	GALP ROVUMA	-	-	-	-	-	-	-	-
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
11	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	-	-	-	-	-	-	-	-
13	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPLOR. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	2,691,000	2,691,000	-	-	-	2,691,000	2,691,000	-
25	WENTHORTH PETROLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		120,373,000	120,373,000	-	-	-	120,373,000	120,373,000	-

Contribution to Support and Training Program - 2016

Nº	Name of Company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Hydrocarbons Sector									
1	ANADARKO MOÇ. AREA 1, LDA	53,820,000	53,820,000	-	-	-	53,820,000	53,820,000	-
3	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-
2	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	-	-	-	-	-	-	-	-
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-
9	GALP ROVUMA	-	-	-	-	-	-	-	-
10	GIGAJOLE INTERNATIONAL (PTY)	-	-	-	-	-	-	-	-
11	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	-	-	-	-	-	-	-	-
13	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPLOR. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MIO, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	24,432,000	15,438,000	8,994,000	-	8,994,000	-	15,438,000	15,438,000
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
25	WENTHWORTH PETRÓLEOS MOÇ., LDA	-	-	-	-	-	-	-	-
Grand Total		78,252,000	69,258,000	8,994,000	-	8,994,000	-	69,258,000	69,258,000

Capital Gains - 2016

№	Name of company	Initial Value			Reconciliation		Final Value		Final Difference
		State	Company	Difference	State	Company	State	Company	
Mining Sector									
1	ACOSTERRAS MOZ., LDA	-	-	-	-	-	-	-	-
2	ACOSTERRAS OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
3	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-
4	ARA SUL	-	-	-	-	-	-	-	-
5	AVENG MOZ., LDA	-	-	-	-	-	-	-	-
6	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-
8	CERÂMICA DE VILA PERY, LDA	-	-	-	-	-	-	-	-
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-
10	CIMENTOS DE MOZ., S.A.R.L.	-	-	-	-	-	-	-	-
11	CINAC - CIMENTOS DE NACALA, S.A	-	-	-	-	-	-	-	-
12	CLATTONY CONSTRUÇÕES, LDA	-	-	-	-	-	-	-	-
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-
14	CONDOR, LDA	-	-	-	-	-	-	-	-
15	CONSTROL, LDA	-	-	-	-	-	-	-	-
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-
19	ENOP, LDA	-	-	-	-	-	-	-	-
20	ENRC MOZ., LDA	-	-	-	-	-	-	-	-
21	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-
22	FÁBRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-
23	G. S. CIMENTOS, S.A.R.L	-	-	-	-	-	-	-	-
24	IGK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-
25	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-
26	HAIYU (MOZ.) MINING CO, LDA	-	-	-	-	-	-	-	-
27	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-
28	JOACO CIMENTOS, LDA	-	-	-	-	-	-	-	-
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-
30	JSPL MOZ. MINERAIS, LDA	-	-	-	-	-	-	-	-
31	KENMARE MOMA MINING (MAURITIUS) LDA	-	-	-	-	-	-	-	-
32	MIDWEST AFRICA, LDA	-	-	-	-	-	-	-	-
33	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-
34	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-
35	MINAS DE BENGALA, LDA	-	-	-	-	-	-	-	-
36	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-
37	MONTEPEZ RUBY MINING, LDA	-	-	-	-	-	-	-	-
38	MYALA RESOURCES, LDA	-	-	-	-	-	-	-	-
39	NCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-
40	NIFIQUILE PROJECTO INVEST. COMÉRCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-
41	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-
42	PEMAR, LDA	-	-	-	-	-	-	-	-
43	PEMBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-
44	PREFANGOL MOZ., S.A	-	-	-	-	-	-	-	-
45	RAYOMI, LDA	-	-	-	-	-	-	-	-
46	SIMÃO FERREIRA E FILHOS MOZ., LDA	-	-	-	-	-	-	-	-
47	SLT MINING, LDA	-	-	-	-	-	-	-	-
48	SOCIEDADE ÁGUAS DE MOZ., LDA	-	-	-	-	-	-	-	-
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	-	-	-	-	-	-	-	-
50	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-
51	SULBRITA, LDA	-	-	-	-	-	-	-	-
52	TOVIST REN, S.A	-	-	-	-	-	-	-	-
53	TRANSALY, LDA	-	-	-	-	-	-	-	-
54	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-
55	IVALE MOZ., S.A	-	-	-	-	-	-	-	-
Hydrocarbons Sector									
1	ANADARKO MOZ. AREA 1, LDA	-	-	-	-	-	-	-	-
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-
3	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOZ., S.A	-	-	-	-	-	-	-	-
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	-	-	-	-	-	-	-	-
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-
9	GALP ROVUMA	-	-	-	-	-	-	-	-
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-
11	KOREAN GAS MOZ., LDA	-	-	-	-	-	-	-	-
12	MATOLA GAS COMPANY, SA	-	-	-	-	-	-	-	-
13	MIITSUI & CO., LTD	-	-	-	-	-	-	-	-
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-
17	PTT EXPL. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-
19	SASOL PETROLEUM MIO, LDA	-	-	-	-	-	-	-	-
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	-	-	-	-	-	-	-	-
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-
24	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-
25	WENTHWORTH PETRÓLEOS MOZ., LDA	-	-	-	-	-	-	-	-
Sub-total Mining Sector		-	-	-	-	-	-	-	-
Sub-total Hydrocarbons Sector		-	-	-	-	-	-	-	-
Grand Total		-	-	-	-	-	-	-	-

