

ETHIOPIAN EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EEITI)

**EEITI report
for the year ended 7 July 2015**



January 2018

MOORE STEPHENS

Table of Contents

PREFACE	5
Extractive Industries Transparency Initiative (EITI)	5
EITI in Ethiopia.....	5
Objective.....	5
Nature and extent of our work	6
1. EXECUTIVE SUMMARY	7
1.1. EITI scope.....	7
1.2. Revenue generated from the extractive industries.....	7
1.3. Production.....	9
1.4. Scope of data collection	9
1.5. Completeness and Accuracy of Data	10
1.6. Reconciliation of cash flows	11
1.7. Recommendations	12
2. APPROACH AND METHODOLOGY	13
2.1. Scoping study	13
2.2. Data collection	13
2.3. Reconciliation and investigation of discrepancies.....	13
2.4. Reliability and credibility of data reported	14
2.5. Accounting records	14
3. CONTEXTUAL INFORMATION ON THE EXTRACTIVE INDUSTRIES	16
3.1. Extractive sector in Ethiopia	16
3.2. Background and profile of the mining sector in Ethiopia	16
3.3. Background and profile of the Oil & Gas sector in Ethiopia	33
3.4. Collection and distribution of the extractive industry revenues.....	41
3.5. Beneficial ownership	43
3.6. Audit and assurance practices in Ethiopia.....	44
4. DETERMINATION OF THE RECONCILIATION SCOPE.....	45
4.1. Selection of payment flows and information to be reported	45
4.2. Extractive companies	49
4.3. Government Agencies.....	51
4.4. Materiality thresholds and margin of error	52
5. RECONCILIATION RESULTS	53
6. REPORTED DATA ANALYSIS	67
7. RECOMMENDATIONS	74

ANNEXES	84
Annex 1: Employment figures in the reconciled companies.....	85
Annex 2: Extractive companies profile	86
Annex 3: Technical criteria for evaluation of exploration rights' applicatation	88
Annex 4: Beneficial ownership	90
Annex 5: Social contributions	93
Annex 6: Production data by mineral and by company	95
Annex 7: Payment flows description.....	97
Annex 8: Detail of Licenses disclosed by companies selected in the scope	100
Annex 9: Reconciliation sheets by company	104
Annex 10: Data submission and reliability 2014/15	131
Annex 11: Estimation of Free equity to be paid to MoFEC	132
Annex 12: Persons contacted or involved in the scoping study	133

LIST OF ABBREVIATIONS	
ASM	Artisanal and Small-scale Mining
CSO	Civil Society Organizations
EFY	Ethiopian Fiscal Year
EEITI	Ethiopian Extractive Industries Transparency Initiative
EITI	Extractive Industries Transparency Initiative
ERCA	Ethiopian Revenues and Customs Authority
ETB	Ethiopian Birr
FDRE	Federal Democratic Republic of Ethiopia
FOB	Free On Board
GDP	Gross Domestic Product
MoFEC	Ministry of Finance and Economic Cooperation
MLAD	Mining Licencing and Administration Directorate
MMPNG	Ministry of Mines Petroleum and Natural Gas
MSB	Multi-stakeholder Board
NBE	National Bank of Ethiopia
OFAG	Office of the Federal Auditor General
PAYE	Pay As You Earn
SNNP	Southern Nations, Nationalities, and Peoples
SOC	State-Owned Companies
TIN	Taxpayer Identification Number
ToR	Terms of Reference
VAT	Value Added Tax

PREFACE

Extractive Industries Transparency Initiative (EITI)¹

The Extractive Industries Transparency Initiative (EITI) was first announced at the World Summit for Sustainable Development in Johannesburg in 2002 (the 'Earth Summit 2002'), and officially launched in London in 2003. It was founded on the recognition that, while oil, gas and minerals can help to raise living standards across the world, in countries where these resources are not managed appropriately, this may often lead to corruption and conflict and, for many people, a lower quality of life.

The Extractive Industries Transparency Initiative is a global coalition of government agencies, extractive companies and civil society organisations working together to improve openness and accountable management of revenues from natural resources. EITI therefore promotes better governance in countries rich in oil, gas and mineral resources, and seeks to reduce the risk of diversion or misappropriation of funds generated by the development of a country's extractive industries. A new EITI Standard was published on 23 February 2016 (the "EITI Standard"). Its principles are based on the affirmation that public understanding of government revenues and expenditure over time, could help public debate and inform choice of appropriate and realistic option for sustainable economic growth and reduction of poverty in resource-rich countries.

The EITI Standard sets out the requirements which countries need to meet in order to be recognised, first as an EITI Candidate and ultimately as an EITI Compliant country. There are currently 51 implementing countries of which 14 countries which made meaningful to satisfactory progress. 31 countries are yet to be assessed against the 2016 standard.

EITI in Ethiopia

The former Ethiopian Minister of Mines committed to EITI and launched the Ethiopian EITI (EEITI) in July 2009. The launching conference for the implementation of EITI in Ethiopia was held between 28 and 29 July 2009 in Adama, Ethiopia, involving more than 100 participants from CSOs, extractive companies and Government Agencies.

However, the International Secretariat deferred the application of Ethiopia as candidate seeking further explanations from the Government of Ethiopia with regards to the free and active participation of CSOs in the EEITI implementation.

Additionally, before becoming an EITI country candidate, Ethiopia published a pilot reconciliation report, prepared by Hart Nurse Ltd, for the period 2009/10 running from 8 July 2009 to 7 July 2010 covering 16 companies in February 2013.

Ethiopia became an EITI Candidate country in March 2014, and published its first EITI report in March 2015 covering the period 2013/14 from 8 July 2013 to 7 July 2014. Ethiopia has currently been suspended for missing the publication deadline of its second EITI report which was expected on 7 July 2017.

In a bid to promote the legal framework of EEITI and to institutionalise the EITI Process, an EITI Act is currently being reviewed by the Attorney General to be proposed to the Council of Ministers for adoption.

Objective

The purpose of this assignment is to produce the second EITI Report for Ethiopia, to define the scope of the extractive industries and to reconcile the data provided by extractive companies (hereafter referred to as "Companies") with the data provided by relevant Government Ministries and Entities (hereafter referred to as "Government Agencies").

¹ Source: <https://eiti.org/eiti>

The aim of this EEITI report is to strengthen the understanding of the level of contributions of the extractive sector to the economic and social development of Ethiopia in order to improve transparency and good governance in all components of the extractive industry value chain.

Nature and extent of our work

Moore Stephens has been appointed as Independent Administrator in order to prepare the second EITI Report for the year ended 7 July 2015.

We have performed our work in accordance with International Auditing Standards applicable to Related Services (ISRS 4400 Engagements to perform agreed upon procedures regarding Financial Information). The procedures performed were those set out in the terms of reference as approved by the EEITI MSB.

The reconciliation procedures carried out were not designed to constitute an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements and as a result, we do not express any assurance on the transactions beyond the explicit statements set out in this report. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The report consists of seven (7) chapters presented as follows:

- Executive summary;
- Approach and methodology;
- Contextual information on the extractive industries;
- Determination of the reconciliation scope;
- Reconciliation results;
- Reported data analysis; and
- Recommendations.

Reported data disaggregated by individual companies, Government Agencies and revenue streams, are included as appendices to the report. The amounts in this report are stated in Ethiopian Birr (ETB), unless otherwise stated.

This report incorporates information received up to **8 December 2017**. Any information received after this date has not been included in our report.

1. EXECUTIVE SUMMARY

This report summarises information about the reconciliation of revenues from the extractive industries in Ethiopia as part of the implementation of the Extractive Industries Transparency Initiative (EITI). In this context, extractive companies and Government Agencies report payments and collections respectively from the extractive industries for royalties, profit taxes, dividends, and other industry related payments.

1.1. EITI scope

This report covers payments made by extractive companies and revenues received by Government Agencies and other material payments and benefits to Government Agencies as stated by Requirement 4.1 of the EITI standard and as detailed in Section 4 of this report.

It also includes contextual information about the extractive industries in accordance with EITI Requirements n°2 to 4. This information includes a summary description of the legal framework and fiscal regime; an overview of the extractive industries; the extractive industries' contribution to the economy; production data; the State's shareholding in extractive companies, revenue allocations, licence registers, licence allocations and social contribution of extractive companies.

1.2. Revenue generated from the extractive industries

The receipts reported by the government between 8 July 2014 and 7 July 2015 (Ethiopian Fiscal Year 2014/15), after reconciliation, are presented below:

Structure of direct revenues of the extractive industries

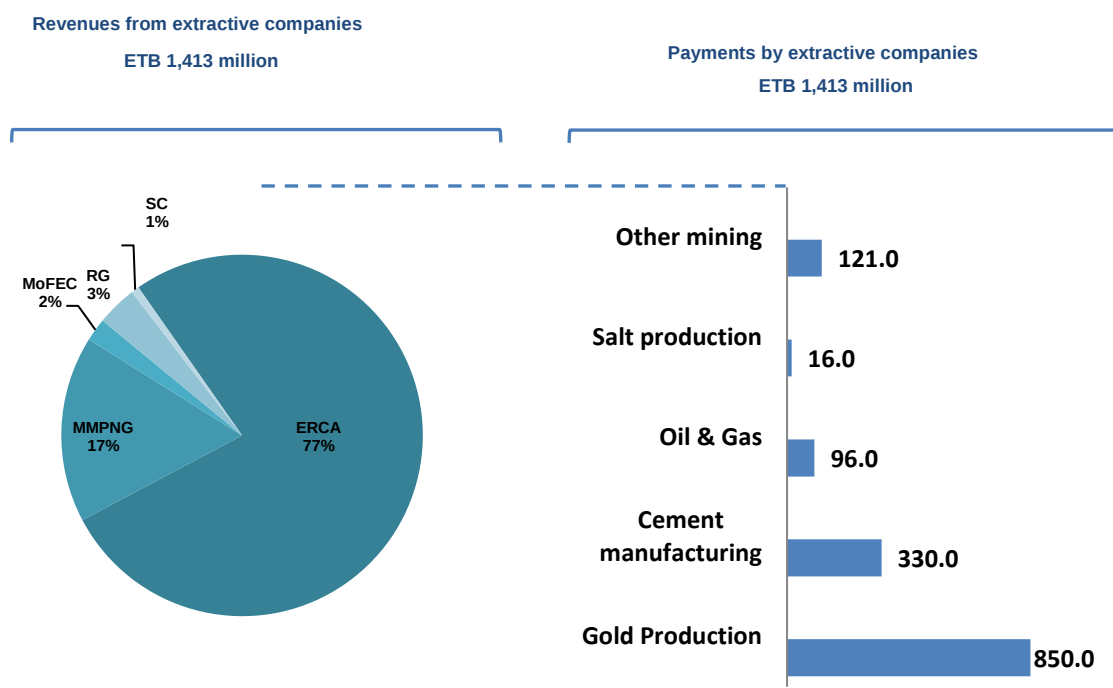
Total revenues received from the extractive sector amounted to ETB 1,413 million in 2014/15. ERCA accounted for 77% of the total revenue stream generated by the sector, followed by MMPNG and MoFEC, accounting respectively for 16.7% and 2.1% of total extractive industry revenues. The breakdown of revenues is set out in the table below:

	Extractive revenues (ETB million)	% of total payment
Ethiopian Revenues and Customs Authority (ERCA)	1,087	77.0%
Ministry of Mines Petroleum and Natural Gas (MMPNG)	235	16.7%
Ministry of Finance and Economic Cooperation (MoFEC)	29	2.1%
Regional Governments (RG)*	51	3.6%
Social contributions (SC) *	10	0.7%
Total extractive revenues	1,413	100.0%
Gold production	850	60.2%
Cement manufacturing	330	23.4%
Oil and Gas	96	6.8%
Salt production	16	1.1%
Other mining	121	8.6%
Total extractives revenues	1,413	100.0%

Source: EITI Reporting Templates as detailed in Section 6 of this report

* Unilaterally declared by companies retained in the reconciliation scope

Figure 1: Structure of extractive industries revenues



Significance to Ethiopian economy

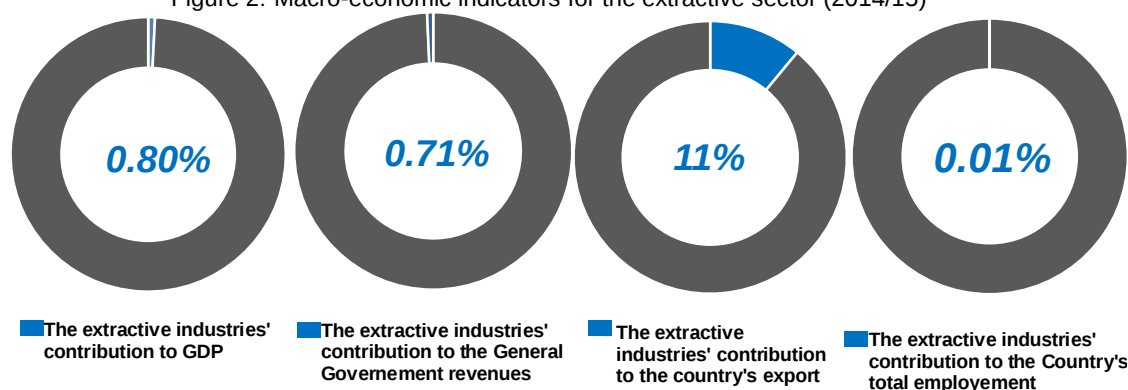
In accordance with the Central Statistical Agency of Ethiopia (CSA), the contribution of the extractive industries to the Gross Domestic Product (GDP) in the fiscal year 2014/15 amounted to ETB 5,876 million which represents about 0.8% of the GDP as detailed in Section 3.2.10 of this report.

Based on the EEITI data collected, the revenues collected from the extractive industries amounted to ETB 1,413 million and contributed to 0.71% of the total Government revenues during the fiscal year 2014/15 as detailed in Sections 3.2.10 and 3.3.8 of this report.

Based on the National Bank of Ethiopia and ERCA's data, the value of solid minerals exported amounted to USD 343.5 million and represented about 11% of the total exports of the country.

Employment reported by the extractive companies retained in the scope amounts to 3,544 employees representing 0.01% of the total labour force during the fiscal year 2014/15 as detailed in Sections 3.2.10 and 3.3.8 of this report.

Figure 2: Macro-economic indicators for the extractive sector (2014/15)



1.3. Production

EITI Requirement 3.2: states that: 'Implementing countries must disclose production data for the fiscal year covered by the EITI Report, including total production volumes and the value of production by commodity, and, when relevant, by state/region.' The EEITI MSB agreed to include production data provided by extractive companies included in the reconciliation scope as well as the information on ASM provided by the National Bank of Ethiopia as detailed below:

Mineral	Quantity (Tons)	Value of the production (ETB million)	%	Regions
Gold	3	2,696	37%	Oromia
Limestone	2,319,216	140	2%	Dire Dawa, Oromia
Salt	79,605	52	1%	Afar
Marble	11,918	11	0%	Benshangul Gumuz
Pumice	117,951	8	0%	Oromia
Gypsum	115,623	4	0%	Oromia
Other	312,036	115	2%	Oromia
Sub-total production value of reporting companies (*)		3,026	42%	
Gold from ASM (**)	5,472,531	4,259	58%	SNNP, Benshangul-Gumuz, Oromia (***), Tigray
Total production		7,285	100%	

(*) Source: EITI Reporting Templates as detailed in Section 6.5 of this report

(**) Source: National Bank of Ethiopia as detailed in Section 3.2.8 of this report

(***) A purchase center in Oromia region started operating after 2014/15 in Section 3.2.8 of this report

In accordance with the table above, production value of ASM represents 58% of total production value and covers four regions that are SNNP, Benshangul-Gumuz, Oromia and Tigray. Production areas of large and small-scale miners included in the reconciliation scope covers four regions namely Oromia, Dire Dawa, Benshangul Gumuz and Afar regions

1.4. Scope of data collection

Reconciliation scope

For the mining sector, the EEITI MSB identified 21 companies to be included in the reconciliation process for the second EEITI Report. These companies meet the selection criteria in the fiscal year 2014/15 as detailed in Section 4.2.2 of this report and they were therefore included in the reconciliation process.

For Oil & Gas, the EEITI MSB agreed to include in the reconciliation process six (6) Oil & Gas exploration companies that have made payments during 2014/15 and that are still operating in the country without applying any materiality threshold as detailed in Section 4.2.1 of this report.

The EEITI MSB agreed to include in the reconciliation process three (3) Government Agencies that are MMPNG, ERCA and MoFEC. These Government Agencies receive payments from the extractive companies as detailed in Section 4.3 of the report. Although NBE was not required to submit reporting templates for the reconciliation process, it remained part of the reporting process to provide unilateral disclosure of ASM production.

Unilateral disclosure

As agreed by the EEITI MSB, only MMPNG disclosed unilaterally revenues collected from companies not retained within the reconciliation scope. Further details are presented in Section 6.3 of this report. Companies retained within the reconciliation scope were required to disclose unilaterally their social contribution and their payments to the Regional States.

Based on the above, we have included payments of ETB 61 million with unilateral disclosure from extractive companies and ETB 13 million with unilateral disclosure from Government Agencies. These unilateral disclosures amount to ETB 74 million and represent 5.2% of total revenues of the

extractive sector. This allowed us to include 94.8% of total revenue of the extractive sector in the reconciliation scope:

Payments from:	Revenue (ETB million)	%
Mining sector total revenue	1,413	100%
Reconciled revenue	1,339	94.8%
Unilateral disclosure by Government Entities of receipts from extractive companies outside the reconciliation scope	13	0.9%
Unilateral disclosure by mining companies within the reconciliation scope	61	4.3%
Total unilateral disclosure of mining sector revenues	74	5.2%

Source: EITI Reporting Templates

Detail on the unilateral disclosure are presented in Sections 6.2 and 6.3 of this report.

EITI report scope

According to the Constitution of Ethiopia, the Federal Republic comprises nine-member states, which have their own legislative, executive and judicial powers. The EEITI MSB decided that regional Government Agencies would not be requested to report data on extractive revenues. Payments made to regional governments have only been declared by extractive companies included in the reconciliation scope. As a result, Regional Governments are not retained in the scope of this report.

The EEITI MSB decided that the special small scale and artisanal mining sector would not be included in this report as detailed in Section 3.2.8. The overall contribution of artisanal gold producers to the country's gold production could only be assessed from data available from the National Bank of Ethiopia, which acts as a clearing house for gold produced by artisanal miners.

The EEITI MSB decided that tax payments of companies holding solid mineral exploration licences would not be retained in the scope of this report as detailed in Section 4.2.2 of this report.

1.5. Completeness and Accuracy of Data

Data submission

All Government Agencies included in the reconciliation scope submitted their reporting templates. All extractive companies included in the reconciliation scope submitted reporting templates, except for companies listed in the table below. Receipts reported by Government Agencies and relating to these companies amounted to ETB 45 million accounting for 3.4% of the total revenue of extractive industries:

N°	Company	Government receipts (in ETB million)
1	Pioneer Cement Manufacturing Plc	37
2	Ethiopian Mineral, Petroleum and Fuel Co	4
3	Three M Marble and Terrazzo Manufacturing Plc	2
4	Sammakka Stones Plc	1
5	ETNO Mining Plc	1
6	Target Industries Plc	0
Total		45

Source: EITI Reporting Templates

Except for the effects of the matters described above, all material contributions to the revenues of Ethiopia made by extractive companies within the scope agreed by the EEITI MSB, have been reconciled.

Data reliability

Selected companies

Seven (7) companies submitted reporting templates not signed by an authorised officer. Receipts reported by Government Agencies and relating to these companies amounted to ETB 363 million accounting for 25% of the total revenue of extractive industries.

Nine (9) companies submitted reporting templates not certified by an external auditor. Receipts reported by Government Agencies and relating to these companies amounted to ETB 377 million accounting for 27% of the total revenue of extractive industries.

All of the companies that submitted reporting templates, submitted their audited financial statements. Receipts reported by Government Agencies and relating to these companies amounted to ETB 1,294 million accounting for 91% of the total revenue of extractive industries.

Submission details are presented in Annex 10 of this report.

Government Agencies

With regards to Government Agencies:

- reporting templates of all Government Agencies were signed by an authorised officer without being certified by the Office of the Auditor General (OFAG) as decided by the EEITI MSB; and
- audit reports of the financial statements of MoFEC and MMPNG have been submitted.

Submission details are presented in Annex 10 of this report.

