



PNG EXTRACTIVE INDUSTRIES
TRANSPARENCY INITIATIVE
NATIONAL SECRETARIAT



Level 8, Treasury Building
PO Box 1907,
PORT MORESBY, NCD,
Papua New Guinea

Telephone: (+675) 3133578
(+675) 3133651
Website: www.pngeiti.org.pg

16th October, 2019

MR. MATHEW SAVAGE

Partner - Assurance
Ernst & Young (PNG Office)
P. O. Box 1380
Port Moresby
National Capital District

Dear Mr. Savage,

Attention: Mr. Leonard Catalon (Manager – Assurance)

SUBJECT: REQUEST FOR ERNST & YOUNG TO NOMINATE A REPRESENTATIVE TO THE PNGEITI VALIDATION TECHNICAL WORKING GROUP AND TO ATTEND WORKSHOP IN ALOTAU FROM 24-25 OCTOBER, 2019.

I refer to the above and also seek your organisation's representation at the workshop.

As are well aware, PNGEITI underwent its first validation on the EITI implementation in 2018. The validation process is a quality assurance mechanism used by the EITI International to assess the progress of EITI implementation against the EITI Global best practice Standard.

PNGEITI's validation commenced in April 2018 and concluded in October the same year with the EITI Board determining PNG has having made *'Meaningful Progress'* in its EITI implementation. The ranking means that PNG, in general, is meeting most requirements of the EITI Standard. However, there are still a number of significant areas which require further action in meeting the EITI Standard. The EITI Board, in its validation decision outlined 14 action items, which require PNG to address before its second validation set for April 2020.

A Technical Working Group (TWG) for this validation process has been established, comprising of key stakeholders in the PNGEITI process. This is mostly for those entities that have been identified as having direct responsibility over some of the action items outlined. Ernst & Young has been directly involved as the Independent Administrator for production of PNGEITI reports and is currently working on the FY2018 Report that also involves addressing the Validation Report Recommendations as per the FY2018 PNGEITI Report Terms of Reference.

The PNGEITI National Secretariat, under the oversight of the PNGEITI MSG is now calling for an initial meeting for the TWG and project consultants to convene and review, firstly the progress of some of these action items, and secondly, plan how these items will be addressed in the lead up to the second validation in 2020. A detailed review of the progress and an action plan on the validation items is expected to be adopted during this workshop.

This first TWG Workshop is scheduled to be held on **Friday 25th of October, 2019 at the Alotau International Hotel, Milne Bay Province**. TWG members and project consultants will be required to arrive in Alotau on Thursday 24th October in preparation for the day-long workshop and return to Port Moresby on Saturday 26th October.

The PNGEITI National Secretariat will cover basic travel and accommodation costs for members of the TWG only, however we are unable to meet the cost of project consultants and we request if EY could meet the cost of attendance from your project budget. It is important that EY attends and participates at this workshop because a lot of discussions will be worthwhile for the forthcoming PNGEITI Report and the recommendations that will be coming out of it.

Attached are the validation matrix that contains the required action areas and a draft workshop program for your information. We request that confirmation for attendance be forwarded via email to the following; swartz_buf@treasury.gov.pg or francis_diakon@treasury.gov.pg, before COB Monday 21 October, 2019. Any further information or clarification can also be sought from the above contact officers.

We look forward to hearing from you soon.

Yours sincerely,


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LUCAS ALKAN

Head of National Secretariat