Environmental License - 2016

Nº	Name of company	Initial Value			Reconciliation		Final Value		Final Difference	
		State	Company	Difference	State	Company	State	Company		
Mining Sector										
1	ACOSTERRAS MOÇ., LDA	-	-	-	-	-	-	-	-	
2	ACOSTERRAS OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-	
3	AFRISAL DO MAR, S.A	-	-	-	-	-	-	-	-	
4	ARA SIUL	-	-	-	-	-	-	-	-	
5	AVENG MOÇ., LDA	-	-	-	-	-	-	-	-	
6	BENGALA MINAS, LDA	-	-	-	-	-	-	-	-	
7	CAPITOL RESOURCES, LDA	-	-	-	-	-	-	-	-	
8	CERÂMICA DE VILA PERY, LDA	-	-	-	-	-	-	-	-	
9	CETA CONSTRUÇÕES E SERVIÇOS, S.A	-	-	-	-	-	-	-	-	
10	CIMENTOS DE MOÇ., S.A.R.L.	-	-	-	-	-	-	-	-	
11	CINAC - CIMENTOS DE NACALA, S.A	-	-	-	-	-	-	-	-	
12	CLATTONY CONSTRUÇÕES, LDA	-	-	-	-	-	-	-	-	
13	CLEAN TECH MINING, LDA	-	-	-	-	-	-	-	-	
14	CONDOR, LDA	-	-	-	-	-	-	-	-	
15	CONSTRÓL, LDA	-	-	-	-	-	-	-	-	
16	DAMODAR FERRO, LDA	-	-	-	-	-	-	-	-	
17	DI SHENG MINERAL RESOURCES, LDA	-	-	-	-	-	-	-	-	
18	EMPRESA MOÇAMBICANA DE EXPLORAÇÃO MINEIRA, S.A	-	-	-	-	-	-	-	-	
19	ENOP, LDA	-	-	-	-	-	-	-	-	
20	ENRC MOZ., LDA	-	-	-	-	-	-	-	-	
21	ETA STAR MOZ., S.A	-	-	-	-	-	-	-	-	
22	FABRICA DE XAROPES E REFRIGERANTES VUMBA, LDA	-	-	-	-	-	-	-	-	
23	G. S. CIMENTOS, S.A.R.L	-	-	-	-	-	-	-	-	
24	IGK ANCUABE GRAPHITE MINE, S.A	-	-	-	-	-	-	-	-	
25	GOLD ONE MOZ., LDA	-	-	-	-	-	-	-	-	
26	HAIYU (MOZ.) MINING CO, LDA	-	-	-	-	-	-	-	-	
27	ICVL ZAMBEZE, LDA	-	-	-	-	-	-	-	-	
28	JOACO CIMENTOS, LDA	-	-	-	-	-	-	-	-	
29	JRC CONSTRUÇÕES E OBRAS PÚBLICAS, LDA	-	-	-	-	-	-	-	-	
30	JSPM MOÇ. MINERAIS, LDA	-	-	-	-	-	-	-	-	
31	KENMARE MOMA MINING (MAURITIUS) LDA	-	-	-	-	-	-	-	-	
32	MIDWEST ÁFRICA, LDA	-	-	-	-	-	-	-	-	
33	MINA ALUMINA, LDA	-	-	-	-	-	-	-	-	
34	MINAS DE REVUBOÉ, LDA	-	-	-	-	-	-	-	-	
35	MINAS DE BENGALA, LDA	-	-	-	-	-	-	-	-	
36	MINAS MOATIZE, LDA	-	-	-	-	-	-	-	-	
37	MONTEPUEZ RUBY MINING, LDA	6,801,103	-	6,801,103	-	6,801,102.83	-	-	-	
38	MYALA RESOURCES, LDA	-	-	-	-	-	-	-	-	
39	INCONDEZI COAL COMPANY MOZ., LDA	-	-	-	-	-	-	-	-	
40	NIFIQUILE PROJECTO INVEST. COMERCIO E SERVIÇOS, LDA	-	-	-	-	-	-	-	-	
41	PEDREIRA NAMAACHA, LDA	-	-	-	-	-	-	-	-	
42	PEMAR, LDA	152,304	-	152,304	-	-	152,304	-	152,304	