Except for the effects of the matters described above, financial data submitted by reporting entities and included in this report were subject to credible, independent assurance process, applying international standards.

1.6. Reconciliation of cash flows

The purpose of reconciling payment flows was to identify any potential discrepancies in the declarations and to clarify them. The gaps identified initially were analysed and adjusted whenever the relevant supporting documents were made available by the reporting parties.

According to the data collected from extractive companies and Government Agencies, after reconciliation work, revenues generated from the extractive industries amounted to ETB 1,413 million. These revenues include reconciled revenue amounting to ETB 1,339 million and representing 94.81% of the total revenues during the fiscal year 2014/15. The reconciled revenues detail by Government Agency is set out in the table below:

Disclosure	Declared Government revenue (ETB million)	% of total payments
Ministry of Mines Petroleum and Natural Gas (MMPNG)	223	15.77%
Ethiopian Revenues and Customs Authority (ERCA)	1,087	76.96%
Ministry of Finance and Economic Cooperation (MoFEC)	29	2.05%
Reconciled revenues	1,339	94.81%
Unilateral disclosure of revenues by extractive companies	61	4.32%
Unilateral disclosure of revenues by Government	13	0.90%
Total extractive revenues	1,413	100%

Cash flows reconciliation

After adjustment and reconciliation work, a net difference of ETB 83 million representing 6.2% of reconciled Government revenues remained unreconciled out of which 3.4% resulting from companies that did not submit reporting templates. The unreconciled difference may be summarised as follows:

Payments to	Extractive company (ETB million) (a)	Govt (ETB million) (b)	Unreconciled Difference (c)=(a)-(b)	% (d)= (c)/(b)
Ministry of Mines Petroleum and Natural Gas (MMPNG)	222	223	(1)	(0.45%)
Ethiopian Revenues and Customs Authority (ERCA)	1,005	1,087	(82)	(8%)
Ministry of Finance and Economic Cooperation (MoFEC)	29	29	-	0.0%
Total	1,256	1,339	(83)	(6.2%)

Details of the reconciliation and adjustments made by company and by tax are set out in the Section 5 of this report while individual tax templates by company showing the reconciliation are presented in Annex 9.

1.7. Recommendations

We have made recommendations with a view to improve the EITI process in Ethiopia and governance of the extractive sector and revenue management. These are summarised as follows:

Findings
1 Weaknesses leading to unreconciled differences
2 Accuracy of Production data
3 Electronic publication of contracts/agreements
4 Follow up of the mining contract terms
5 Mining activities managed by the regional governments
6 Meeting the recommendations made in the first EEITI report
7 Reporting templates not adequately filled in by some stakeholders
8 Lack of assurance on reported data Reliability
9 Weaknesses in the licences register
10 Reporting deadlines not met by reporting entities
11 Lack of EITI Database
12 Lack of available statistics and data on the extractive industry
13 Lack of a centralised reporting and payment system
14 Weaknesses in the non-tax administration/ Non-collection of payments
15 Lack of technical skills of Government Agencies, the EITI Secretariat and private entities

These recommendations are detailed in Section 7 of this report.



Tim Woodward
Partner
Moore Stephens LLP
03 January 2018

150 Aldersgate Street
London EC1A 4AB

2. APPROACH AND METHODOLOGY

The reconciliation process consisted of the following steps:

- conducting a scoping study to determine the scope of the reconciliation exercise and to design the reporting templates;
- the collection of payment data from Government Agencies and extractive companies, which provide the basis for the reconciliation;
- a comparison of amounts reported by Government Agencies and extractive companies to determine if there are discrepancies between the two sources of information; and
- contact with Government Agencies and extractive companies to resolve the discrepancies.

2.1. Scoping study

The financial flows to be included in the reconciliation and the Government Agencies and companies which were required to report were determined by the EEITI MSB based on the scoping study conducted by Moore Stephens.

According to the ToR of our Engagement, we were required to carry out a scoping study which would determine the scope of the first EEITI Report, including a proposal of:

- the materiality threshold for receipts and payments;
- taxes and revenues to be covered including social contribution;
- companies and Government Agencies required to report; and
- assurances to be provided by reporting entities to ensure credibility of the data made available to us.

The scope of the EEITI report as decided by the EEITI MSB is described in Section 4 of this report.

2.2. Data collection

We developed instructions, including reporting templates and reporting guidelines, requesting extractive companies and Government Agencies to report all required data.

We carried out a Stakeholder Workshop in Addis Ababa on 1 November 2017 to present the:

- reconciliation process;
- reconciliation scope;
- reporting templates and instructions;
- lessons learnt from the other reconciliation reports; and
- frequent issues arising during the reconciliation exercise.

The reporting package, comprising the Reporting Templates and Instructions for their completion, was sent electronically to the stakeholders on 1 November 2017.

Extractive companies and Government Agencies were required to report directly to the Independent Administrator (IA), to whom they were also requested to direct any queries about the reporting templates.

The EEITI MSB agreed that the deadline for submission of the certified reporting templates would be 8 November 2017.

2.3. Reconciliation and investigation of discrepancies

The process of reconciling the data and investigating discrepancies was carried out from 13 to 22 November 2017. In carrying out the reconciliation, we performed the following procedures:

Initial Reconciliation Procedures: Figures reported by extractive companies were compiled item by item and checked against figures reported by Government Agencies. As a result, all discrepancies identified have been listed item by item in relation to each Government Agency and company.

In cases where the reported revenue from Government Agencies agreed with a company reported payment, or with a deviation in the allowable variance described in the section below, the government figures were considered to be confirmed and no further action was undertaken.

In cases where the reported revenue from Government Agencies did not agree with a company reported payment and the difference was not within the allowable variance, discrepancies were specified for each company and government reporting entity and the discrepancies were subject to further evaluation before completing the initial reconciliation report.

Reconciliation variance: As part of the reporting process, a variance threshold of ETB 20,000 was agreed to help determine an acceptable level of effort to spend in attempting to resolve discrepancies.

In the cases where the reported revenue from Government Agencies did not agree with payments reported by the company, and the discrepancies were at or below the variance threshold determined by the EITI MSB, the Independent Administrator concluded that the discrepancies were not material to the EITI Report.

Follow-up procedures to investigate differences: In the case where material differences were noted, the Government Agencies and the companies were asked to provide supporting documents and/or confirmation for any adjustment to the information provided on the original reporting templates.

We contacted the reporting entities and reviewed additional supporting documentation evidencing the payments reported. In the event that we were not able to identify the reasons for the differences from the review of additional supporting evidence and contact with the reporting entities, we concluded that the discrepancies are “undetermined or unexplained”. The results of our work are presented in Section 5 of this report.

2.4. Reliability and credibility of data reported

In order to comply with EITI Requirement 4.9 and to ensure the credibility of data submitted, the EITI MSB agreed the following approach in the preparation of the 2014/15 EITI Report:

- for every company the “Payment/Receipt Report” should be signed by an authorised senior official (at board level);
- for every Government Agency the “Payment/Receipt Report” should be signed by an authorised senior officer; and
- each Reporting Template must be certified by an external auditor:
 - Extractive companies: are required to obtain confirmations from a registered external auditor that the figures reported in the Reporting Templates are in accordance with instructions issued by the Independent Administrator, are complete and are in agreement with their financial statements for the period covered by the reconciliation; and
 - Government Agencies: were required to obtain confirmation from the Auditor General that the figures reported in the Reporting Templates are in accordance with instructions issued by the Independent Administrator, are complete and are in agreement with the audited accounts of government for the Ethiopian fiscal year 2014/15.
- extractive companies were encouraged to submit their audited financial statements for the years 2014, 2015 and 2016; and
- the Auditor General was required to carry out agreed upon procedures under international standards in his certification of reporting templates provided by Government Agencies.

2.5. Accounting records

In accordance with Requirement 4.7 of the EITI Standard, data has been reported by company, by payment flow and by Government Agency. Reporting entities were asked to provide the relevant details along with the reporting templates for each payment flow, as well as contextual information.

The reconciliation has been carried out on a cash basis. Accordingly, payments made prior to 8 July 2014 have been excluded. The same applies to payments made after 7 July 2015.

The reporting currency is ETB. For payments made in foreign currency, the reporting entities were required to report in the currency of payment. Payments made in foreign currency (US\$) have been converted to ETB at the actual rate used by the Government Body to record the amount received.

2.5.1. Extractive companies

Extractive companies prepare their accounting records on the accruals basis, i.e. the tax expense is recognised at the time it is due rather than the time when it is paid. Only amounts actually paid during the period from 8 July 2014 to 7 July 2015 were considered in the reporting templates.

2.5.2. Government Agencies

In respect of Government Agencies, care has been taken to ensure that amounts shown on the "Payment/Receipt Report" included all receipts during the year 2014/15, irrespective of whether or not the receipt was allocated in the Government Agency's records against amounts due in the previous financial year.

3. CONTEXTUAL INFORMATION ON THE EXTRACTIVE INDUSTRIES

3.1. Extractive sector in Ethiopia

Ethiopia is richly endowed with mineral resources and with a contribution of 3% of the global tantalum production in 2014¹. In the year 2014/15, Ethiopia produced a variety of mineral commodities, including gold, salt, limestone, silver, precious and basic stones, marble, kaolin and dolomite. According to the Ministry of Mines Petroleum and Natural Gas, the oil and gas sector is still at the exploration phase.

The extractive sectors covered by this report are:

- Mining and quarrying; and
- oil and gas exploration.

3.2. Background and profile of the mining sector in Ethiopia

3.2.1. General context of the mining sector in Ethiopia

Ethiopia is the 27th largest country² in the world with over 1.1 million km² of land area³ and a population of around 102 million⁴. Despite of the long history of traditional mining in the country, systematic and modern mineral exploration started in late 1960's. Surveys that were mostly carried out in the Precambrian terrain of the country resulted in the discovery of various mineral deposits and occurrences in different parts of the country. The diversity of Ethiopian geology gives rise to extensive resources of several mineral commodities, including basic, precious and rare metals, gemstones, dimension stones, and industrial, construction and energy minerals.

Although current mineral production is still small, Ethiopia actually has a diverse and complex geological history with three major geological terranes. The Proterozoic crystalline basement for gold prospecting that underlies about 18% of the country, Late Palaeozoic, Mesozoic and Tertiary continental and marine sediments occur mostly in the East and occupy about 25% of the land area of the country. And finally, the Cenozoic volcanic and sedimentary rocks, including those of the East African Rift Valley transects the country in a North-Easterly direction and underline the remaining 57% of the land of the country.

The most important extracted mineral in the country is gold. Gold has been produced from placer deposits for several thousand years and there is currently a hard-rock mining operation at Lega Dembi. Ethiopia is also one of the major world producers of tantalum, contributing 10% to the world's production in 2012, according to the USGS 2012 Minerals Yearbook. The mineral is widely used in capacitors for computers and mobile phones and it is certainly an important component in modern technology. Relatively important amounts of tantalite are also produced from the Kenticha mine in the south of the country.

Small-scale production of a wide range of industrial mineral⁵ commodities is distributed throughout the country⁶ and there is also good potential for additional production for domestic markets, particularly in building and construction, glass and ceramics, and fertilizers⁷. Since ancient times, marble has also been quarried for a variety of architectural and artistic purposes in Ethiopia⁸. The country has marble deposits in several regional States including Harrar, Tigray, Oromia, and

¹ USGS 2014 Minerals Yearbook, Ethiopia

² <https://www.countries-ofthe-world.com/largest-countries.html>

³ World Bank (<https://data.worldbank.org/indicator/AG.SRF.TOTL.K2>)

⁴ World Bank (<http://www.worldbank.org/en/country/ethiopia/overview>)

⁵ Geological Survey of Ethiopia (<http://www.gse.gov.et/index.php/2016/09/03/mineral-exploration-and-evaluation/>)

⁶ Geological Survey of Ethiopia (<http://www.gse.gov.et/index.php/2016/08/19/about-ethiopia/>)

⁷ Geological Survey of Ethiopia (<http://www.gse.gov.et/index.php/2016/08/19/about-ethiopia/>)

⁸ Geological Survey Of Denmark And Greenland http://extra.geus.info/cet/ethiopia/EthiopiaFS_Marble_Web.pdf

Benishangul-Gumuz¹. Marble, potash, limestone, granite, coal and minerals used to produce cement are used by industries for the production of cement, marble, ceramic, paper and glass as well as fodder for cattle and poultry. Several of these minerals such as the marble² are also exported helping the country earn foreign currency.

3.2.2. Legal framework of the extractive industries

For several years Ethiopian mining law has put foreign mining companies off from participating in its mineral sector. Before the advent of the new economic policy of Ethiopia, private investments were not allowed in the mining sector from 1974 to 1991 and the government was solely responsible for the exploration and development of the sector.

This ban ended in 1993 and in order to make the minerals sector more attractive to foreign investors, new mining laws and mining tax laws were enacted and constantly reviewed with a view to boost investment in the Ethiopian minerals sector.

In June 1993 Mining and Mining Income Tax Proclamations were issued setting out the legal framework governing mineral exploration, exploitation, trading and taxation. Various mining regulations have been introduced subsequently to regulate mining activities. These mining regulations and rules are the Mining Proclamation (No 52/1993)³ as amended by Proclamations (No. 22/1996⁴ and 118/1998⁵), Mining Income Tax Proclamation (No. 53/1993), with its amendment proclamation (No. 23/1996⁶), the Proclamation to promote and regulate transactions of precious minerals (Proclamation No. 651 /2009⁷), the Proclamation for sustainable development of mineral resources (Mining Operations Proclamation No.678/2010⁸), the mining operations amendment Proclamation (N° 816/2013⁹), the Mining Operations Council of Ministers Regulations (N° 182/1994¹⁰), and several directives.

3.2.3. Allocation of licences

As per the reform issued in 1998 on Mining proclamations, the Federal Government's Ministry of Mines and Energy is responsible for granting and supervising large scale mining operations in addition to issuing prospecting, exploration and mining licences for foreign investors and to those in joint venture with Ethiopian companies. The Federal Government's Ministry is also responsible for issuing licences reconnaissance, exploration, retention and mining licences other than those to be issued by a regional State licensing authority and for issuing certificate of professional competence for professionals who wish to engage in consultancy services in the mining sector.

Regional State Licensing Authority is responsible of issuing artisanal mining licences, reconnaissance, exploration and retention licences with respect to construction and industrial minerals, small scale mining licences for industrial minerals, large scale mining licences for construction minerals and certificates of discovery for minerals other than strategic minerals.

¹ Geological Survey of Ethiopia (<http://gis.gse.gov.et/map/sharing/rest/content/items/8add832161f6437f8e37418c12136347/data>)

² Section 6.6 of this report

³ <http://extwprlegs1.fao.org/docs/pdf/eth85042.pdf>

⁴ <http://extwprlegs1.fao.org/docs/pdf/eth85043.pdf>

⁵ <https://chilot.me/2011/08/proclamation-no-1181998-a-proclamation-to-amend-the-mining-proclamation/>

⁶ <http://www.mom.gov.et/upload/MiningIncomeTaxProclamation.pdf>

⁷ <http://www.mom.gov.et/upload/Proclamation%20651-2001.pdf>

⁸ <http://www.mom.gov.et/upload/Mineral%20Proclamation.pdf>

⁹ <http://www.mom.gov.et/upload/816-2013.pdf>

¹⁰ <http://www.mom.gov.et/upload/miningreg.pdf>

We noted that the following mining licences have been awarded during the reconciliation period 204/15:

Company	Commodity extracted	Licence type	Licence number or Blocks awarded	Issue date	Duration	Regional State	Local / Woreda
Dangote Industries (Ethiopia) Plc	Gypsum	Mining	MOM/LSML/304/2014	12/10/2014	20 Years	Oromia	Adabrga
Dangote Industries (Ethiopia) Plc	Silca sand	Mining	MOM/LSML/413/2014	20/01/2015	20 Years	Oromia	Adabrga
Dangote Industries (Ethiopia) Plc	Basalt	Mining	MOM/LSML/414/2014	20/01/2015	20 Years	Oromia	Adabrga
Dangote Industries (Ethiopia) Plc	Pumice	Mining	MOM/LSML/421/2014	20/01/2015	20 Years	Oromia	Bora

We did not note any non-trivial deviations from the applicable legal framework governing licence awards for the licences allocated during the reconciliation period 2014/15.

Licences allocation process

The Mining Operations Proclamation (No.678/2010) set the order of application processing. In this respect, applications for licences have to be submitted to the Licensing Authority for the issuance, renewal or transfers accompanied by the documentation required by the Proclamation, regulations and directives and with the payment of the prescribed application fee. The Licensing Authority registers and gives a receipt to the applicant once it is satisfied with the application. The following rules are generally applied unless otherwise agreed:

- an application submitted for a large-scale mining licence takes precedence over those for small scale and artisanal mining licensees, and an application for small scale mining licence takes precedence over those for artisanal mining licences;
- the applications is dealt with in the order of date of receipt if the Licensing Authority receives more than one application for licences of the same status covering the same mineral and area; and
- where two or more applicants lodge applications for licences of the same status at the same time covering the same mineral and area, the Licensing Authority constitutes a technical team to evaluate the applications and the priority shall be determined on the basis of the evaluation of the technical work plan, the financial proposal, as well as the technical competency of the applicants.

Any interested applicant should first enquire about the general information on the application procedures at MLAD's office at MMPNG. MLAD may brief the applicant and may eventually refer him/her to the Geology Survey of Ethiopia in order to obtain all information about the surveys and mineral deposit in all regional states of the country.

Once the applicant has decided which mineral type and in which regional state he/she wants to apply for, he/she should send an official letter to MLAD in writing in order to arrange for a geological visit at the relevant location (wareda, region).

MLAD may therefore write a supporting letter to the Regional Mines Bureau of that particular area in order to request them to assist the applicant during the geological visit.

The applicant therefore defines the particular coordinates of the area for which he/she decides to apply for during the geological visit.

MLAD should then cross-check these coordinates with the cadastre in order to confirm that the area is not overlapping with any other licence. In case there is an overlap with an existing licence covering a different mineral type. The Minister or the State Minister can decide, after consulting the existing

licensee, to grant the overlapping licence to the new applicant on the condition that this licence does not affect the activities of the existing licence covering the same area.

If the coordinates do not overlap with another licensee's area, an Application Identification Code reference will be recorded in the cadastre and the applicant will fill in the official Application Form for Mineral Operations Licence and Other Services and will pay the application fees. The application form should then be submitted to MLAD along with the following documents in a sealed envelope:

- 1- ID Card/Passport;
- 2- Principal Business Registration Certificate;
- 3- Evidence verifying the financial status of the applicant;
- 4- Work Program (for Reconnaissance/Exploration)
- 5- Feasibility study (for Mining Licence Applications only);
- 6- Environmental and Social Impact Assessment (ESIA) report (for Mining & Exploration Licence Applications only);
- 7- Tax Identification Number (TIN) (for Mining Licence Applications only);
- 8- Articles of Association (for companies); and
- 9- Memorandum of Association (for companies).

MLAD has set up a committee to evaluate the applications of exploration licences and a different committee for evaluating the mining licence's applications. Each evaluation committee is composed of 5 members.

For evaluating applications for exploration licences, the committee should apply the technical criteria regarding the areas listed below along with their respective weights and which are detailed in Annex 3 of this report:

- number of years the applicant has been in mining operation and directly/indirectly related experience with a maximum of 15 points;
- human resources capacity & experience with a maximum of 10 points;
- financial performance with a maximum of 10 points;
- proposed project location and area coverage with a maximum of 2 points;
- objective of the proposed project in specific, measurable, achievable and time framed (SMART) with a maximum of 3 points;
- previous work assessment citing appropriate reference with a maximum of 10 points;
- exploration work proposal (detail exploration program for the 1st year and comprehensive work program for 2nd and 3rd year) with a maximum of 30 points;
- expenditure obligation for the initial three years of exploration period with a maximum of 10 points;
- financial status of the applicant related to the exploration period with a maximum of 10 points;

The minimum score out of the technical criteria for Exploration application is 75 points.

For Mining licence application, all of the Economic, Resource, and Mining Engineering Sections should evaluate and give their comments on the feasibility study of the applicant's. The applicant should comment in the presence of the mining committee members.

After the assessment of the application, the minutes of the evaluation meeting are then submitted to the Mine Sector State Minister in order for him to decide to grant the licence or not. If the application is not approved, the application code reference will be removed from the cadastre.

