



PNG EXTRACTIVE INDUSTRIES
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TO WHOM IT MAY CONCERN

SUBJECT: REQUESTING SUPPORT IN THE PNGEITI SUB-NATIONAL PAYMENTS AND TRANSFERS SCOPING STUDY

I write in relation to the above subject matter and inform that the PNGEITI Subnational Payments and Transfers Scoping Study commenced in October last year. This study was made possible by the Government of Australia through the Papua New Guinea Governance Facility (PGF). The PGF had engaged Dr. Tim Grice as the consultant to undertake this study and to provide a report on the findings of the study to the PNGEITI Multi-stakeholder Group (MSG). Following preliminary planning activities last October, the actual study is anticipated to take up to 8 months from February to September this year. Dr. Tim has commenced working on this assignment in collaboration with the PNGEITI National Secretariat and the MSG. The consultant will approach all stakeholders involved at the national level, sub-national level and selected extractive companies for information and data gathering as part of this study.

The 2016 EITI Standard requires the MSG to establish whether direct payments and transfers, within the scope of the agreed benefit streams from extractive companies to subnational government entities are material or not. Where material, the MSG is required to ensure that company payments and transfers to subnational government entities and receipt of these payments are disclosed and reconciled in the EITI Reports (Requirement 4.6).

Where transfers and payments between national and subnational government entities are related to revenues generated by the extractive industries and are mandated by a national constitution, statute or other revenue sharing mechanisms, the MSG is required to ensure that these material transfers and payments are disclosed (Requirement 5.2.a).

I therefore seek your support in this important study by way of assisting the consultant to provide any information and data that may be requested from your entity or company.

I thank you in advance for your assistance.

Yours faithfully,



LUCAS ALKAN

Head of National Secretariat

Cc : MSG Members

: Dr. Tim Grice
Consultant

PNG Pacific Governance Facility (PGF)

: Australian High Commission