43	PENBA COMBUSTÍVEIS, LDA	-	-	-	-	-	-	-	-	
44	PREFANGOL MOÇ., S.A	-	-	-	-	-	-	-	-	
45	RAYOMI, LDA	-	-	-	-	-	-	-	-	
46	SIMÃO FERREIRA E FILHOS MOÇ., LDA	-	-	-	-	-	-	-	-	
47	SLT MINING, LDA	-	-	-	-	-	-	-	-	
48	SOCIEDADE ÁGUAS DE MOÇ., LDA	-	-	-	-	-	-	-	-	
49	SOMINHA - SOCIEDADE MINEIRA DE NHAMPASSA, LDA	-	-	-	-	-	-	-	-	
50	SONIL - SOCIEDADE DO NIASSA, LDA	-	-	-	-	-	-	-	-	
51	SULBRITA, LDA	-	-	-	-	-	-	-	-	
52	TOVISI REN, S.A	-	-	-	-	-	-	-	-	
53	TRANSALY, LDA	-	-	-	-	-	-	-	-	
54	TWIGG EXPLORATION E MINING, LDA	-	-	-	-	-	-	-	-	
55	VALE MOÇ., S.A	-	10,000	-	10,000	-	10,000	10,000	-	
Hydrocarbons Sector										
1	ANADARKO MOÇ. ÁREA 1, LDA	-	-	-	-	-	-	-	-	
2	BHARAT PETROLEUM RESOURCES, LTD	-	-	-	-	-	-	-	-	
3	BUZI HYDROCARBONS	-	-	-	-	-	-	-	-	
4	COMPANHIA DE DESENVOLVIMENTO DE GÁS DE MOÇ., S.A	-	-	-	-	-	-	-	-	
5	COMPANHIA MOÇAMBICANA DE GASODUTOS	-	-	-	-	-	-	-	-	
6	COMPANHIA MOÇAMBICANA DE HIDROCARBONETOS, S.A	-	-	-	-	-	-	-	-	
7	EMPRESA NACIONAL DE HIDROCARBONETOS, EP	-	-	-	-	-	-	-	-	
8	ENI EAST AFRICA SPA	-	-	-	-	-	-	-	-	
9	GALP ENERGIA ROVUMA B.V.	-	-	-	-	-	-	-	-	
10	INTERNATIONAL FINANCE CORPORATION	-	-	-	-	-	-	-	-	
11	KOREAN GAS MOÇ., LDA	-	-	-	-	-	-	-	-	
12	MATOLA GAS COMPANY, SA	-	-	-	-	-	-	-	-	
13	MITSUI & CO., LTD	-	-	-	-	-	-	-	-	
14	OIL AND NATURAL GAS CORPORATION VIDESH	-	-	-	-	-	-	-	-	
15	PETRONAS CARIGALI MOZ. E&P, LDA	-	-	-	-	-	-	-	-	
16	PC MOZ. (ROVUMA BASIN), LDA	-	-	-	-	-	-	-	-	
17	PIT EXPLO. AND PRODUCTION PUBLIC COMPANY, LTD	-	-	-	-	-	-	-	-	
18	REPUBLIC OF MOZ. PIPELINE COMPANY	-	-	-	-	-	-	-	-	
19	SASOL PETROLEUM M10, LDA	-	-	-	-	-	-	-	-	
20	SASOL PETROLEUM MOZ. EXPLORATION LTD	-	-	-	-	-	-	-	-	
21	SASOL PETROLEUM MOZ., LDA	-	-	-	-	-	-	-	-	
22	SASOL PETROLEUM SENGALA, LDA	-	-	-	-	-	-	-	-	
23	SASOL PETROLEUM SOFALA, LDA	-	-	-	-	-	-	-	-	
24	SASOL PETROLEUM TEMANE, LDA	-	-	-	-	-	-	-	-	
25	WENTHWORTH PETRÓLEOS MOÇ., LDA	-	-	-	-	-	-	-	-	
Sub-total Mining Sector		6,953,407	10,000	6,943,407	-	6,791,103	-	162,304	10,000	152,304
Sub-total Hydrocarbons Sector		-	-	-	-	-	-	-	-	-
Grand Total		6,953,407	10,000	6,943,407	-	6,791,103	-	162,304	10,000	152,304