If the memo is approved by the State Minister, the Licensing Case Team Leader will instruct the MLAD experts to prepare the Agreement Letter and its Annexes which should be signed in 9 copies by the State Minister. Then, the Licensing Case Team Leader and the applicant should sign every page of the agreement. A copy of the agreement is delivered to the applicant and another copy is delivered to the Regional National States Mine Bureau.

The licence fee should be paid by the applicant and a Licence Certificate is then delivered to the licensee.

Types of Licences

In accordance with the Mining Operations Proclamation No.678/2010, there are seven types of licences and two certificates as follows:

Type	Licence Period
Reconnaissance Licence	Up to 1.5 year, non-exclusive and non-renewable
Exploration Licence	Up to 3 years plus two-Yearly renewals; may be permitted u to two additional renewals under certain circumstances
Retention Licence	Up to 3 years plus 3 years renewal possibility
Artisanal Mining Licence	Up to 3 years plus 2x3 years renewals possibility
Small-Scale Mining Licence	Up to 10 years plus 5 years renewal possibility
Special small-scale mining licence	Up to 10 years plus 5 years renewal possibility
Large-Scale Mining Licence	Up to 20 years plus 10 years renewal possibility
Certificate of Discovery	Up to 1.5 year, non-renewable
Certificate of Professional Competence	The validity period, renewal and revocation of a certificate of professional competence shall be prescribed by regulations

With regards to the mining and exploration licences listed above, MMPNG signed a mining agreement with each one of the licencees. MMPNG informs us that the following agreements were active during 2014/15 FY:

Company	Licence Ref	Zone	Date	Duration	Regional State	Fiscal terms	Social development terms Environmental protection, community development and training
MIDROC Gold Mine Plc	MOM\EL\352\2010	Metekl Zone Bulen Woreda Gongo Locality	Not dated	15 Years	Benishangul Gumuz	Art 12.1- Licensee shall pay 25% Income tax Art 1231- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 14.1- Licensee shall pay royalty at the rate 7% of the sales price and License Fee Art 14.2- Licensee shall pay Land rental to the Benshangul Gumuz National Regional State	Art 20.1 The Licensee shall fund community development activities within those woreda in the impacted area for the duration of the Mining License. Art 20.3 The Licensee shall: 1. Contribute a lump sum of Birr 1 350 000 towards Community Development fund immediately after signing this mining agreement 2. Contribute 0.15% of the annual gold sales of the licensee or an annual fixed amount of Birr 300 000 whichever is higher and deposit such amount to a fund set up after 12 months of the start of sale Art16.4- Licensee shall submit an Environmental Management Plan Implementation Report annually as part of the report to the Licensing Authority Art16.5- Licensee shall participate in community development activities within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period. The Community Development Programme shall be mutually agreed by both parties and the licensing authority follows up the implementation of the projects
Abijata-Shalla Soda Ash Sc	MOM\LSML\163\2011	East Shewa Zone, Adami Tulu Jido Wereda, Abijata Locality	16/09/2011	20 Years	Oromia	Art 10- Licensee shall pay Income tax Art 11- Exemption from customs duties and taxes : all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalty and License Fee to the Licensing authority and Land rental to the Oromia National Regional States	The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing making sure that the licensing authority has approved the project the project: - 180 000 ETB for the first three years, - 250 000 ETB for the next two years, and - 350 000 ETB after five years, per year for the community development programme. The programme implementation shall be applicable starting from the commencement of the Soda Ash Mining Licensee Operation Art16.4- Licensee shall submit an Environmental Management Plan Implementation Report annually as part of the report to the Licensing Authority Art16.5- Licensee shall participate in community development activities within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period.
Pioneer Cement Manufacturing Plc	1616-1619/2002	Melka Jebdu Locality	Not dated	20 Years	Dire Dawa City Administration	Art 10- Licensee shall pay Income tax Art 11- Exemption from customs duties and taxes : all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalty and License Fee to the Licensing authority	Art16.4- Licensee shall submit an Environmental Management Plan Implementation Report annually as part of the report to the Licensing Authority Art16.5- Licensee shall participate in community development activities within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period.

Company	Licence Ref	Zone	Date	Duration	Regional State	Fiscal terms	Social development terms Environmental protection, community development and training
East Cement Sc	1971/2002	Challo Turura	05/08/2010	20 Years	Oromia	and Land rental to the Addis Ababa Administration	The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing making sure that the licensing authority has approved the project the project, 500 000 ETB per year for the community development programme.
						Art 10- Licensee shall pay Income tax Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing Authority and Land Rental to the Oromia Region.	Art16.4- Licensee shall submit an Environmental Management Plan Implementation Report annually as part of the report to the Licensing Authority. Art16.5- Licensee shall participate in community development activities within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period. The Community Development Programme shall be mutually agreed by both parties and the licensing authority follow up the implementation of the projects.
National Mining Corporation Plc	Not mentioned	Dawa – Digati Locality	04/03/1996	An initial period of 3 years and may be renewed twice	Oromia	Art 11- The Licensee and its contractor shall be entitled to import into Ethiopia, free from all import taxes and duties, all equipment, machinery, vehicles and spare parts necessary for the gold exploration activities.	The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing making sure that the licensing authority has approved the project the project, 150 000 ETB per year for the Community Development Programme. The proramme implementation shall be applicable starting from the commencement of the pumice Mining Licensee operation. If the company, for some unforeseen reasons, run into a loss or cash shortage, then it will appeal to the Licensing Authority for a partial or full relief from the above commitment.
						Art 12 – The Licensee shall pay rentals and fees : - Rentals : 60 Birr per annum per square kilometer - Fees : 200 Birr per block for initial Gold exploration period - Fees : 100 Birr per block for renewal Gold Exploration License	

Company	Licence Ref	Zone	Date	Duration	Regional State	Fiscal terms	Social development terms Environmental protection, community development and training
Derba Midroc Cement Plc	MOM/SSML/73/2011	Mugher Sheleko, Sululta Woreda	Not dated	10 Years	Oromia	Art 10- Licensee shall pay Income tax Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing Authority and Land Rental to the Oromia Region.	Art16.4- Licensee shall submit an Environmental Management Plan Implementation Report annually as part of the report to the Licensing Authority Art16.5- Licensee shall participate in community development activities within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period. The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing making sure that the licensing authority has approved the project the project, 100 000 ETB per year for the community development programme.
Dangote Industries Ethiopia Plc	MOM/LSML/1/2013	Western Shoa, Ada Berga	Not dated	20 Years	Oromia	Art 10- Licensee shall pay Income tax Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing Authority and Land Rental to the Oromia Region	Art16.3- Licensee shall submit an Environmental Management Plan Implementation Report annually as part of the report to the Licensing Authority Art16.4- Licensee shall participate in community development activities within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period. The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing making sure that the licensing authority has approved the project the project, 200 000 ETB per year for the community development program
Afar Salt Production Sc	006/9 4	Afar regional state, Zone 2 Afdera lake	05/12/1994 EFY	20 Years	Afar regional state	Art 10- Licensee shall pay Income tax as per proclamation 58/1985 Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing Authority and Land Rental to the Afar regional states.	Art 14.3 – The Licensee shall be responsible for the cost of environmental clean up, reclamation and restoration work to be carried out prior to and following the closure of the mine within the mining license area. Art 14.5 – The Licensee shall comply with all environmental laws and regulations in force in Ethiopia.

Company	Licence Ref	Zone	Date	Duration	Regional State	Fiscal terms	Social development terms Environmental protection, community development and training
Allied Chemicals Plc	MOMLSML\2\2013	North Shewa, Ensaro Wereda, Salayish Locality	Not dated	20 Years	Oromiya	Art 10- Licensee shall pay Income tax Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing Authority and Land Rental to the Amhara National Regional States.	Art16.3- Licensee shall submit an Environmental Management Plan Implementation Report annualay as part of the report to the Licensing Authority Art16.4- Lincensee shall participate in community development activity within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing making sure that the licensing authority has approved the project the project, 300 000 ETB per year for the community development program
Sammakka Stones Plc	MOMLSML\300\2013	Kamashi Zone, Oda Godere and Sirba abay Weredas, Tulu Berkesa Locality	NM	20 Years	Benshangul Gumuz National	Art 11.1- Licensee shall pay 25% Income tax Art 12.1- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 13.1- Licensee shall pay royalties at the rate 7% of the sales price and License Fee Art 13.2- Licensee shall pay Land Rental to the Benshangul Gumuz National Regional State.	Art17.1.3 – Licensee shall submit an Environmental Management Plan Implementation Report annually as part of the report to the Licensing Authority Art19.3 – The Lincensee shal contribute a minimum of 200 000 ETB per year to the Community Development Programme. The programme implementation shall be starts from the date of issuance of the Mining Licence until is termination.
Bezalel Construction Material Manufacturing Plc	1197/2001	Western Shewa		15 Years	Oromia	Art 10- Licensee shall pay Income tax as per proclamation 58/1985 Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing Authority and Land Rental to the Afar regional states.	Art 14.3 – The Licensee shall be responsible for the cost of environmental clean up, reclamation and restoration works to be carried out prior to and following the closure of the mine within the mining license area. Art 14.5 – The Licensee shall comply with all environmental laws and regulations in force in Ethiopia.

Company	Licence Ref	Zone	Date	Duration	Regional State	Fiscal terms	Social development terms Environmental protection, community development and training
Afdera Salt Producing Plc	080/95	Afar regional state, Zone 2 Afdera lake	29/05/1995 EFY	20 Years	Afar regional state	Art 10- Licensee shall pay Income tax as per proclamation 58/1985 Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing authority and Land Rental to the Afar regional states.	Art 14.3 – The Licensee shall be responsible for the cost of environmental clean up, reclamation and restoration works to be carried out prior to and following the closure of the mine within the mining license area. Art 14.5 – The Licensee shall comply with all environmental laws and regulations in force in Ethiopia.
Target Industries Plc	MOM\0316\2000	Addis Ababa Administration, in Bole Sub city at Bole Lemi Locality	31/07/2007	10 Years	Addis Ababa Administration	Art 10- Licensee shall pay Income tax Art 11- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 12- Licensee shall pay royalties and License Fees to the Licensing authority and Land Rental to the Addis Ababa Administration.	Art 16.3: The Licensee shall be responsible for the cost of environmental clean up, reclamation and restoration works to be carried out prior to and following the closure of the mine within the mining license area.
Three M Marble and Terrazzo Manufacturing Plc	1620-1621/2002	West Shewa	11/06/2010	10 Years	Oromia	Art 9- Licensee shall pay Income tax Art 10- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 11- Licensee shall pay royalties and License Fees to the Licensing authority and Land Rental to the Oromia Region	Art 15.1 The Licensee shall comply with the principles of the Environmental and other applicable laws, regulations and directives. Art15.4 The licensee shall submit an Environmental Management Programme Report annually as part of the report to the Lincensing Authority within Thirty (30) days after the end of the period to which it relates.
Sourish Marbles Plc	MOM\LSML\230\2013	Asosa Zone, Oda Obeldiglu Wereda at Boka Locality	Not dated	20 Years	Benshangul Gumuz National	Art 9- Licensee shall pay Income tax Art 10- Exemption from customs duties and taxes: all import duties and taxes, all equipment, machinery and vehicles necessary to start the mining operations Art 11- Licensee shall pay royalties and License Fees to the Licensing authority and Land rental to the Oromia Region.	Art 15.1 The Licensee shall comply with environmental principles and other applicable laws, regulations and directives relatig to the environment in order to minimise impact of mining operations on the human and natural environment. Art15.4 The licensee shall submit Environmental Management Programme Report annually as part of the report to the Licensing Authority within thirty (30) days of the end of the period to which it relates.

List of active licences

The list of mining licences active during the reconciliation period 2014/15 as disclosed by extractive companies included in the scope is presented in Annex 8 of this report.

Transferability of Licences

The Mining Operations Proclamation (N°678/2010)) sets out State ownership of minerals and provides rights and conditions to explore, develop and produce such minerals. The Proclamation groups minerals into several categories for the purpose of defining incentives, penalties, specialised skills development and mineral administration. The categories of minerals are as follows:

- construction minerals grouping any mineral directly or indirectly used as input for construction purposes such as marble, granite, limestone, basalt, sand, aggregate, ignimbrite and clay;
- industrial minerals including any mineral directly or indirectly used as industrial input such as kaolin, bentonite, quartz, coal, limestone, gypsum, pumice, clay and graphite;
- metallic minerals including any mineral such as iron, copper, zinc, lead, chromite, nickel and manganese;
- precious minerals including precious metallic mineral such as platinum, gold and silver or precious stones such as diamond, ruby, emerald and sapphire; and
- semi-precious minerals including gemstones that are used for jewellery such as opal, rhodolite, olivine, jadeite and lazurite.

The above proclamation allows the transfer of licences, other than reconnaissance and retention, with prior consent of the Licensing Authority. However, artisanal or special small-scale mining licences may only be transferred through inheritance.

3.2.4. Fiscal regime

Royalties on minerals are regulated by the Mining Operations Proclamation and are levied on ad valorem basis for precious metals at 7%, semi-precious metals at 6%, metallic minerals at 5%, industrial minerals at 4%, construction minerals at 3%, salt at 4% and geothermal at 2%.

Applicable legislation under the fiscal regime for large scale mining licence is the Mining Income Tax Proclamation. The Proclamation provides details on licensing procedures, fees and fines. The fiscal regime is mainly defined by the 25% charge on taxable income generated from large and small mining, 10% dividend tax; and by several deductions and calculations of expenditure. However, holders of artisanal licences are exempt from income tax.

The Mining Operations Proclamation provides exemptions from customs duties on imports of several machinery and vehicles required for holders of exploration and mining licences. The Proclamation also provides exemptions from customs duties on exports of minerals produced by holders of artisanal, small scale and large-scale mining licences.

3.2.5. State participation in the mining sector

Free equity

The Government is also entitled, according to Article 72 of the Mining Operations Proclamation (Amendment) No. 816/2013 to acquire without cost, a participation interest of 5% in any large-scale mining investment. Additional participation beyond the 5% free equity may also be provided to the Government by agreement with the licensee. Companies operating under the Mining Operations Proclamation (Amendment) No. 816/2013 are required to pay dividends in respect of the 5% free equities held by MoFEC.

The rate for Regional State Governments' participation in small scale mining through the mechanisms of free equity and additional shareholding shall be determined by their regional laws.

State Owned Companies (SOCs)

FDRE's Constitution stipulates that "the right to ownership of rural and urban land, as well as of all natural resources is exclusively vested in the State and in the people of Ethiopia". The constitutional principle of custodianship of the country's mineral resources by the Government was subsequently brought into effect by the Mining Operation Proclamation No.678/2010.

The Mining, Energy and Construction Capacity Building and Competitiveness Directorate of the Ministry of Public Enterprises confirmed that

- the Federal Government holds directly all of the shares of a single SOC operating in the extractive industry and which is named Ethiopian Mineral, Petroleum and Biofuel Co and that; and
- the SOC Ethiopian Mineral, Petroleum and Biofuel Co holds 83% of Afar Salt Production S.C.

Additionally to the above, Abijata-Shalla Soda Ash Sc declared that Government owns 38% of the company as detailed in Annex 4 of this report.

The two State-Owned Companies and Abijata-Shalla Soda Ash Sc operating in the extractive sector have been asked to report as detailed in Section 4.2 of this report.

These companies are also subject to the fiscal regime detailed in Section 3.2.4 of this report. Accordingly, State Owned Companies operating in the extractive sector are required to pay non-tax and tax payments to mining and tax authorities and to pay dividends to their shareholders.

3.2.6. Policy on disclosure of contracts and licenses

The mining legislation allows MMPNG to enter into agreements for prospection, exploration or production with mining operators. These agreements set the work plan for the operator and the legal requirements of the licence.

The mining legislation does not include any restrictions on the public disclosure of contracts and licenses by the government as well as to access them at MMPNG level. However, signed contracts are not currently published electronically.

3.2.7. Prospective Projects

Various mineral deposits and occurrences have been discovered in different parts of the country. Some of these places such as the Lega Dembi Gold Mine, Kenticha Tantalo-columbite, Lake Abijata Soda Ash, Bombawoha kaolin, and dimension stones in various areas have been developed into operating mines.

Lega dembi gold mine is the only modern primary gold mine operating in the country. It is a medium to large scale mine which produces approximately three tonnes of gold per year using Carbon in pulp (CIP) processing plant. The mine is currently operated by Midroc Gold Mine plc which is a subsidiary of Midroc Ethiopia Investment Group of Saudi Arabia.

Tulu Kapi: is a gold project located in Western Ethiopia in the Oromia region at 160 km West of Addis Ababa. In accordance with the scoping study carried out by CRC Sogema, the deposit has approximately 1 million ounces of contained gold.

Industrial minerals: some companies such as G&B Central Africa Resources, Saink Potash Mining and Canadian companies are on development and mining stages of various industrial minerals such as potash, cement raw materials and others. While BHP Billiton left Danakil Depression in 2012, Yara International carried out an independent study feasibility study in February 2015, which confirmed significant potential to extract potash in the Danakil depression in North Eastern Ethiopia. An annual production of 600,000 metric tonnes sulphate of potash over 23 years was identified by the study from these reserves (Kainite, Carnallite and Sylvinite) at Yara's Danakil concession. The

company aims to start mining activities in 2018, and is currently seeking equity partners to develop the project as published by Tom Zanki.

Cement production in accordance with the Forbes Publication of June 2015, Dangote Cement is looking to build more cement plants across Africa to realise its ambition of reaching an annual production of 62 million tonnes by 2017. The production of clay, gypsum, limestone, and pumice is also expected to increase, in accordance with the Mineral Licensing and Administration Directorate, because of increased demand from cement plants; output of other construction materials is also likely to increase by the coming years.

3.2.8. Artisanal and Small-Scale Mining sector in Ethiopia

(i) Overview

The Artisanal and Small-scale Mining (ASM) sector in Ethiopia produces clay, crushed stones, diatomite, gemstones, opal, gold, gypsum, salt, sand, silica sand, and tantalum. The ASM sector is characterised by hundreds of thousands of individuals and micro operating in the regions.

Based on the results of the study report published by EITI in April 2016¹, 'the volume of mineral marketed, particularly gold, through formal (legal) channel is estimated at only 39% of the total and large number of miners operating informally.'

ASM is mining conducted with rudimentary tools, semi-mechanised operations and may use a variety of mechanised tools and simple equipment to complement the manual labour force. Gold, gemstones and tantalum generate the greatest potential for wealth generation from ASM which constitutes an alternative livelihood for large numbers of people in rural parts of Ethiopia.

Gold is exploited since ancient times and has been mined in Ethiopia for more than 2000 years. The majority of artisanal mining is from alluvial gold sources derived originally from weathering and erosion effects from hard rock gold ore bodies as reported by CRC SOGEMA's scoping study. There are more than sixty shear-zone hosting gold occurrences in geologic formations called Greenstone Belts. Their main regions of greenstone belts are:

- Southern (including the Adola, Ageremariam and Moyale areas);
- Western (including the Akobo area); and
- Northern (Tigray area).

(ii) Legal context

The Mining Operations Proclamation (N°678/2010) made a clear distinction between Artisanal mining and small-scale mining in terms of definition and requirements. The Proclamation defined artisanal mining as a mining operation carried out by individuals or cooperatives which is mostly of manual nature and that does not involve the employment of workers. Whereas, small scale Mining is defined by any mining operation of which the annual run-off mine ore does not exceed volumes and quantities set in the Proclamation by type of mineral.

There are Artisanal miners operating under formal license (legal) and others operating without licence (illegal) groups. Many manuscripts of the government and development partners estimated the number of Artisanal and small-scale mining activities (who participated in the mining of any minerals) throughout the country at one million people only.

The licensed miners are organised into three categories: (i) Mining cooperatives, (ii) Small and Micro Enterprises (SME) and (iii) Mining Development Groups.

Legal Artisanal miners are those organised as a formal Mining Development Group (composed of three or more persons) (MG) or as a Mining Cooperative (MCP). The Mining Operation Proclamations No. 678/2010 and the preceding proclamations underlined that miners should necessarily be organised as cooperatives.

¹ Artisanal Mining Operation and Its Economic Values, Ethiopia, April 2016

The Mining Operations Proclamation No. 678/2010; amended under Operations Proclamation No. 816/2013 Artisanal and Small-scale Mining states that there is no specific requirement for the technology used and for the required competence

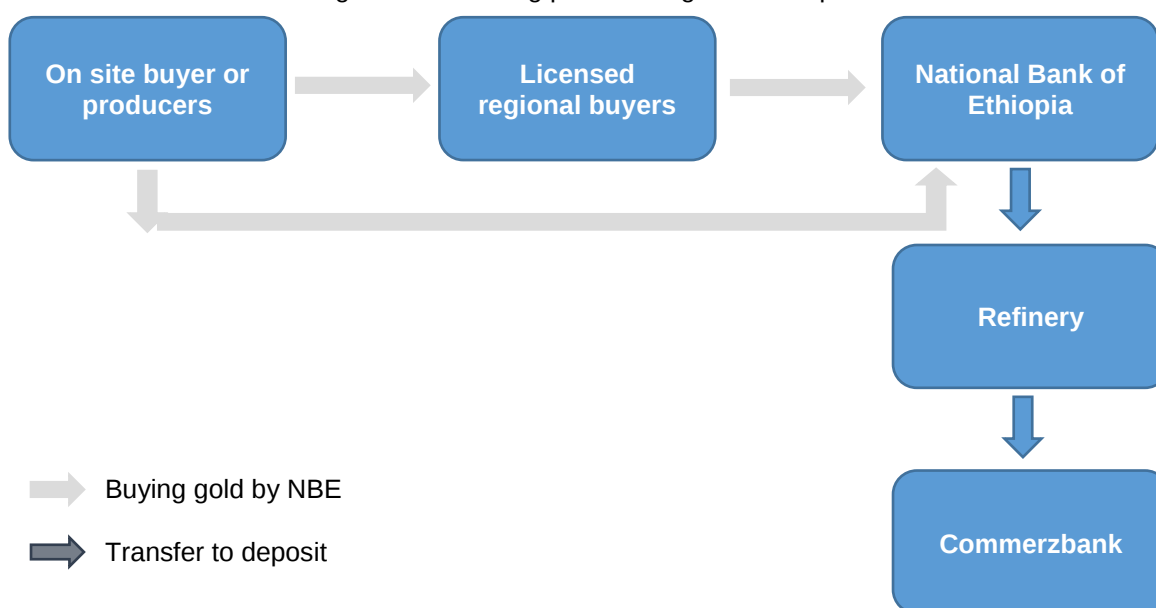
(iii) Production

The scale of artisanal mining production cannot be assessed¹ given the informality of the majority of operations² in this sector as per the study report Artisanal Mining Operation and Its Economic Values, Ethiopia, published by EEITI in April 2016. Through detailed assumptions made by this study report, total production of gold by artisanal sector is estimated to be Kg 18,008 during six months in 2014.³

Gold

In relation to gold produced in AM and SSM settings, NBE plays a focal role in the supply chain, given the obligations imposed by law on holders of AM and SSM licences to sell all gold produced to NBE via the bank's licensed regional purchase centres. NBE acts as a clearing house by holding the gold it produces in stock or recording it in sales of gold in the international market.

Figure 4: Collecting process of gold and deposit



A 5% premium above the daily official gold price is offered to producers when selling gold to NBE. Despite this incentive, illicit sale of gold to non-licensed buyers is still widespread. The table below presents data on gold purchased by NBE during the years 2013/14 and 2014/2015:

N ^o	Region (*)	Name of Purchase Centre	Gold purchased 2013/2014		Gold purchased 2014/2015		Variance %	
			Grams (a)	Million ETB (b)	Grams (c)	Million ETB (d)	Grams [c-a]/(a)	Million ETB [d-b]/(b)
1	SNRP	Hawassa Branch	2,906,579	2,198	1,945,253	1,512	-33%	-31%
2	SNRP	Mizan Teferi Branch	775,331	1,798	1,447,218	1,137	87%	-37%

¹ 'Estimating volume of production of minerals by the Artisanal miners is very complicated due to lack of historical records and suspicions by many producers to give information' Section 6.3 on page 23 of the study report published by EEITI Artisanal Mining Operation and Its Economic Values, Ethiopia, April 2016

² "the informal group of the Artisanal miners constitutes the majority (about 94% of the total miners)" page 7 of the study report published by EEITI Artisanal Mining Operation and Its Economic Values, Ethiopia, April 2016

³ Section 6.3 on page 24 of the study report published by EEITI Artisanal Mining Operation and Its Economic Values, Ethiopia, April 2016

N ^o	Region (*)	Name of Purchase Centre	Gold purchased 2013/2014		Gold purchased 2014/2015		Variance %	
			Grams (a)	Million ETB (b)	Grams (c)	Million ETB (d)	Grams [c-a]/(a)	Million ETB [d-b]/(b)
3	Benshangul-Gumuz	Assosa Branch	1,088,490	847	902,017	706	-17%	-17%
4	Tigray	Endeselassie Branch	2,266,065	1,707	1,178,043	903	-48%	-47%
Total			7,036,465	6,550	5,472,531	4,259	-22%	-35%

Source: National Bank of Ethiopia

(*) A purchase center of Shakiso in Oromia region started operating after the period 2014/15

As shown in the above table, gold supply to NBE has decreased in volume between 2013/14 and 2014/15.

The contribution of artisanal activities cannot be assessed and included in this study because the National Bank of Ethiopia acts as a clearing house for gold produced by Artisanal Miners and holds it in stock or includes it in sales of gold on the international market.

Moreover, the table below shows that the gold sent abroad to be refined for the year 2014/15:

Mineral type	2014/15	
	Grams	Million ETB
Gold	5,572,532	5,544

Source: National Bank of Ethiopia

3.2.9. Types of licences and transactions of precious minerals

In accordance with the Transaction of Precious Minerals Proclamation (No. 651/2009), there are three types of licences and two certificates listed as follows:

- Precious minerals brokerage licence: grants to the holder of the licence the right to purchase, hold for sale purposes, transport and forthwith sale of precious minerals locally.
- Precious minerals crafting licence: grants to the holder of the licence the right to purchase, hold and transport precious minerals in an amount to be specified by directives of the Central Bank of Ethiopia, carry out smithery or lapidary and sell its product locally or abroad pursuant to the directives of the Bank. The holder of such Licence may engage in purchase or maintenance of used, broken or damaged jewellerys and report periodically every month about its activities.
- Precious minerals refining licence: grants the licence holder the right to engage in refining precious metallic minerals produced locally or imported.
- Precious Mineral Trade Certificate of competence: grants to the holder of the Licence the right to Purchase in bulk and retail sale of finished Precious Minerals locally.
- Precious Mineral Export Certificate of Competence: grants to the holder of the Certificate the right to purchase, hold, and export the following precious minerals pursuant to the directives of the Central Bank: gold and silver which are in their final shape; and other precious minerals in raw, semi processed or in their final state.

The artisanal mining sector could not be assessed and included in the scope due to absence of comprehensive information on this sector at federal level. This absence of information is due to the scattered nature of the sector and to the fact that licenses for operators in this sector are issued by regional governments.

3.2.10. Mining Sector contribution to the Ethiopian economy

Over the last years, mining and quarrying sectors have remained one of the poor country's productive industries with very low contribution to GDP and exports as described below.

(i) **Production of companies retained in the scope**

The industrial and large-scale mining sector comprises gold, tantalum, potash and other minerals such as industrial and construction minerals. As part of the reconciliation process, we have collected production volumes and values from the companies included in the scope. Based on the data reported by the companies and detailed in Annex 6 of this report, the production volumes and values for each type of mineral during 2013/14 and 2014/15 can be summarised as follows:

Mineral	2013/14		2014/15	
	Quantity produced (Tons)	Value of Production in ETB	Quantity produced (Tons)	Value of Production in ETB
Gold	4	2,844,998,060	3	2,695,502,537
Limestone	3,640,470	232,522,043	2,319,216	140,030,748
Salt	29,815	56,451,214	79,605	51,926,200
Coal			34,131	46,450,095
Soda Ash	3,896	22,965,997	6,878	43,882,770
Basalt	169,774	14,855,208	148,078	12,371,185
Marble	42,623	20,370,545	11,918	10,685,274
Pumice	595,647	54,413,737	117,951	7,682,326
Sandstone	73,572	5,692,512	35,896	5,025,468
Silver	1	12,923,721	1	4,574,556
Clay Soil	898,864	62,180,057	76,589	4,379,827
Gypsum	231,985	37,687,458	115,623	3,537,197
Trona			20	18,032
Silica sand	16,290	1,259,745	10,443	0
Tantalite	107	51,758,759	0	0
Kaolin	4,530	8,929,585	0	0
Iron ore	14,454	4,378,430	0	0
Aggregate & subbase	-	4,019,820	0	0
Dolomite	15,824	2,679,754	0	0
Rhyolite	92,604	2,582,893	0	0
Weathered Basalt(Clay II)	28,165	1,915,215	0	0
Quarry	-	1,530,473	0	0
Quartz	3,358	650,295	0	0
Pozolana	45,248	135,744	0	0
Shale	66,569	133,138	0	0
Fieldspar	596	70,517	0	0
Other	13,090	3,228,426	0	0
Total production value confirmed by reporting companies in the reconciliation scope		3,448,333,346		3,026,066,214

Source: EITI Reporting template from companies

Gold¹

Currently, there is only one large scale gold mining company, Midroc Gold Mine, which has been privatised in 1997, which operates an open pit mining in Ethiopia. Midroc Gold produces 3.5 to 4 tonnes of gold per annum, which is exported in Dore form. Midroc Gold is also licensed with two gold exploration projects located near the mine (Adola-Legadambi Exploration Licence - ALEL).

Tantalum

Significant deposits of tantalum and niobium have been found in Southern Ethiopia. Elenilto Minerals & Mining plc of the United Kingdom held concessions of the Kenticha tantalum mine with resources

¹ <https://www.export.gov/article?id=Ethiopia-Mining-Industry>

of more than 17,000 metric tonnes of world class ore reserve. The Ethiopian Geological Survey investigation also showed that in addition to tantalite, the Kenticha deposit has niobium, lithium, beryllium bearing minerals in addition to high quality ceramic grade quartz-feldspar and other industrial minerals.

(ii) Extractive industries Contribution to Gross Domestic Product (GDP)

The Central Statistical Agency of Ethiopia (CSA) produced a brief note on the national accounts statistical data for the recent years. As a result, the GDP growth rate was 10.3% and 10.4% during the two years respectively as detailed below:

Extractive industries contribution to GDP	2013/14 (million ETB)	2014/15 (million ETB)	2013/14 (%) contribution	2014/15 (%) contribution
Mining & quarrying	7.898	5.876	1.2%	0.8%
Others	674.461	747.354	98.8%	99.2%
Gross Domestic Product at Constant Prices	682.359	753.230	100%	100%
GDP Variation N-1/N (%)	10.3%	10.4%	-	-

Source: Central Statistical Agency of Ethiopia

The mining and quarrying sector is still under-developed, contributing only 0.8% to GDP in the year 2014/15. According to the CSA study, the contribution of the mining and quarrying sector to GDP decreased from 1.2% to 0.8% between 2013/14 and 2014/15.

In accordance with the Strategic Assessment of the Minerals Sector commissioned by MMPNG and the World Bank in 2014, the aim of the Government of Ethiopia is to increase the minerals sector contribution to 10% of GDP by 2020.

(iii) Extractive industries Contribution to Exports

We set out in the table below the key commodities exported over the last three financial years. We note amongst others that gold exports represented 10.6% of the export earnings of the country for the year 2014/15.

Major Export Items	2012/13		2013/14		2014/15	
	USD (Million)	share %	USD (Million)	Share %	USD (Million)	Share %
Coffee	746.6	24.0%	714.4	21.6%	780.5	25.8%
Oilseeds	443.5	14.2%	651.9	19.8%	510.1	16.9%
Leather and Leather products	121.1	3.9%	129.8	3.9%	131.6	4.4%
Pulses	233.3	7.5%	250.7	7.6%	219.9	7.3%
Meat & Meat Products	74.3	2.4%	74.6	2.3%	92.8	3.1%
Fruits & Vegetables	43.9	1.4%	45.9	1.4%	47.6	1.6%
Live Animals	166.4	5.3%	186.7	5.7%	148.5	4.9%
Chat	271.3	8.7%	297.4	9.0%	272.4	9.0%
Gold	578.8	18.6%	456.2	13.8%	318.7	10.6%
Flower	186.7	6.0%	199.7	6.1%	203.1	6.7%
Electricity	34.6	1.1%	45.3	1.4%	42.8	1.4%
Others	215.4	6.9%	247.4	7.5%	251.4	8.3%
Total	3,115.9	100%	3,300.1	100%	3,019.4	100%

Source: National Bank of Ethiopia – Annual report 2015-16

The contribution of other mining commodities to exports is not significant, and therefore these were reported by NBE as part of “other” exports. The overall contribution of other exports did not exceed 8%, including the value of all of the country’s minor exported goods. Based on the records made

available to us by ERCA for 2014/15, the main export mining commodities after gold amount to USD 24.83 million and represent 0.8% of total exports. These are presented in the table below:

Mineral type	2014/15 USD (Million)
Tantalite Ore	10.14
Platinum	0.02
Other Mineral Products	14.67
Total	24.83

Source: Ethiopian Revenues and Customs Authority

(iv) Contribution to Employment

We note the lack of recent official statistical information at the Central Statistical Agency of Ethiopia in relation to employment figures in the mining sector as well as the overall employment represented by the extractive sector.

In accordance with the employment figures submitted by the mining companies selected in the reconciliation scope, the mining sector provides employment to 3,388 individuals. Details of employee figures by company are reported in Annex 1 of this report.

During the reporting period 2014/15, employment in the extractive sub-sectors can be summarised as follows:

	Number of employees	%
Gold Production	1,328	39%
Cement manufacturing	967	29%
Salt production	256	8%
Other mining	837	25%
Total number of employees of mining companies	3,388	100.0%

Source: EITI reporting templates of companies

In accordance with figures published by the Central Statistical Agency, total labour force of Ethiopia was 42,403,879 in March 2014¹. Employment as collected from reporting companies in the mining sector is therefore approximately 0.01% of total labour force in the country.

(v) Contribution to Government revenues

Based on the data collected, the revenues collected from the extractive industries represented 0.71% of total revenues of General Government during the fiscal year 2014/15, as detailed in the table below:

Indicators	Amount in 2014/2015 (in ETB million)	Contribution to Government Revenues in %
Total General Government revenues (*)	199,639	100.00%
Mining Revenues	1,317	0.66%
Total mining revenues	1,317	0.66%

(*) Source: National Bank of Ethiopia – Annual report 2014/15

3.3. Background and profile of the Oil & Gas sector in Ethiopia

¹ Statistical bulletin on the 2013 National Labor Force Survey, March 2014

3.3.1. General context of the oil and gas sector in Ethiopia

Over one-third of the surface area of Ethiopia is covered by the sedimentary rocks located in the basins of different geologic time cover. The Basins formed in the Upper Paleozoic-Lower Mesozoic are known as: the Ogaden, Abay (Blue Nile) and Mekele Basins and those of the Upper Mesozoic to Middle Tertiary Basins are called the Gambela and Southern Rift Basins. Younger Tertiary rift grabens also occur all along the axis of the East African Rift System.

The oil and gas exploration history in Ethiopia dates back to the 1950s. After several oil field discoveries were made in the Middle East, there were high hopes for similar results in Ethiopia as some of the country's geological formations resemble those of the Middle East. Despite the growing level of interest from exploration companies in Ethiopia and in its regional neighbours, Ethiopia is currently not yet a producer of oil or natural gas. In the country's effort to develop its Oil and Gas sector, the Government signed a Production Sharing Agreement in 2003 with SI Tech International (SIL) which is a Jordanian company that failed to execute the project and the petroleum development licence was revoked in 2006. Later in 2007, the Malaysian company Petronas acquired the Calub and Hilala gas fields and eight exploration blocks. However, the company relinquished all its concessions in Ethiopia and left the country in 2010.

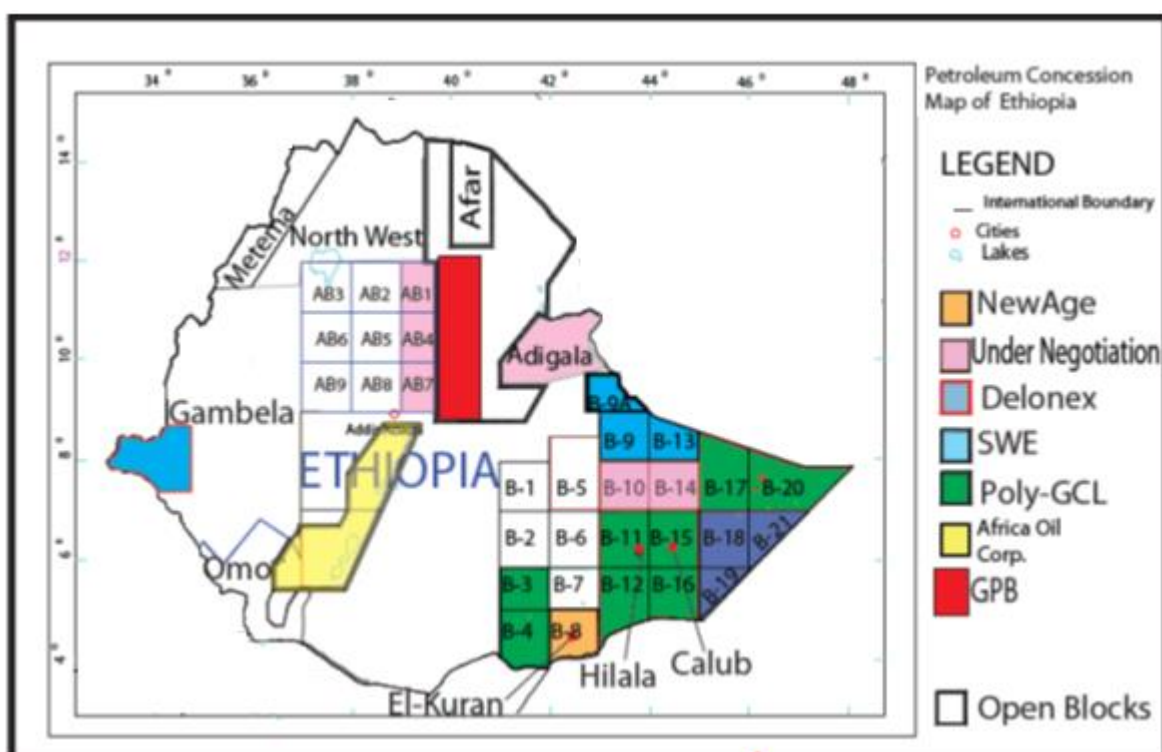
The Ethiopian Ministry of Mines and the Petronas joint study highlighted that two most promising hydrocarbon areas in Ethiopia are the Gambella Basin and the Ogaden Basin. The Gambella Basin is located in the South West of the country, adjacent to the South Sudan border and it is an extension of South Sudan's prolific Melut Basin. The Gambella Block concession was entitled to South West Energy. The Ogaden basin covers an area of around 350,000 square kilometres and is formed from sedimentary rocks up to 10,000 meters thick. The first exploration in the basin was undertaken by since 1920, currently, the basin has been divided into 21 blocks and several concessions have been awarded to companies that are Africa Oil, Poly-GCI, South West Energy, New Age Ethiopia and Delonex Energy which has been awarded the blocks in August 2014.

The Ethiopian sector of the East African Rift system extends for more than 1000 km in a North East-South West from the Afar depression, at Red Sea-Gulf of Aden junction and southwards to the Turkana depression. There are two main blocks Omo Rift Valley and the Adigala block in the East African Rift Valley System. The Adigala block in the North East of the Rift Valley, the Omo Rift basin in the South-West part of the Valley and the Gewane El-Wiha block have been awarded to New Age Ethiopia, Tullow Oil and respectively to Gaz Prom Bank (GPB) in late July 2014.

The Blue Nile basin called Abay Basin is in central Ethiopia and covers an area of approximately 63,000 square kilometres. It is currently divided into nine blocks and 3 of them named Kon Abo, Were Ilu and Debrebrehane are located in Were-Ilu and have been awarded to Falcon Petroleum.

A significant portion of the country is presumed to have petroleum potential and labelled into different basins as per the map provided by the Petroleum Licensing Directorate below:

Figure 3: Petroleum concession Map of Ethiopia



Source: Petroleum Licensing and Administration Directorate

3.3.2. Legal framework

The Ethiopian upstream oil and gas sector is regulated by three basic proclamations which are the Petroleum Operations Proclamation (N°295/1986¹), the Petroleum Income Tax Proclamation (N°226/1986²) and the Petroleum Income Tax Amendment Proclamation (N°226/2000³).