Annex 8: Comments on the Validation of the 6th Report

In the final meeting of the Multi-stakeholder Group (MSG) held on February 8th 2018 with the presence of his Excellencies the Minister and Vice-Minister of Mineral Resources and Energy the Executive Secretary of the EITI in Mozambique requested comments from the Independent Administrator (IA) of the 7th EITI Report on the recommendations issued by the independent valuation on the previous report.

Around July 2017 the IA received a document from the local secretariat of the EITI in Mozambique dated 8 June 2017 and entitled: "Validation of Mozambique: Report on Initial Data Collection and Stakeholder Consultation".

The report shows the initial assessment card awarded to the country conducted on all EITI Standard Requirements except 4 considered to be "*requirements (that are) only encouraged or recommended and should not be taken into account in assessing compliance*". These 4 requirements are: Beneficial Ownership (#2.5), Revenue Management and Expenditures (#5.3), Discretionary Social Expenditures (#6.1.b) and Data Accessibility (#7.2).

While providing comments on the valuation or the validation work is not part of the contract or the terms of reference the IA is able to provide comments on four key topics as described below.

1. Government, Industry and Civil Society Engagement (#1.1, #1.2 and #1.3)

It is the view of the IA that the EITI reporting process should be institutionalized, adhered to and enforced by the local EITI Secretariat and all Government institutions in a way that promotes active participation of the Civil Society, Industry and Government Institutions (particularly but not only INP and INAMI) from the very beginning of the process (prior to the start of data collection). The IA also recommends that all documentation pertaining EITI reports be archive by the local EITI committee and made available to the IA prior to data collection.

2. Transport Tariffs (#4.4)

Disclosure of gas transport tariffs was requested by the IA to ROMPCO via its main shareholder and operational leader of the Pande-Temane gas fields (Sasol). ROMPCO did not disclose the tariffs arguing they are confidential and that ROMPCO needs not comply with EITI give that only 50% of its shareholding is public (instead of 51% as requested by the 2016 EITI Standard), the Government of Mozambique only represents 25%, and therefore the majority of the ROMPCO's shareholders are based in South Africa, a country that is not part of the EITI.

Nevertheless ROMPCO, via Sasol, showed willingness to disclose in the future should all shareholders agreed to lift the confidentiality.

3. SOE Transactions (#4.5)

SOEs reported they did not receive material payments from other companies in the sector nor transfers between SOEs and Government agencies other than payment of dividends. It is recommended that compliance with the EITI questionnaire be made compulsory (based on regulatory requirements) and that the MSG engages SOEs at the beginning of the process to encourage proactive engagement by SOEs.

4. State Participation (#2.6)

This requirement has a broad scope as it includes "*An explanation of the prevailing rules and practices regarding the financial relationship between the government and state-owned enterprises (SOEs), e.g., the rules and practices governing transfers of funds between the SOE(s) and the state, retained earnings, reinvestment and third-party financing.*"

It is also directly related to other requirements like SOE transactions and SOE quasi-fiscal expenditures.

It is recommended that the MSG defines the applicable legal and regulatory framework so as to raise awareness and promote disclosure by the relevant entities.

5. SOE Quasi-fiscal Expenditures

SOE reported they do not perform quasi-fiscal expenditures. Given that the country was assessed as “non-compliant” after the 6th Report the IA adheres to the 2016 EITI standard in recommending that *“The multi-stakeholder group is required to develop a reporting process with a view to achieving a level of transparency commensurate with other payments and revenue streams, and should include SOE subsidiaries and joint ventures.”*