3.3.3. Allocation of petroleum rights

The Petroleum Licensing and Administration Core Process (PLACP) is the section within the Ministry of Mines Petroleum and Natural Gas that oversees all activities related with petroleum operations in Ethiopia. It is composed of two main branches, which are the Petroleum Licensing and the Contract Administration.

The major duties and responsibilities of the Petroleum Licensing and Administration are:

- organising and preparing bid documents for tendering exploration blocks and take part in the screening and evaluation of final bid documents;
- negotiating with applicant companies in accordance with the Model Petroleum Production Sharing Agreement and Petroleum Operations and Income Tax Proclamations;
- performing promotional activities, by disseminating brochures, exhibiting posters and making presentations;
- monitoring and inspecting companies' operations to ensure that the activities of a contractor are carried out in accordance with signed agreement;

¹ http://www.mom.gov.et/upload/Petroleum%20Operations%20Proclamation%20No.%20295_%201986%20p%2062-70.pdf

² http://www.mom.gov.et/upload/Petroleum%20Operations%20Income%20Tax%20%20Proclamation%20No.%20296_1986%20p%2071-80.pdf

³

http://www.mom.gov.et/upload/Petroleum%20Operations%20Income%20Tax%20%20ammendment%20Proclamation%20No.%20226_2000.pdf

- providing support to contractors by communicating with other government institutions and offices;
- ensuring that financial terms of the signed agreements are fulfilled in a timely manner: these include rentals, royalties, bonuses and other payments;
- representing the Ministry at international and regional forums in petroleum upon the consent of the Minister or the State Minister; and
- keeping all petroleum data in a secure repository and make them accessible to relevant business partners, academia and staff engaged in research and development.

We did not note any non-trivial deviations from the applicable legal framework governing licence awards for the blocs that have been allocated during the reconciliation period 2014/15. The detail of oil and gas blocs awarded during the reconciliation period are summarised as follows:

Commodity extracted	Licence number or Blocks awarded	Issue date	Duration	Regional State
Delonex Energy Ethiopia Ltd	Block 18, 19, 21	24/08/2014	8 Years	Somali
GPB Ethiopia Resources B.V	Gewane El-Wuha Block	17/07/2014	4 Years	Afar National Regional state

Licences allocation process

Applications from individual companies as well as from groups of companies should be submitted to the Ministry of Mines Petroleum and Natural Gas in a sealed envelope delivered by registered mail or by hand without an application fee. All documents relating to an application are kept confidential by all parties and the Government may at its sole discretion invite a successful applicant for negotiation.

While assessing applications, the Government shall focus, among others, on:

- the minimum exploration work and expenditure obligations;
- the economic benefits to the country, with emphasis on the profit oil sharing; and
- the applicant's proposal regarding natural gas.

The Minister of Mines Petroleum and Natural Gas reserves the right to accept or reject any proposal, without being obliged to justify his decision on the subject. All documents relating to an application are kept confidential by all parties and the Government may at its sole discretion invite a successful applicant for negotiation and signature.

In the event of a company's interest, negotiation will be carried out between the company and MMPNG until agreement is reached on the fiscal terms and for articles of the Petroleum Agreement. The Agreement will be endorsed to the Council of Ministers for approval, then presented to the company and MMMPNG for signature.

There were only GPB Ethiopia right that has been awarded during 2014/15 and no deviation from legal and regulatory framework detailed above has been noted so far in the awarding process.

Types of rights

The Petroleum Operations Proclamation N°295 (1986) defines the rules and conditions of any arrangement between the Government and petroleum companies. The Minister has the power either by competitive bidding or, subject to the directives of the Council of Ministers, by direct negotiation, to enter into an Exclusive or a Non-Exclusive Petroleum Agreement¹:

- the Exclusive Petroleum Agreement confers a company the right to carry out petroleum operations in a particular area for up to four years for exploration activities and for up to

¹ <http://www.momines.gov.et/about-the-sector>

twenty-five years for development and production activities. Extensions of four years and of ten years may respectively be granted for exploration; and for development and production. further extensions may be granted in accordance with Article 11 of Petroleum Operations Proclamation N°295 (1986); and

- the Non-Exclusive Petroleum Agreement authorises a company to carry out geological and geophysical surveys in a particular area for up to two years. The Minister may grant an extension of two additional years and further extensions may be granted in accordance with Article 11 of Petroleum Operations Proclamation N°295 (1986).

Public availability

Currently, the mining legislation does not set out any procedures or provisions to keep, maintain, retain and safeguard licences in a public register. Information on licence holders and licence areas are therefore not publicly available. The Petroleum Agreement Model¹ is published on the MMPNG website. However, signed Petroleum agreements are not currently publicly available. A legislation ('EITI Proclamation') is currently being prepared and would be presented to the respective organ for adoption.

Transferability of rights

The Petroleum Operations Proclamation N°295 (1986) sets out state ownership of oil and gas and provides rights and conditions to explore, develop and produce oil and gas. This proclamation allows the transfer of part or all rights, obligations and interests under a petroleum agreement with the condition of prior written consent of the Minister. The terms and conditions of transfer, assignment or disposal shall be governed by the provisions of the petroleum agreement.

3.3.4. Fiscal regime

The fiscal terms applicable to upstream petroleum activities in Ethiopia are governed primarily by terms of the Petroleum Operations Proclamation (1986), the Petroleum Income Tax Proclamation (1986) as amended by Proclamation (226/2000) and any PSA entered into as set out below:

- royalties, rentals and bonuses: a registered holder of a development licence must, under the Petroleum Operation Proclamation, pay a royalty and annual rentals to the government. The chargeable royalty rates may vary in accordance with the level of production and the rates are negotiable. The rates of annual rentals are negotiable and may vary in accordance with the exploration periods. All rates of royalties, annual rentals and bonuses shall be set and agreed in the Petroleum Agreement;
- taxation: the contractor is subject to income tax under the Petroleum Operations Income Tax Proclamation stating that any person engaged in petroleum operations under a petroleum agreement shall pay thirty percent (30%) income tax on its taxable income as stated by Sub-Article (1) of Article 3 of Petroleum Income Tax Proclamation (1986) as amended by Proclamation (226/2000). This tax is currently being revised to be twenty-five percent (25%);
- where interest is paid on a loan, the lender shall be liable to income tax at the rate of 15% on the interest;
- losses realised during the accounting period may be carried forward to a maximum of 10 years;
- no income tax shall be chargeable on dividends paid to shareholders out of income derived from petroleum operations; and
- customs duties: under the Petroleum Operation Proclamation, all machinery, equipment, vehicles, materials, supplies, consumable items and moveable property imported for use in petroleum activities can be imported and exported free of all duties and taxes.

¹ <http://www.momines.gov.et/about-the-sector>

3.3.5. State participation in the Oil and Gas sector:

FDRE's Constitution stipulates that "the right to ownership of rural and urban lands, as well as of all natural resources is exclusively vested in the State and in the people of Ethiopia". The constitutional principle of custodianship of the country's mineral resources by the Government was subsequently brought into effect by Mining Operation Proclamation No.678/2010.

State Owned Companies (SOCs)

The Oil and Gas sector is still at the exploration stage in Ethiopia and there is no SOC operating in this sector.

Production sharing Agreement

Under the Petroleum Operations Proclamation, the oil and gas industry in Ethiopia is regulated by the Ministry of Mines Petroleum and Natural Gas, which sets industry-specific policies, strategies and laws. The ministry is also the signatory of Production Sharing Agreements (PSA) or Modern Concession contract on behalf of the Government of Ethiopia and the counterparty signatory is the company contractor.

The terms of PSAs are negotiable and form the basis of the licences. The legal framework offers considerable flexibility to the Government in negotiating acceptable proceeds sharing terms with oil companies. Under the PSA, signature and production bonuses are negotiable. The contractor's production share is also negotiable and tiered on production but it should not exceed a maximum of 85% and should not be lower than 25%. Cost recovery limits are also negotiable.

The standard PSA¹ used by MMPNG states that the Government, as a party under the Operating Agreement, shall in respect of the development area concerned separately take and dispose of its Participating Interest share of all Petroleum produced and saved.

It also states that the Government may require the Contractor to lend to the Government up to negotiable percentage of the funds required to pay the Government's pro-rata share of expenditure. The loan shall bear interest and may be reimbursed on a quarterly basis in an amount equal to a negotiable percentage of the difference between the gross receipts attributable to the Government's Participating Interest in the Development Area and the costs and expenses.

We understand that MMNRG does not hold any interests in the capital of Oil and Gas operators currently.

3.3.6. Policy on disclosure of contracts and licenses

The Oil and Gas legislation does not include any express restrictions on the public disclosure of contracts and licenses by the government. However, signed contracts are not currently published electronically.

The existing Oil and Gas contracts are PSAs entered into by MMPNG and private operators. PSAs are all based on a model agreement that MMPNG has used for several years. This model contract contains a confidentiality provision which prevents the public disclosure of information that the extractive company supply the MMPNG with as follows: Clause 17.1 of the model agreement PSC stipulates that "Any information and data (referred to herein as "information") which the Contractor may supply to the Minister under this Agreement shall be supplied at the expense of the Contractor and the Minister shall, except with the consent of the Contractor, which shall not be unreasonably withheld, keep such information confidential, and shall not disclose such information other than to a person employed by or on behalf of the Government". The EEITI MSB agrees that this confidentiality clause does not apply to the publication of the contracts but covers technical information submitted by oil and gas companies.

¹[http://www.mom.gov.et/upload/Model%20Petroleum%20Production%20Sharing%20Agreement\(MPPSA\).pdf](http://www.mom.gov.et/upload/Model%20Petroleum%20Production%20Sharing%20Agreement(MPPSA).pdf)

3.3.7. Prospective Projects

Ethiopia has one of the highest deposits of natural gas and most of it is untouched and it expects to start producing and exporting natural gas from under-developed reserves from the South East by 2018,

Several firms have already acquired licences to explore more than 40 blocks throughout Ethiopia in the past four years, the vast majority of them in the South-Eastern Somali Region.

A number of international and few local companies are currently undertaking petroleum exploration in various parts of Ethiopia. Oil companies actively involved in the petroleum exploration and development undertakings are: Africa Oil Ethiopia B.V, Tullow Ethiopia B.V., POLY-GCL Petroleum Investments Ltd, South West Energy (HK) Ltd, New Age Ethiopia Ltd. Many of the companies have been engaged in acquiring geophysical data, including airborne gravity and magnetic, and some have done 2D seismic surveys covering large area, have carried out geological studies. GPB Ethiopia and Delonex signed PSA in July and August 2014 respectively in order to operate in Afar and Somali regions.

Ogaden Basin: in November 2013, POLY-GCL Petroleum Holdings Limited ("POLY-GCL"), jointly set up by China POLY Group and GCL Group, signed oil and gas exploration and development contracts for 10 blocks (with an area up to 117,000 km²) in the Ogaden Basin with the Ethiopian government. Poly-GCL has drilled five deep gas wells so far around Calub and Hilala areas at the Ogaden basin and began drilling the 6th petroleum and natural gas well at Hilal in January 2017. Natural gas and oil exploration is scheduled to be concluded by 2020.

Cross-Border Gas Pipeline: in February 2015, a Cross-Border Pipeline Agreement was drafted by the Ethio-Djibouti Joint Ministerial Meeting as released by POLY-GCL. The draft agreement states that POLY-GCL will cooperate in building a natural gas pipeline from the Ogaden Basin in Ethiopia to Djibouti, where the natural gas will be processed in a marine terminal and transported all over the world. It is expected that an agreement would be signed within the coming months and that the pipeline construction would begin in 2018.

Rift Valley: it is considered as one of the best spots in the world to understand the formation of continents and the dynamics of tectonic plates. Rift Valley stretches from Ethiopia southwards, through Kenya, the Democratic Republic of Congo, Uganda, Rwanda, Burundi and Tanzania, ultimately ending in Malawi. GPB Global Resources, a unit of Russia's state-owned Gazprombank Group, won approval from the Ethiopian government in 2014 for a Production Sharing Agreement which covers exploration for seven years and 25 years for production. Investment for exploration will focus on conducting surveys and drilling test wells in a 42,000 square kilometres area in the Afar region as reported by Bloomberg. GPB reported in October 2014 that it has put up an international tender inviting companies for the provision of airborne geophysical surveys in its concession and that the US company, Bell Geospace, won the contract for the provision of airborne Full Tensor Gradiometry (FTG) and magnetic surveys in the Gewane-El Wiha Block.

Gambella Basin: South West Energy Ltd's assets cover 17,000 Km² in Gambella Basin. Previous exploration activities in the Gambella Basin were conducted by Petronas, which included 1,500 km of 2D seismic, geochemical survey and two wells were drilled. South West Energy announced that preliminary resource estimates show potential in excess of 2 BBO.¹

¹ Overview Presentation, SouthWest Energy, October 2017

3.3.8. Oil and Gas Sector contribution to the Ethiopian economy

(i) Contribution to Employment

We note the lack of recent official statistical information at the Central Statistical Agency of Ethiopia in relation to employment figures in the oil and gas sector as well as in the overall employment represented by the extractive sector.

Although, this does not ensure full coverage of the oil and gas employment, the data provided by the six reporting companies operating in the oil and gas sector in Ethiopia and included in the reconciliation scope give a glimpse of the number of employees in the oil and gas sector in the country (156 employees representing 4% of total employment in extractive sector) as shown in the table below:

Companies	Number of employees	%
Africa Oil Ethiopia B.V	12	0%
POLY-GCL Petroleum Investments Ltd Ethiopian Branch	43	1%
SouthWest Energy (HK) Ltd	75	2%
NewAge Ethiopia Ltd	12	0%
Delonex Energy Ethiopia Ltd	5	0%
GPB Ethiopia Resources B.V	9	0%
Total number of employees in petroleum companies	156	4%
Remaining reporting mining companies (*)	3,388	96%
Total number of employees of reporting companies	3,544	100%

Source: EITI reporting templates of companies

(*) Detail of mining companies' employment presented in Section 3.2.10 of this report

Based on the figures published by the Central Statistical Agency, the total labour force in Ethiopia is 42,403,879¹. Employment in the oil and gas sector represents approximately zero percent of the total labour force.

(ii) Contribution to Government revenues

No official statistics were available at the Central Statistical Agency of Ethiopia on the contribution of the Oil and Gas sector to Government revenues. Data collected from the NBE in the course of the reconciliation exercise indicated that revenues generated by MMPNG in the Ethiopian fiscal year 2014/15 from this sector amounted to ETB 96 million as detailed in the table below:

Indicators	Amount in 2014/2015 (in ETB million)	Contribution to Government Revenues in %
Total General Government revenues (*)	199,639	100.00%
Oil & Gas Revenues (**)	96	0.05%
Total Extractive Revenues	96	0.05%

(*) Source: National Bank of Ethiopia – Annual report 2014/15

(**) Source: EITI Reporting template from companies

(iii) Contribution to GDP and exports

The Ministry of Mines Petroleum and Natural Gas confirmed that the oil and gas sector is still at the exploration phase in Ethiopia.

¹ Statistical bulletin on the 2013 National Labor Force Survey, March 2014

3.4. Collection and distribution of the extractive industry revenues

3.4.1. Budget process

Ethiopia has a well-established legal framework governing its budget system that derives from the 1995 Constitution of The Federal Democratic Republic of Ethiopia. The Constitution clearly defines the structure, division of powers and responsibilities among the State's departments.

(i) Budget planning and formulation:

MoFEC makes macro-economic and fiscal plans (forecasts) available for allocation to line ministries. It issues a budget guideline and gives indicative-spending ceilings. Each spending agency submits its proposal to MoFEC. The overall budget envelope, finalised after the budget hearing process is submitted to the Council of Ministers for approval. The budget is subsequently presented to parliament and published.

MoFEC coordinates donor funding and matches resources with relevant projects. All donor funds are subject to the government approval and to normal budget reporting.

(ii) Budget preparation process:

The budget prepared by MoFEC then approved by the Parliament. The House of the People's representatives make the budget open through a public call to the media.

(iii) Audit of the Financial Statement of the Federal Government:

The Office of the Federal Auditor General was set up by Proclamation (No. 68/1997). The Auditor General is appointed upon the recommendation of the Prime Minister by the House of Peoples' Representatives. The Office of the Auditor General is responsible for the inspection of the accounts of all government bodies. Its main task is to ensure that expenditure is made in accordance with the approved allocation for the fiscal year and submits a report to the House of Peoples' Representatives.

The Federal Ethics and Anti-Corruption Commission was established by Proclamation (No 235/2001) as an Independent Federal Government body. Its main functions are combating corruption, investigations and prosecution. This Commission is headed by a Commissioner supported by a Deputy Commissioner and is accountable to the Prime Minister. Both Commissioner and his Deputy are appointed by the House of Representatives upon nomination by the Prime Minister.

(iv) Audit of the Financial Statements of public enterprises:

The financial statements of public enterprises are audited by the office of the Auditor General. The Auditor General submits its report to the House of Peoples' Representatives. However, there is no evidence of systematic follow up of issues raised by the Auditor. Lack of resources and limited understanding of accountability among some members of the Budget and Finance Affairs Committee is considered as a barrier to maintain clear oversight of budget implementation. Some reports indicate that more stringent mechanisms are needed to ensure that public offices comply with requests and queries from the Auditor General and/or with the recommendations made by the House of Representatives regarding audit reports.

3.4.2. Revenues collection

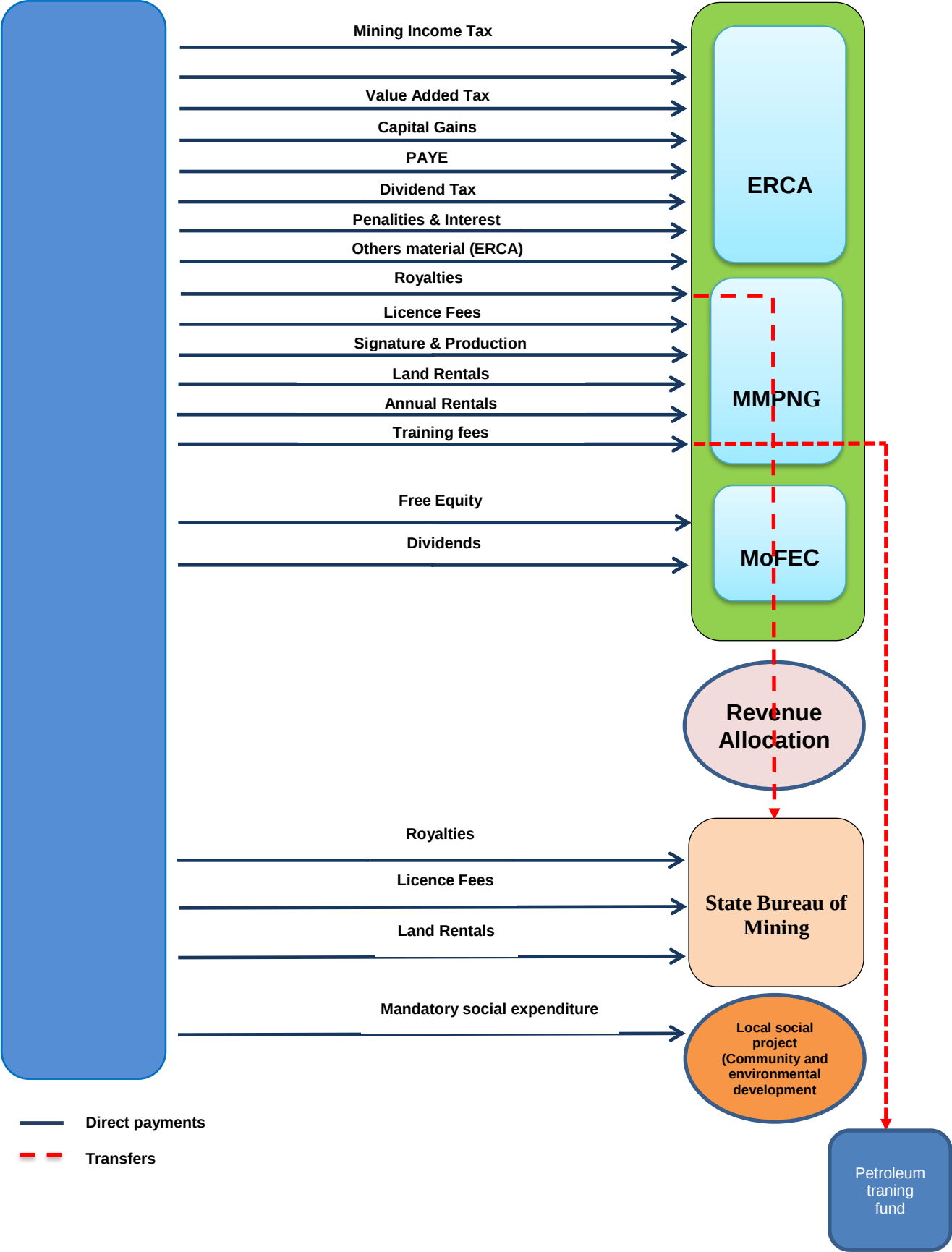
(i) Revenues recorded in Federal budget

The contribution of mining revenues to the budget of Federal Democratic Republic of Ethiopia can be determined in the Consolidated Revenue accounts prepared by MoFEC. However, the tax generated from the sector may not be easily determined because the consolidated accounts provide information only on the royalties received during the year by MMPNG. In principle, other revenues collected by ERCA are categorised into direct and indirect taxes and taxes on foreign trade.

The other payments from the mining sector to MoFEC as dividends and free equity are presented as other non-tax revenues.

The mining revenue collections framework can be represented diagrammatically as follows:

Figure 5: Mining revenue collections framework



(ii) Petroleum training fund

The Petroleum Training Fund is a separate bank fund which is managed by MMPNG and aims to fund capacity building activities in the oil and gas sector. Training fees from oil and gas companies are paid directly to the Petroleum Training Fund account.

3.4.3. Extractive revenues transfers to Regional States

In Ethiopia, the federal constitution declares that the federal government shall levy taxes and collect duties on sources reserved to it, and the states likewise exercise the same power with respect to sources that fall under their jurisdiction. Thus, the two tiers of government exercise their legislative and administrative powers within their respective taxation jurisdictions. As a result, the revenue generated from respective sources belongs exclusively to each level of government. The FDRE Constitution does not explicitly limit the powers of the states to alter the taxes or influence the tax bases. However, it provides general directives on taxation which they must consider in exercising their taxation powers.

The tax revenues are generally allocated to regional Governments based on a budget formula that is voted by the House of Federation, the upper house of the Federal Parliamentary Assembly. The taxes administered by the federal government include: employment tax from the employees of the federal government and its public enterprises and international organisations, federal stamp duties, monopoly tax, value added tax, national lottery, fees from licenses issued and services provided by organs of the federal government. This is in addition to the federal government's share on royalty and non-tax revenues on natural resources (mainly gold and natural gas).

In relation to large-scale mining and petroleum and gas operations, Article 98/3 of the Constitution stipulates that the Federal Government and the States shall jointly levy and collect taxes on incomes derived from such operations. The division of revenues derived from joint Federal and State tax sources is within the powers of the House of Federation according to Article 62/7 of the Constitution. The current revenue sharing ratios applicable for royalty and income tax stemming from large mine and petroleum and gas that were decided by the House of are as follows:

- Royalties: 60% for Federal Government and 40% for Regional States; and
- Income tax: shared between the two levels on a 50/50 basis.

Income tax is common payment stream that is not specific to the extractive industries. It is therefore transferred to the Regional States among the other taxes collected.

3.5. Beneficial ownership

A scoping study on EITI beneficial ownership¹ has been carried out for Ethiopia in March 2017. The study included the following points:

- stakeholder consultations;
- overview of legal framework for extractives industries;
- assessment of institutional capacity of Government;
- review of company registers;
- review of existing definition of beneficial ownership and proposals;
- suggested methodology for data collection; and
- review of beneficial ownership information collected during the first EITI Report.

¹ <https://eiti.org/document/ethiopia-beneficial-ownership-scoping-study>

3.6. Audit and assurance practices in Ethiopia

3.6.1. Extractive companies

The Commercial Code makes directors of companies responsible for preparation of financial statements, including consolidated financial statements for group companies, and for ensuring that an audit of the financial statements is conducted.

The Commercial Code stipulates that books and accounts shall be maintained as required in accordance with business practices and Ethiopian regulations including tax laws. Proclamation 847/2014 requires companies to prepare their financial statements in accordance with International Financial Reporting Standards (IFRS).

The Accounting and Auditing Standard Board (AABE) was established by Proclamation 847/2014 and Council of Ministers Directives No 332/2014 in order to regulate the accounting system in the private sector. AABE is responsible for including audit licences, Code of Ethics and setting the standards according to International Auditing standards.

Thus by implication extractive industries are expected to subject their financial statements to statutory audit at the end of every financial year. Financial statements of private companies are available to the general public on voluntary basis. In the case of listed companies, publication of its financial statements is mandatory.

3.6.2. Government Agencies

In Ethiopia there is a special Government Agency – OFAG – the supreme audit institution, which carries out controls over the execution of the government's budget and payment of taxes and other mandatory payments, including payments from Government Agencies as described in Sections 3.2.4 and 3.3.4 above.

The Auditor General, who is appointed by the House of Peoples' Representatives, shall audit and inspect the accounts of the all Government Agencies, ministries and other agencies of the Federal Government to ensure that expenditure are properly accounted for activities carried out during the fiscal year and in accordance with the approved allocations. The Auditor General shall draw up his office's annual budget which he submits to the House of Peoples' Representatives for approval.

4. DETERMINATION OF THE RECONCILIATION SCOPE

4.1. Selection of payment flows and information to be reported

The financial flows to be included in the reconciliation and the Government Agencies and Companies which were required to report were determined by the EEITI MSB based on the scoping study are set out in the paragraphs below.

The description of each payment flow set out below is defined in Appendix 7 of this report.

4.1.1. Direct payments

Ministry of Mines Petroleum and Natural Gas (MMPNG)

In accordance with relevant laws and regulations there are 7 categories of taxes payable by oil, gas and mining companies. These taxes are set out in the table below:

Ref.	Payment flows
1.1	Royalties
1.2	License Fees
1.3	Penalties
1.4	Land Rentals
1.5	Signature Bonus
1.6	Production bonuses
1.7	Sale of Petroleum Data Package

The EEITI MSB agreed to include all of the above fees and charges in order to ensure completeness of revenues.

Ethiopian Revenues and Customs Authority (ERCA)

According to the relevant laws and regulation and data collected from ERCA there are 11 categories of taxes payable by oil, gas and mining companies to ERCA. These taxes are set out in the table below:

Ref.	Payment flows
2.1	Income tax: Schedule C (Mining)
2.2	Income tax: Schedule C (Normal)
2.3	Withholding taxes on payments
2.4	Customs duties
2.5	Taxes on Dividends
2.6	Personal Income tax (Pay As You Earn "PAYE")
2.7	Capital gains
2.8	Value Add Tax (VAT)
2.9	Excise Taxes
2.10	Penalties
2.11	Withholding taxes on interests

The EEITI MSB agreed to include all of the above taxes in order to ensure completeness of revenues.

Ministry of Finance and Economic Cooperation (MoFEC)

According to the relevant laws and regulation there are 2 types of payment flows payable by mining companies to MoFEC. These payments are set out in the table below:

N°	Payment flows
3.1	Free Equity
3.2	Dividends from State Owned Companies

The EEITI MSB decided to include both payments in order to ensure completeness of income.

4.1.2. Payment to Regional State Governments

In accordance with relevant laws and regulations there are fees and taxes paid by mining companies to Local Governments, which are set out as follows:

N°	Payments to Regional States
4.1	Land Rentals
4.2	Royalties paid by Holders of Small Scale Mining Licences
4.3	Licence Fees
4.4	Penalties
4.5	Personal Income taxes
4.6	Other material payments to State Government
5.1	Income tax: Schedule C (Normal)
5.2	Withholding tax on payments
5.3	Personal Income tax (Pay As You Earn "PAYE")
5.4	Excise duty

The EEITI MSB decided to include them because they are material in relation to the areas served by Regional Governments. It was not possible to reconcile them. Accordingly, the EEITI MSB agreed to include these payments in the 2014/15 EITI scope through unilateral disclosure by extractive companies.

4.1.3. Social payments

These consist of all contributions made by extractive companies to promote local development and to finance social projects in line with the EITI Standard. The Standard encourages the multi stakeholder board to apply a high standard of transparency to social payments and transfers, the parties involved in the transactions and the materiality of these payments and transfers to other benefit streams, including the recognition that these payments may be reported even though it is not possible to reconcile them.

These contributions can be voluntary or non-voluntary and can be made in cash or in kind depending on individual contracts. This category includes, inter alia: health infrastructure, school infrastructure, road infrastructure, market gardening infrastructure, projects related to the promotion of the agriculture and the grants provided to the population.

The EEITI MSB decided to include the social payments in the 2014/15 EITI scopes through unilateral disclosure by extractive companies. These disclosures should be segregated between mandatory and voluntary social payments as follows:

N°	Payment flows
6.1	Voluntary Corporate Social Responsibility
6.2	Mandatory Social Responsibility

4.1.4. Infrastructure provisions and Barter arrangements

On the basis of meetings held during the scoping study, we note that no payment flows related to barter arrangements involving infrastructure works as set out in EITI Requirement 4.3 were identified. However, due to the limitation of scope raised during the scoping phase, the EEITI MSB decided to include in the reporting template in case they exist:

N°	Payment flows
7.1	Total budget of the Engagement/Project
7.2	Value of engagements/project incurred from 08/07/2014 to 07/07/2015
7.3	Cumulated value of engagements/project incurred on 07/07/2015

4.1.5. Quasi fiscal expenditure

According to EITI Requirement 6.2, the multi-stakeholder board 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 State-owned enterprise subsidiaries and joint ventures. The EEITI MSB agreed to include these payments through unilateral disclosure by State-owned companies.

4.1.6. Regional States' Transfers

In accordance with EITI Requirement 5.2 a), where transfers between Federal and Regional States relate to revenues generated by extractive industries and are mandated by a national constitution, statute or other sharing mechanism, the multi-stakeholder board is required to ensure that material transfers are disclosed in the EITI Reports;

We note that the Federal Government transfers royalties to Regional Governments as detailed in Section 3.4.3 of this report. Since that royalties are payment flows specific to the extractive sector, the transfer of royalties to the Regional States is included in the scope of information to be disclosed as agreed by the EEITI MSB.

4.1.7. Production volumes and value

According to EITI Requirement 3.2, the EITI report must disclose total production volumes and the value of production by commodity, and, when relevant, by state/region. The EEITI MSB decided to include production figures through unilateral disclosure from companies selected in the EITI scope of reconciliation.

4.1.8. Export volumes and value

According to EITI Requirement 3.3, the EITI report must disclose total export volumes and the value of exports by commodity, and when relevant, by state/region of origin. The EEITI MSB agreed to include exports in the reconciliation scope through unilateral disclosure by companies.

4.1.9. Number of employees

According to EITI Requirement 6.3 d), the EITI report must disclose, when available, information related to employment in the extractive industries in absolute terms and as a percentage of the total employment.

The EEITI MSB agreed to include employment figures through unilateral reporting from companies selected in the EITI reconciliation scope.

4.1.10. Beneficial ownership

According to EITI Requirement 2.5 it is recommended that implementing countries maintain a publicly available register of beneficial owners of the corporate entities, which bid for, operate or invest in extractive assets, including the identity of their beneficial owners, the level of ownership and details about how ownership or control is exerted. The EEITI MSB agreed to include beneficial ownership in the EITI scope for the years 2014/15.

4.1.11. Register of licences

According to EITI Requirement 2.3 b), implementing countries are required to maintain a publicly available register or mining cadastre. However, during the course of our work, we noted that the cadastre (register of licences) is not publicly available. Accordingly, the EITI Requirement stipulates that the EITI report should disclose any gaps in the publicly available information. As a result, the EEITI MSB agreed to include licence details through unilateral reporting by companies selected in the EITI reconciliation scope.

4.1.12. Financial flows for inclusion in 2014/15 EITI Reports

According to the above, the flows that should be included in the 2014/15 reconciliation scope may be summarised as follow:

N°	Flows description	Mining companies	Government Agencies
Ministry of Mines Petroleum and Natural Gas			
1.1	Royalties paid	✓	✓
1.2	Licence Fees	✓	✓
1.3	Penalties	✓	✓
1.4	Land Rentals	✓	✓
1.5	Signature Bonuses	✓	✓
1.6	Production bonuses	✓	✓
1.7	Sale of Petroleum Data Packages	✓	✓
1.8	Other material payments to Mining authority	✓	✓
Ethiopian Revenues and Customs Authority			
2.1	Income tax : Schedule C (Mining)	✓	✓
2.2	Income tax : Schedule C (Normal)	✓	✓
2.3	Withholding taxes on payments	✓	✓
2.4	Customs duties	✓	✓
2.5	Tax on dividends	✓	✓
2.6	Personal Income tax (Pay As You Earn "PAYE")	✓	✓
2.7	Capital gains tax	✓	✓
2.8	Value Add Tax (VAT)	✓	✓
2.9	Excise Tax	✓	✓
2.10	Penalties	✓	✓
2.11	Withholding taxes on interests	✓	✓
2.12	Other material payments to ERCA	✓	✓
Ministry of Finance and Economic Cooperation			
3.1	Free Equity	✓	✓
3.2	Dividends from State Owned Companies	✓	✓
3.3	Other material payments to MoFEC	✓	✓
Regional State Mining Authority			
4.1	Land Rentals	✓	
4.2	Royalties paid by Holders of Small Scale Mining Licences	✓	
4.3	Licence Fees	✓	
4.4	Penalties	✓	
4.5	Personal Income taxes	✓	
4.6	Other material payments to State Government	✓	
Regional State Tax Authority			
5.1	Income tax: Schedule C (Normal)	✓	
5.2	Withholding tax on payments	✓	
5.3	Personal Income tax (Pay As You Earn "PAYE")	✓	
5.4	Excise duty	✓	
5.5	Other material payments to Regional State Tax Authority	✓	
Social Payments			
6.1	Voluntary Corporate Social Responsibility	✓	
6.2	Mandatory Social Responsibility	✓	□
Infrastructure provisions and barter arrangements			
7.1	Total budget of the Engagement/Project	✓	✓
7.2	Value of engagements/project incurred during 2014/15	✓	✓
7.3	Cumulated value of engagements/project incurred on 07/07/2015	✓	✓

4.2. Extractive companies

4.2.1. Oil and Gas Companies

Based on the information made available by MMPNG, during the preparation of the scoping study there were no production activities carried out by companies during the years 2014/15. The Petroleum, Licensing and Administration Directorate has confirmed that 7 operators have undertaken exploration activities in the country and have already made payments to MMPNG. The amounts of income collected by MMPNG are detailed as follows:

Company	Total revenue 2014/15			Active
	(million ETB)	Weight (%)	Cumulative weight	
GPB Ethiopia	35.4	44%	44%	✓
POLY-GCL Petroleum Investments Ltd Ethiopian Branch	20.8	26%	69%	✓
Tullow Ethiopia B.V.	12.0	15%	84%	
NewAge Ethiopia Ltd	5.0	6%	91%	✓
Africa Oil Ethiopia B.V	4.4	6%	96%	✓
Delonex	2.0	2%	99%	✓
South West Energy (HK) Ltd	1.2	1%	100%	✓
Total	80.8	100%		

As a result, the EEITI MSB agreed to include all six (6) Oil and Gas companies which are still operating in the country and/or paid land rent to MMPNG for 2014/15.

For the extractive company that has not been selected, the EEITI MSB agreed on the disclosure by Government Agencies of their combined revenues in accordance with EITI Requirement 4.1.d.

4.2.2. Mining Companies

This selection was based on the review of the list of Private Sector Participants in the Ethiopian mining sector's licences provided by the Mineral Licensing and Administration Directorate (MMPNG) in line with the EEITI MSB's decision to ensure that the operators selected to comply with the EITI standard are representative of the Extractive Industries in Ethiopia.

The list of mining licences provided so far for the purpose of the scoping study includes 22 companies, which held active mining licences during the reconciliation period. Companies engaged in the exploration activities in the mining sector were not retained in the scope as agreed by the EEITI MSB.

During the scoping phase, ERCA did not provide us with all the payments made by extractive companies operating in Ethiopia during the year ending 8 July 2015 (2014/15), disaggregated by tax. ERCA only provided payments made for fifty-four (54) companies, of which twenty-one (21) companies were unrelated to the extractive industries. Accordingly, the list of companies making material payments to the Government could not be determined and the contribution of the minerals sector to government revenues could not be assessed during the scoping phase.

The information related to tax collections, provided to us during the scoping study and related to the reconciliation year 2014/15 were therefore limited to royalty payments and production figures as reported by the relevant Directorates within MMPNG. According to the 2013/14 EEITI report, royalties represented only 5% of the total mining revenues. Accordingly, we were not able to set a materiality threshold and we were not able to verify the completeness of that data during the scoping phase.

As a result, during the scoping phase, we gathered information from multiple sources in order to select the companies for the year 2014/15 EITI reconciliation exercise, such as the list of licences provided by MLAD, royalty payments during 2014/15, production figures during the periods and the first EEITI report 2013/14.

As described above, the selection of companies to be included in the scopes was made on the basis of the following criteria:

- all companies having paid royalties and/or declared production and/or holding an active licence during the reconciliation periods have been selected for the 2014/15 EITI reconciliation exercise. The list of companies (21) is set out in the list below:

Company name	Royalty payments	2014/15 Active licence	Production declared
MIDROC Gold Mine Plc	✓	✓	
Ethiopian Mineral, Petroleum and Biofuel Co(*)	✓	✓	
Abijata-Shalla Soda Ash Sc	✓	✓	✓
Pioneer Cement Manufacturing Plc	✓	✓	✓
Afar Salt Production Sc	✓	✓	✓
Inchini Bedrock Cement Plc	✓	✓	✓
East Cement Sc	✓	✓	
Erta Ale Salt Work Plc	✓	✓	✓
Afdera Salt Producing Plc	✓	✓	✓
Lucy Salt Producing Plc	✓	✓	✓
ETNO Mining Plc		✓	
Target Industries Plc	✓	✓	
Sammaka Stones Plc	✓	✓	✓
National Mining Corporation Plc	✓	✓	✓
Bezalel Construction Material Manufacturing Plc	✓	✓	✓
Derba Midroc Cement Plc		✓	
Dangote Industries Ethiopia Plc		✓	
Sourish Marbles Plc		✓	
Three M Marble and Terrazzo Manufacturing Plc		✓	
Asayede kemikale (Allied chemical Plc)		✓	
East African Holding Sc		✓	

(*) The company was previously named 'Ethiopian Mineral Development Share company'

- two (2) State-Owned companies owning active licences awarded by the Federal Mining Authority, have been selected in the 2014/15 reconciliation scope. They were identified from the previous EEITI report. These are:

Company name	Source
Ethiopian Mineral, Petroleum and Biofuel Co (*) (**)	2013/14 first EITI report
Afar Salt Production S.C (*)	2013/14 first EITI report

(*) Already selected in the list of 22 companies above

(**) The company was previously named 'Ethiopian Mineral Development Share company'

Based on the above, twenty-eight (21) companies have been selected for the 2014/2015 reconciliation exercise. These companies are as follows:

	Name of company	2014/15
Mining	MIDROC Gold Mine Plc	✓
	Abijata-Shalla Soda Ash Sc	✓

	Name of company	2014/15
	Pioneer Cement Manufacturing Plc	✓
	Inchini Bedrock Cement Plc	✓
	East Cement Sc	✓
	Erta Ale Salt Work Plc	✓
	Afdera Salt Producing Plc	✓
	Lucy Salt Producing Plc	✓
	ETNO Mining Plc	✓
	Target Industries Plc	✓
	Sammaka Stones Plc	✓
	National Mining Corporation Plc	✓
	Bezalel Construction Material Manufacturing Plc	✓
	Derba Midroc Cement Plc	✓
	Dangote Industries Ethiopia Plc	✓
	Sourish Marbles Plc	✓
	Three M Marble and Terrazzo Manufacturing Plc	✓
	Asayede kemikale (Allied chemical Plc)	✓
	East African Holding Sc	✓
State Owned Companies	Afar Salt Production Sc	✓
	Ethiopian Mineral, Petroleum and Biofuel Co(*)	✓

(*) The company was previously named 'Ethiopian Mineral Development Share company'

For extractive companies which have not been selected as described above, the EEITI MSB agreed on the disclosure by Government Agencies of their combined revenues in accordance with EITI Requirement 4.1.d. These are detailed in Section 6.3 of this report.

Therefore, payments made by exploration licence holders to ERCA were not included in the scope of the report as decided by the EEITI MSB. Payments made by the exploration licence holders to MMPNG were unilaterally disclosed by the Government Agency.

4.3. Government Agencies

Based on the scope proposed above, the Government Agencies that are required to report for the 2014/15 EITI Report are:

N°	Central Agencies
1	Ministry of Mines Petroleum and Natural Gas (MMPNG)
2	Ethiopian Revenues and Customs Authority (ERCA)
3	Ministry of Finance and Economic Cooperation (MoFEC)

Although NBE was not required to submit reporting templates for the reconciliation process for the year 2014/15, it remains part of the reporting process to provide unilateral disclosure of ASM production.

4.4. Materiality thresholds and margin of error

For the selection of companies, we did not propose a materiality threshold due to the incompleteness of extractive industries' revenues as reported by relevant Government Agencies, as detailed in Section 4.2 above.

According to the EITI Source Book Suggested Action 19, the EEITI MSB should agree to standardise the reporting process and to set an acceptable margin of error for any discrepancy discovered by the Independent Administrator.

Accordingly, the EEITI MSB decided to maintain an amount of ETB 20,000¹ from which discrepancy per tax and/or per company is considered to be significant and was justified by the Independent Administrator during the reparation of the 2014/15 EITI report.

¹Equivalent to USD 935.336 at a weighted average rate of 21.3827 ETB/USD in May 2016

5. RECONCILIATION RESULTS

We present below detailed results of the reconciliation exercise, as well as differences noted between amounts paid by extractive companies and amounts received by Government Agencies. We have highlighted the amounts initially reported and the adjustments made following our reconciliation work, as well as the final amounts and unreconciled differences.

5.1. Payment Reconciliation between extractive Companies and Government Agencies

5.1.1. Reconciliation by Extractive Company

The table below summarises the differences between the payments reported by extractive companies and receipts reported by Government Agencies.

The table includes consolidated figures based on the reporting templates prepared by each extractive company and Government Agency, adjustments made by us following the reconciliation work and the residual, unreconciled differences. Details of the adjustment treatment is presented in Section 5.2 of this report and in order to keep the report size reasonable, detailed reconciliation reports for each company are included in Annex 9 of this report.

Amounts in ETB

No	Company	Templates originally lodged			Adjustments			Final amounts		
		Extractive company (a)	Govt (b)	Difference (c) = (a - b)	Extractive company (d)	Govt (e)	Difference (f) = (c-d)	Extractive company (g) = (a+d)	Govt (h) = (b+e)	Difference (i) = (g-h)
1	Africa Oil Ethiopia B.V	6,578,992	6,786,966	(207,974)	207,974	-	207,974	6,786,966	6,786,966	-
2	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	21,661,680	23,067,422	(1,405,742)	1,116,150	-	1,116,150	22,777,830	23,067,422	(289,592)
3	SouthWest Energy (HK) Ltd	74,112	2,135,122	(2,061,010)	-	-	-	74,112	2,135,122	(2,061,010)
4	NewAge Ethiopia Ltd	8,986,978	7,434,993	1,551,985	-	984,165	(984,165)	8,986,978	8,419,158	567,820
5	Delonex Energy Ethiopia Ltd	24,771,624	28,877,132	(4,105,508)	(204,567)	(2,816,463)	2,611,896	24,567,057	26,060,670	(1,493,612)
6	GPB Ethiopia Resources B.V	14,404,723	14,253,566	151,157	(151,026)	-	(151,026)	14,253,697	14,253,566	131
7	MIDROC Gold Mine Plc	839,020,889	943,341,595	(104,320,706)	(33,434,643)	(137,758,880)	104,324,236	805,586,245	805,582,715	3,530
8	Abijata-Shalla Soda Ash Sc	7,351,916	5,901,364	1,450,552	(4,674,265)	(3,188,245)	(1,486,020)	2,677,650	2,713,118	(35,468)
9	Pioneer Cement Manufacturing Plc	-	36,811,588	(36,811,588)	-	-	-	-	36,811,588	(36,811,588)
10	East Cement Sc	3,129,206	121,992,944	(118,863,738)	15,849,839	(103,058,434)	118,908,273	18,979,045	18,934,509	44,536
11	National Mining Corporation Plc	8,970,225	6,810,724	2,159,501	-	1,073,720	(1,073,720)	8,970,225	7,884,444	1,085,781
12	Derba Midroc Cement Plc	290,841,359	3,275,416	287,565,944	-	293,054,236	(293,054,236)	290,841,359	296,329,651	(5,488,292)
13	Dangote Industries (Ethiopia) Plc	1,165,127	92,552,163	(91,387,037)	-	(80,592,753)	80,592,753	1,165,127	11,959,411	(10,794,284)
14	Afar Salt Production Sc	7,760,900	3,844,195	3,916,705	-	-	-	7,760,900	3,844,195	3,916,705
15	Ethiopian Mineral, Petroleum and Fuel Co	-	4,000,000	(4,000,000)	-	-	-	-	4,000,000	(4,000,000)

No	Company	Templates originally lodged			Adjustments			Final amounts		
		Extractive company (a)	Govt (b)	Difference (c) = (a - b)	Extractive company (d)	Govt (e)	Difference (f) = (c-d)	Extractive company (g) = (a+d)	Govt (h) = (b+e)	Difference (i) = (g-h)
16	Allied Chemical Plc	9,870,970	9,490,611	380,359	-	-	-	9,870,970	9,490,611	380,359
17	Erta Ale Salt Work Plc	3,554,472	3,715,897	(161,425)	-	-	-	3,554,472	3,715,897	(161,425)
18	Sammakka Stones Plc	-	1,367,586	(1,367,586)	-	-	-	-	1,367,586	(1,367,586)
19	Lucy Salt Producing Plc	1,860,481	1,854,396	6,085	-	-	-	1,860,481	1,854,396	6,085
20	Bezalel Construction Material Manufacturing Plc	1,137,312	1,137,312	(0)	-	-	-	1,137,312	1,137,312	(0)
21	East African Holding Sc	10,591,994	11,991,243	(1,399,249)	385	(239,825)	240,210	10,592,378	11,751,418	(1,159,039)
22	Inchini Bedrock Plc	12,443,265	35,037,403	(22,594,138)	(133,809)	-	(133,809)	12,309,456	35,037,403	(22,727,947)
23	Afdera Salt Producing Plc	2,924,034	1,311,752	1,612,281	-	1,282,280	(1,282,280)	2,924,034	2,594,033	330,001
24	Target Industries Plc	-	40,520	(40,520)	-	-	-	-	40,520	(40,520)
25	Three M Marble and Terrazzo Manufacturing Plc	-	1,751,954	(1,751,954)	-	-	-	-	1,751,954	(1,751,954)
26	Sourish Marbles Plc	243,982	287,423	(43,441)	-	-	-	243,982	287,423	(43,441)
27	ETNO Mining Plc	-	1,466,594	(1,466,594)	-	-	-	-	1,466,594	(1,466,594)
Total		1,277,344,239	1,370,537,880	(93,193,641)	(21,423,962)	(31,260,198)	9,836,236	1,255,920,276	1,339,277,681	(83,357,405)

5.1.2. Reporting by revenue stream

The table below shows the total Basic Payments reported by extractive companies and Government Agencies, taking into account all adjustments:

Amounts in ETB

N° Description of Payment		Templates originally lodged			Adjustments			Final amounts		
		Extractive company (a)	Govt (b)	Difference (c) = (a) - (b)	Extractive company (d)	Govt (e)	Difference (f) = (d) - (e)	Extractive company (g)	Govt (h)	Difference (i) = (g) - (h)
A- Bilateral company disclosures		1,277,344,239	1,370,537,880	(93,193,641)	(21,423,962)	(31,260,198)	9,836,236	1,255,920,276	1,339,277,681	(83,357,405)
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)		218,265,338	221,653,203	(3,387,864)	3,187,366	1,105,136	2,082,231	221,452,705	222,758,338	(1,305,634)
1.1	Royalties paid	152,403,330	151,963,358	439,972	426,809	120,971	305,838	152,830,139	152,084,328	745,810
1.2	License Fees	8,430	-	8,430	-	-	-	8,430	-	8,430
1.3	Penalties	1,466	330	1,136	-	-	-	1,466	330	1,136
1.4	Land Rentals	22,818,232	24,822,025	(2,003,793)	(57,217)	-	(57,217)	22,761,015	24,822,025	(2,061,010)
1.5	Signature Bonus	29,974,500	41,861,970	(11,887,470)	(278,550)	(12,166,020)	11,887,470	29,695,950	29,695,950	-
1.6	Production bonuses	-	1,984,510	(1,984,510)	-	(1,984,510)	1,984,510	-	-	-
1.7	Sale of Petroleum Data Package	-	-	-	-	-	-	-	-	-
1.8	Other material payments to Mining authority	13,059,380	1,021,010	12,038,370	3,096,325	15,134,695	(12,038,370)	16,155,705	16,155,705	-
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)		1,027,730,865	1,119,536,642	(91,805,777)	(22,611,329)	(32,365,334)	9,754,005	1,005,119,537	1,087,171,308	(82,051,772)
2.1	Income tax : Schedule C (Mining)	501,671,895	473,978,487	27,693,408	(25,580,891)	(1,837,599)	(23,743,292)	476,091,003	472,140,888	3,950,116
2.2	Income tax : Schedule C (Normal)	2,474,763	64,766,151	(62,291,388)	3,265,313	(34,947,303)	38,212,616	5,740,076	29,818,848	(24,078,772)
2.3	Withholding tax on payments	35,172,803	27,981,280	7,191,523	(784,496)	13,245,065	(14,029,561)	34,388,307	41,226,345	(6,838,037)
2.4	Customs duties	28,557,418	19,962	28,537,456	-	-	-	28,557,418	19,962	28,537,456
2.5	Dividend Tax	144,143,192	276,287,439	(132,144,248)	(7,190,269)	(132,246,989)	125,056,720	136,952,923	144,040,450	(7,087,527)
2.6	Personal Income tax (Pay As You Earn "PAYE")	19,538,465	57,953,814	(38,415,350)	208,101	(31,535,144)	31,743,244	19,746,565	26,418,671	(6,672,106)
2.7	Capital gains	-	-	-	-	-	-	-	-	-
2.8	Value Add Tax (VAT)	285,067,489	203,088,096	81,979,393	10,819,152	158,172,399	(147,353,247)	295,886,640	361,260,494	(65,373,854)
2.9	Excise Tax	55,269	-	55,269	-	-	-	55,269	-	55,269
2.10	Penalties	2,402,600	2,400	2,400,200	(102,592)	2,032,847	(2,135,438)	2,300,008	2,035,247	264,761

N°	Description of Payment	Templates originally lodged			Adjustments			Final amounts		
		Extractive company (a)	Govt (b)	Difference (c) = (a) - (b)	Extractive company (d)	Govt (e)	Difference (f) = (d) - (e)	Extractive company (g)	Govt (h)	Difference (i) = (g) - (h)
2.11	Withholding tax on interests (foreign debt)	-	13,011,022	(13,011,022)	-	(7,771,851)	7,771,851	-	5,239,171	(5,239,171)
2.12	Other material payments to ERCA	8,646,973	2,447,991	6,198,982	(3,245,647)	2,523,241	(5,768,888)	5,401,326	4,971,232	430,094
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)		29,348,035	29,348,035	-	-	-	-	29,348,035	29,348,035	-
3.1	Free Equity	29,348,035	-	-	-	-	-	29,348,035	-	-
3.2	Dividends from State Owned Companies	-	-	-	-	-	-	-	-	-
3.3	Other material payments to MoFEC	-	-	-	-	-	-	-	-	-
4- Payment to State Owned Companies (SOC)		2,000,000	-	2,000,000	(2,000,000)	-	(2,000,000)	-	-	-
4.1	Dividends from Mining Companies	-	-	-	-	-	-	-	-	-
4.2	Other payments	2,000,000	-	2,000,000	(2,000,000)	-	-	-	-	-
Total payments		1,277,344,239	1,370,537,880	(93,193,641)	(21,423,962)	(31,260,198)	9,836,236	1,255,920,276	1,339,277,681	(83,357,405)

Unadjusted residual differences are detailed in Section 5.3 of the present report.

5.2. Adjustments

5.2.1. Extractive company adjustments

The adjustments were carried out on the basis of confirmations received from extractive companies and Government Agencies and were supported by adequate evidence wherever deemed appropriate. The adjustments made are detailed as follows:

Adjustments to extractive company payments	Total Amount (in ETB)
Taxes paid not reported (a)	16,426,130
Taxes paid reported but outside the period covered (b)	(133,809)
Tax amounts incorrectly reported (c)	776,048
Tax incorrectly classified (d)	(15,490)
Taxes related to activities other than mining (e)	(38,476,841)
Total added/deducted to amounts originally reported	(21,423,962)

(a) Taxes paid not reported

These are payment flows reported by Government Agencies but not reported by Extractive companies. Adjustments were made on the basis of flag receipts or confirmations from the company. We set out in the table below a summary of the adjustments made to company payments:

Company	Tax paid not reported (in ETB)
Africa Oil Ethiopia B.V	207,974
East Cement Sc	16,218,156
Total adjustments	16,426,130

- (1) Africa Oil Ethiopia B.V did not report the following payments in its original reporting template:

Tax	Amount (in ETB)
2.12- Other material payments to ERCA	207,974
Total adjustments	207,974

- (2) East Cement Sc did not report the following payments in its original reporting template

Tax	Amount (in ETB)
1.1- Royalties paid	426,809
2.8- Value Add Tax (VAT)	15,791,347
Total adjustments	16,218,156

(b) Taxes paid reported but outside the period covered by the EITI Report

These are payments reported, but which fall outside the reconciliation period, i.e. before 8 July 2014 or after 7 July 2015. We set out in the table below details of the adjustments made to company payments:

Company	Amount (in ETB)
Inchini Bedrock Plc	(133,809)
Total	(133,809)

Inchini Bedrock Plc reported "Withholding taxes on payments" to ERCA, but which fell outside the reconciliation scope.

(c) Tax amounts incorrectly reported

These relates to exchange rate discrepancies. The adjustments were exclusively made to land rental and training paid by the Oil and Gas companies. We set out in the table below details of the adjustments made to company payments:

Company	Amount (in ETB)
POLY-GCL Petroleum Investments Ltd Ethiopian Branch	1,116,150
Delonex Energy Ethiopia Ltd	(189,077)
GPB Ethiopia Resources B.V	(151,026)
Total	776,048

(d) Tax incorrectly classified

Delonex Energy Ethiopia Ltd reported the payment of training fees incorrectly to “State Owned Companies (SOC)” instead of MMPNG.

(e) Taxes related to activities other than mining

These are payments reported, but which relate to activities other than extractive as per the reporting templates. We set out in the table below details of the adjustments made to company payments on the basis of their percentages of turnover relating to non-mining activities:

Company	Amount (in ETB)	% other than extractive activities
MIDROC Gold Mine Plc	(33,434,643)	5%
Abijata-Shalla Soda Ash Sc	(4,674,265)	80%
East Cement Sc	(368,317)	2%
East African Holding Sc	385	2%
Total	(38,476,841)	

5.2.2. Adjustments to Government Agency templates

The adjustments were carried out on the basis of confirmations received from extractive companies or from Government Agencies and supported by flag receipts wherever deemed appropriate. These adjustments are detailed as follows:

Adjustments to Government payments	Total Amount in ETB
Taxes received not reported (a)	982,550,432
Taxes received reported but outside the period covered (b)	(601,074,146)
Tax amounts incorrectly reported (c)	(373,878,470)
Taxes related to activities other than extractive (d)	(38,858,014)
Total added to amounts originally reported	(31,260,198)

(a) Taxes received not reported

These are payment flows reported by extractive companies but which were not reported by Government Agencies. We set out in the table below a summary of the adjustments made to Government Agencies' initial reporting:

Revenue stream	Government Agency	Amount (in ETB)
Royalties paid	MMPNG	120,971
Other material payments to Mining authority	MMPNG	984,165
Income tax: Schedule C (Mining) (1)	ERCA	495,625,997
Withholding tax on payments (2)	ERCA	21,176,938
Dividend Tax (3)	ERCA	143,875,016

Revenue stream	Government Agency	Amount (in ETB)
Personal Income tax (Pay As You Earn "PAYE")	ERCA	19,613,272
Value Add Tax (VAT) (4)	ERCA	296,392,015
Penalties	ERCA	2,135,438
Other material payments to ERCA	ERCA	2,626,619
Total		982,550,432

After examining details of revenues sent by Government Agencies we noted that the amounts originally recorded in the reporting templates were incorrect. Several taxes were under-reported. We therefore made adjustments to reported payments based on confirmations received from the companies and/or a review of the supporting documents (receipts):

- (1) Income tax: Schedule C (Mining) received from the following companies during the reporting period has not been declared by ERCA in its reporting templates:

Company	Amount (in ETB)
MIDROC Gold Mine Plc	494,328,176
Inchini Bedrock Plc	1,297,822
Total adjustments	495,625,997

- (2) Withholding taxes on payments received from the following companies during the reporting period were not declared by ERCA in its reporting templates:

Company	Amount (in ETB)
Delonex Energy Ethiopia Ltd	36,118
MIDROC Gold Mine Plc	8,265,399
Abijata-Shalla Soda Ash Sc	126,919
East Cement Sc	328,108
National Mining Corporation Plc	71,400
Derba Midroc Cement Plc	12,348,993
Total adjustments	21,176,938

- (3) Dividend tax received from the following companies during the reporting period has not been declared by ERCA in its reporting templates:

Company	Amount (in ETB)
MIDROC Gold Mine Plc	143,805,371
Afdera Salt Producing Plc	69,645
Total adjustments	143,875,016

- (4) Value Add Tax (VAT) received from the following companies during the reporting period was not reported by ERCA in its templates:

Company	Amount (in ETB)
MIDROC Gold Mine Plc	9,322,338
Abijata-Shalla Soda Ash Sc	2,125,910
National Mining Corporation Plc	3,255,615
Derba Midroc Cement Plc	281,385,876
Afdera Salt Producing Plc	302,274
Total adjustments	296,392,015

(b) Taxes paid reported but outside the period covered

These are payments reported but which fall outside of the period covered, i.e. before 8 July 2014 or after 7 July 2015. We set out in the table below a summary of the adjustments made to Government Agencies' initial reporting:

Revenue stream	Government Agency	Amount (in ETB)
Income tax: Schedule C (Mining)	ERCA	(472,747,187)
Income tax: Schedule C (Normal)	ERCA	(19,573,599)
Withholding tax on payments	ERCA	(4,105,252)
Dividend Tax	ERCA	(238,723)
Value Add Tax (VAT)	ERCA	(96,637,535)
Withholding taxes on interests (foreign debt)	ERCA	(7,771,851)
Total		(601,074,146)

(c) Tax amount incorrectly reported

These are amounts which were incorrectly reported by Government Agencies. We found that the most significant difference was incorrectly reported by ERCA. We set out in the table below a summary of the adjustments made to Government Agencies' initial reporting:

Revenue stream	Government Agency	Amount (in ETB)
Signature Bonus	MMPNG	(1,010,920)
Other material payments to Mining authority	MMPNG	1,010,920
Income tax : Schedule C (Normal) (1)	ERCA	(15,247,729)
Withholding tax on payments	ERCA	(3,178,829)
Dividend Tax (2)	ERCA	(268,536,914)
Personal Income tax (Pay As You Earn "PAYE") (3)	ERCA	(50,499,119)
Value Add Tax (VAT) (4)	ERCA	(36,415,878)
Total		(373,878,470)

- (1) This amount relates to discrepancies between the Income tax: Schedule C (Normal) reported by ERCA in the reporting template of East Cement Sc amounting to ETB 34,821,328 and the payment flow details for ETB 19,573,599.
- (2) Dividend taxes were incorrectly reported by ERCA in the reporting template of Midroc Gold Mine Plc.
- (3) Payroll tax (Pay As You Earn "PAYE") received from the following companies during the reporting period were incorrectly reported by ERCA in its reporting templates:

Company	Amount (in ETB)
Delonex Energy Ethiopia Ltd	(3,157,325)
MIDROC Gold Mine Plc	(29,304,912)
East Cement Sc	(2,089,794)
Derba Midroc Cement Plc	(3,196,027)
Dangote Industries (Ethiopia) Plc	(12,751,062)
Total adjustments	(50,499,119)

- (4) This amount relates to discrepancies between the Value Add Tax (VAT) reported by ERCA in the reporting template of East Cement Sc amounting of ETB 76,304,388 and the payment flow details made available for ETB 39,888,510.

(d) Tax related to activity other than mining

These are payments reported, but which related to activities other than extractive as per the reporting templates. We set out in the table below details of the adjustments made to company payments on the basis of their percentages of non-mining activities:

Revenue stream	Government Agency	Amount (in ETB)
Income tax : Schedule C (Mining)	ERCA	(24,716,409)
Income tax : Schedule C (Normal)	ERCA	(125,975)
Withholding tax on payments	ERCA	(647,793)
Dividend Tax	ERCA	(7,346,368)
Personal Income tax (Pay As You Earn "PAYE")	ERCA	(649,297)
Value Add Tax (VAT)	ERCA	(5,166,203)
Penalties	ERCA	(102,592)
Other material payments to ERCA	ERCA	(103,378)
Total		(38,858,014)

5.3. Unreconciled discrepancies

Following our adjustments, the total unreconciled discrepancies amounted to ETB (83,357,405) representing 6.2% of total payments reported by Government Agencies. This is the sum of positive differences of ETB 45,091,184 and negative differences amounting to ETB (128,448,590). These unreconciled differences can be analysed as follows:

	Differences (in ETB)
Reporting templates not submitted by the extractive company (a)	(45,438,242)
Missing Government Agency detail by receipt number	(85,048)
Taxes not reported by the extractive company (b)	(82,912,795)
Taxes not reported by the Government Agency (c)	45,091,184
Detail of expenditure could not be used	(9,164)
Not material difference < KETB 20	(3,341)
Total differences	(83,357,405)

(a) Reporting templates not submitted by the extractive company

This unreconciled difference relates to six (6) companies which failed to submit their reporting templates. The receipts reported by Government Agencies in respect of these companies amounted to ETB 45,438,242 representing 3.3% of the total extractive sector revenue. Details of these differences by company are set out in the table below:

Company	Amount (in ETB)
Pioneer Cement Manufacturing Plc	(36,811,588)
Ethiopian Mineral, Petroleum and Fuel Co	(4,000,000)
Sammakka Stones Plc	(1,367,586)
Target Industries Plc	(40,520)
Three M Marble and Terrazzo Manufacturing Plc	(1,751,954)
ETNO Mining Plc	(1,466,594)
Total	(45,438,242)

No feedback was received from the mentioned above companies.

(b) Taxes not reported by extractive companies

These differences are mainly related to taxes reported by ERCA. In most cases, we were unable to obtain confirmation from the companies of these payments, given the lack of the receipt number for payments of custom duties, withholding taxes, excise tax and other material payments on importation declared by ERCA. We present in the table below a breakdown of unreconciled differences by company:

Company	Amount (in ETB)
POLY-GCL Petroleum Investments Ltd Ethiopian Branch	(289,592)
South West Energy (HK) Ltd	(2,061,010)
New Age Ethiopia Ltd	(2,400)
Delonex Energy Ethiopia Ltd	(1,493,612)
Abijata-Shalla Soda Ash Sc	(39,025)
East Cement Sc	44,538
National Mining Corporation Plc	(56,091)
Derba Midroc Cement Plc	(40,505,885)
Dangote Industries (Ethiopia) Plc	(10,905,064)
Afar Salt Production Sc	(68,062)
Allied Chemical Plc	(223,177)
Ertale Ale Salt Work Plc	(161,424)
Lucy Salt Producing Plc	(293,088)
East African Holding Sc	(2,907,474)
Inchini Bedrock Plc	(23,869,762)
Afdera Salt Producing Plc	(32,961)
Sourish Marbles Plc	(48,703)
Total	(82,912,795)

We present in the table below a breakdown of unreconciled differences by tax payment:

Revenue Stream	Amount (in ETB)
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	2,879,332
Royalties paid	(818,322)
Land Rentals	(2,061,010)
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	80,033,461
Income tax : Schedule C (Mining)	(37,271)
Income tax : Schedule C (Normal)	(6,229,706)
Withholding taxes on payments	(794,581)
Dividend Tax	(398,376)
Personal Income tax (Pay As You Earn "PAYE")	(6,088,216)
Value Add Tax (VAT)	(59,402,673)
Penalties	(2,400)
Withholding taxes on interests (foreign debt)	(5,239,171)
Other material payments to ERCA	(1,841,067)
Total	(82,912,795)

(c) Taxes not reported by Government Agencies

These differences relate mainly to Royalties and Customs Duties reported by companies and not confirmed by MMPNG and ERCA. We present in the table below a breakdown of unreconciled differences by tax:

Revenue Stream	Amount (in ETB)
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	7,406,805
Royalties paid	7,396,909
License Fees	8,430
Penalties	1,466
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	37,684,379
Income tax : Schedule C (Mining)	3,987,387
Withholding tax on payments	11,477
Customs duties	28,537,456
Personal Income tax (Pay As You Earn "PAYE")	953,155
Value Add Tax (VAT)	1,520,335
Excise Tax	55,269
Penalties	267,161
Other material payments to ERCA	2,352,139
Total	45,091,184

We set out in the table below details of the unreconciled differences by company:

Amounts in ETB

No.	Company	Unreconciled difference	Reasons for differences				
			Reporting template not submitted by the extractive company	Missing Government Agency detail per receipt number	Tax not reported by the extractive company	Tax not reported by the Government Agency	Detail of expenditure could not be used
1	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	(289,592)	-	-	(289,592)	-	-
2	SouthWest Energy (HK) Ltd	(2,061,010)	-	-	(2,061,010)	-	-
3	NewAge Ethiopia Ltd	567,820	-	-	(2,400)	570,220	-
4	Delonex Energy Ethiopia Ltd	(1,493,612)	-	-	(1,493,612)	-	-
5	GPB Ethiopia Resources B.V	131	-	-	-	-	131
6	MIDROC Gold Mine Plc	3,530	-	-	-	3,530	-
7	Abijata-Shalla Soda Ash Sc	(35,468)	-	-	(39,025)	3,557	-
8	Pioneer Cement Manufacturing Plc	(36,811,588)	(36,811,588)	-	-	-	-
9	East Cement Sc	44,536	-	-	44,538	-	(2)
10	National Mining Corporation Plc	1,085,781	-	-	(56,091)	1,141,872	(0)
11	Derba Midroc Cement Plc	(5,488,292)	-	-	(40,505,885)	35,017,593	-
12	Dangote Industries (Ethiopia) Plc	(10,794,284)	-	-	(10,905,064)	110,780	-
13	Afar Salt Production Sc	3,916,705	-	-	(68,062)	3,984,767	-
14	Ethiopian Mineral, Petroleum and Fuel Co	(4,000,000)	(4,000,000)	-	-	-	-
15	Allied Chemical Plc	380,359	-	-	(223,177)	607,724	(4,187)
16	Erta Ale Salt Work Plc	(161,425)	-	-	(161,424)	-	(0)
17	Sammakka Stones Plc00	(1,367,586)	(1,367,586)	-	-	-	-
18	Lucy Salt Producing Plc	6,085	-	-	(293,088)	299,575	(402)
19	East African Holding Sc	(1,159,039)	-	-	(2,907,474)	1,748,435	-
20	Inchini Bedrock Plc	(22,727,947)	-	-	(23,869,762)	1,141,815	-
21	Afdera Salt Producing Plc	330,001	-	(85,048)	(32,961)	456,054	(9,164)
22	Target Industries Plc	(40,520)	(40,520)	-	-	-	-
23	Three M Marble and Terrazzo Manufacturing Plc	(1,751,954)	(1,751,954)	-	-	-	-

No.	Company	Unreconciled difference
24	Sourish Marbles Plc	(43,441)
25	ETNO Mining Plc	(1,466,594)
Total		(83,357,405)

Reasons for differences					
Reporting template not submitted by the extractive company	Missing Government Agency detail per receipt number	Tax not reported by the extractive company	Tax not reported by the Government Agency	Detail of expenditure could not be used	Not material difference < KETB 20
-	-	(48,703)	5,262	-	-
(1,466,594)	-	-	-	-	-
(45,438,242)	(85,048)	(82,912,795)	45,091,184	(9,164)	(3,341)

We set out in the table below details of unreconciled amounts by type of payment:

Amounts in ETB

No.	Revenue Stream	Unreconciled difference	Reasons for differences					
			Reporting template not submitted by the extractive company	Missing Government Agency detail per receipt number	Tax not reported by the extractive company	Tax not reported by the Government Agency	Detail of expenditure could not be used	Not material difference < KETB 20
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)		(1,305,634)	(5,748,057)	(85,048)	(2,879,332)	7,406,805	-	(2)
1.1	Royalties paid	745,810	(5,747,727)	(85,048)	(818,322)	7,396,909	-	(2)
1.2	License Fees	8,430	-	-	-	8,430	-	-
1.3	Penalties	1,136	(330)	-	-	1,466	-	-
1.4	Land Rentals	(2,061,010)	-	-	(2,061,010)	-	-	-
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)		(82,051,772)	(39,690,185)	-	(80,033,463)	37,684,379	(9,164)	(3,339)
2.1	Income tax : Schedule C (Mining)	3,950,116	-	-	(37,271)	3,987,387	-	(0)
2.2	Income tax : Schedule C (Normal)	(24,078,772)	(17,849,065)	-	(6,229,706)	-	-	(0)
2.3	Withholding tax on payments	(6,838,037)	(6,056,054)	-	(794,581)	11,477	-	1,121
2.4	Customs duties	28,537,456	-	-	-	28,537,456	-	-
2.5	Dividend Tax	(7,087,527)	(6,689,151)	-	(398,376)	-	-	(0)
2.6	Personal Income tax (Pay As You Earn "PAYE")	(6,672,106)	(1,527,611)	-	(6,088,216)	953,155	(9,164)	(270)
2.7	Capital gains	-	-	-	-	-	-	-
2.8	Value Add Tax (VAT)	(65,373,854)	(7,487,328)	-	(59,402,673)	1,520,335	-	(4,187)
2.9	Excise Tax	55,269	-	-	-	55,269	-	-
2.10	Penalties	264,761	-	-	(2,400)	267,161	-	-
2.11	Withholding tax on interests (foreign debt)	(5,239,171)	-	-	(5,239,171)	-	-	-
2.12	Other material payments to ERCA	430,094	(80,976)	-	(1,841,067)	2,352,139	-	(2)
Total		(83,357,405)	(45,438,242)	(85,048)	(82,912,795)	45,091,184	(9,164)	(3,341)

6. REPORTED DATA ANALYSIS

6.1. Analysis of Government revenues

The reconciled Government revenue is the sum of receipts declared by MMPNG, ERCA, MoFEC, Regional Government (RG) and Social Contributions (SC).

6.1.1. Summary

This section summarises the total revenues reconciled, unilateral disclosure of revenues by company and unilateral disclosure of revenues by Government Agencies.

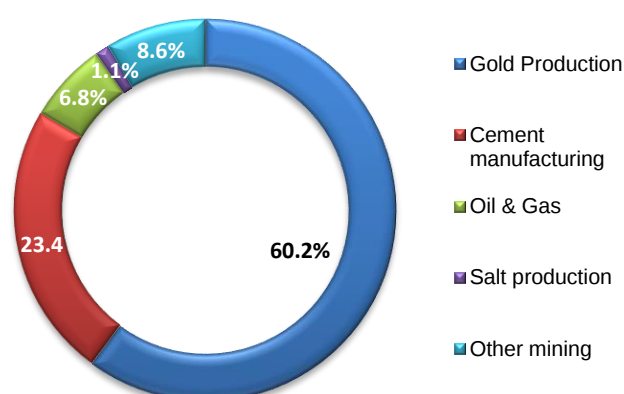
Government Agencies	Amount declared (ETB)
Reconciled figures	1,339,277,681
Unilateral disclosure of revenues by company	61,280,521
Unilateral disclosure of revenues by Government Agencies	12,697,830
Total extractive sector	1,413,256,032

6.1.2. Analyses of payments by activity's contribution

The analysis of Government revenues by sector contribution indicates that gold production accounted for 60.2% to the total extractive sector revenue during 2014/15. The table below presents the contribution of each activity:

Figure 6: Contribution by activity

Activity	Reported revenue (in ETB million)	% of total payment
Gold Production	850	60.2%
Cement manufacturing	330	23.4%
Oil & Gas	96	6.8%
Salt production	16	1.1%
Other mining	121	8.6%
Total extractive sector revenue	1,413	100.0%

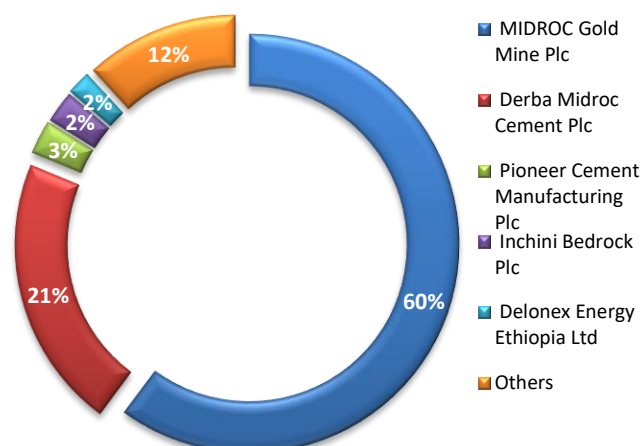


6.1.3. Analyses of payments by companies' contribution

The analysis of Government revenues by company contribution indicates that 5 companies contributed approximately 88% of the total Government revenues for the Ethiopian fiscal year 8 July 2014 to 7 July 2015 and that MIDROC Gold Mine Plc accounts for over 60% of the country's extractive revenues for that period.

Figure 7: Top five companies' contribution

Company	Government receipts (in ETB)	% of total payment
MIDROC Gold Mine Plc	849,989,355	60.1%
Derba Midroc Cement Plc	298,371,503	21.1%
Pioneer Cement Manufacturing Plc	36,811,588	2.6%
Inchini Bedrock Plc	35,037,403	2.5%
Delonex Energy Ethiopia Ltd	26,060,670	1.8%
Others	166,985,514	11.8%
Total extractive sector revenue	1,413,256,032	100%

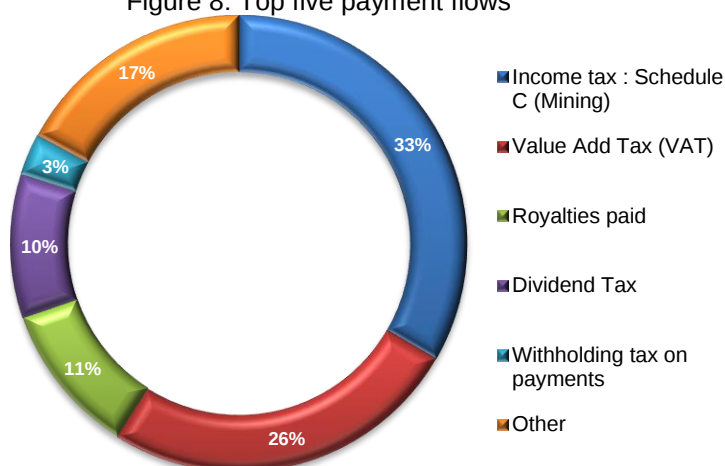


6.1.4. Analysis by payment stream

The analysis of payment flows by contribution shows that the top five taxes represent 83% the total reconciled Government revenues from mining activities. We also note that Income tax accounts for 33% and VAT accounts for 26% of total government revenue.

Payment stream	Government receipts (in ETB)	% of total payment
Income tax : Schedule C (Mining)	472,140,888	33%
Value Add Tax (VAT)	361,260,494	26%
Royalties paid	152,118,809	11%
Dividend Tax	144,040,450	10%
Withholding tax on payments	41,226,345	3%
Other	242,469,046	17%
Total extractive sector revenue	1,413,256,032	100%

Figure 8: Top five payment flows

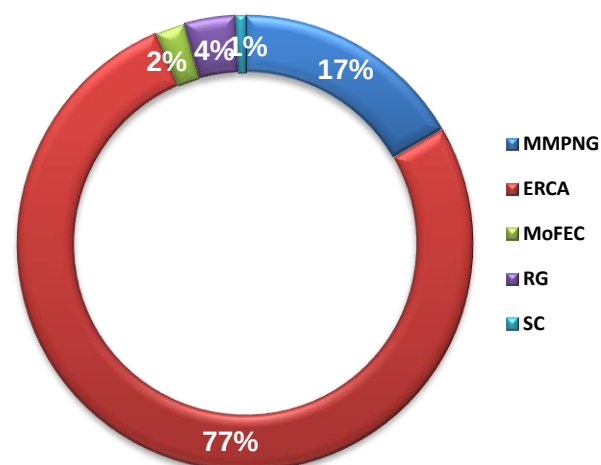


6.1.5. Analysis of revenues by Government Agency

During the Ethiopian fiscal year from 8 July 2014 to 7 July 2015, ERCA collected the largest amount of taxes as shown in the table below:

Government Agency	Government receipts (in ETB)	% of total payment
ERCA	1,087,171,308	77%
MMPNG	235,456,168	17%
MoFEC	29,348,035	2%
RG	51,090,254	3%
SC	10,190,267	1%
Total extractive sector revenue	1,413,256,032	100%

Figure 9: Government Agencies' contribution



6.2. Unilateral disclosure of revenues by reporting companies

Extractive Companies were requested to disclose unilateral payments made to Regional State and any social contribution. We set out in the table below a summary of the amounts reported:

Payment flows	Amount (in ETB)	Contribution to total extractive revenues %
Regional State Mining Authority	3,484,589	0.2%
Regional State Tax Authority	47,605,665	3.4%
Social Contributions	10,190,267	0.7%
Total Unilateral company disclosures	61,280,521	4.3%
Total extractive industries	1,413,256,032	100%

6.2.1. Payments made to the Regional States

Companies were requested to disclose unilaterally revenue streams paid to Government Agencies which were within the reconciliation scope in accordance with EITI Requirement 4.1. Details of payments by Company are set out in the table below:

Amounts in ETB

No.	Company	Regional State Mining Authority					Regional State Tax Authority						
		Royalties paid	License Fees	Penalties	Land Rentals	TOTAL	Income tax : Schedule C (Normal)	Withholding tax on payments	Personal Income tax (Pay As You Earn "PAYE")	Excise duty	Other material payments to Regional State Tax Authority	Adjustment (*)	TOTAL
1	MIDROC Gold Mine Plc	-	-	-	1,510,634	1,510,634	-	108,506	32,903,028	-	8,390,997	(2,070,127)	39,332,404
2	Abijata-Shalla Soda Ash Sc	-	-	-	19,650	19,650	-	-	1,213,116	-	-	(970,493)	242,623
3	East Cement Sc	127,057	-	-	-	127,057	-	-	486,229	-	-	(9,725)	476,504
4	National Mining Corporation Plc	-	-	-	3,000	3,000	-	1,920	1,145,272	-	160,351	-	1,307,542
5	Afar Salt Production Sc	-	-	-	-	-	-	-	406,706	773,740	-	-	1,180,446
6	Allied Chemical Plc	-	10,260	400	396,719	407,379	-	-	2,539,324	-	-	-	2,539,324
7	Lucy Salt Producing Plc	-	-	-	24,935	24,935	-	-	50,644	503,668	-	-	554,312
8	Bezalel Construction Material Manufacturing Plc	-	-	-	46,701	46,701	-	-	102,557	-	53,732	-	156,289
9	East African Holding Sc	1,320,454	-	-	-	1,320,454	23,738	-	-	-	-	(475)	23,263
10	Afdera Salt Producing Plc	-	-	-	24,778	24,778	-	-	52,393	530,629	-	-	583,022
Total		1,447,512	10,260	400	2,026,418	3,484,589	23,738	110,426	38,954,027	2,963,213	8,605,080	(3,050,819)	47,605,665

6.2.2. Social payments

Social payments consist of all contributions made by extractive companies to promote local development and to finance social projects in line with EITI Requirement 6.1. This Requirement encourages multi stakeholder groups to apply a high standard of transparency to social payments and transfers, the parties involved in the transactions and the materiality of these payments and transfers to other benefit streams, including the recognition that these payments may be reported even though it is not possible to reconcile them.

These contributions, as reported by companies are summarised below.

No.	Company	Figures as reported by companies	Adjustments(*)	Total social Contributions (in ETB)
1	SouthWest Energy (HK) Ltd	1,696,691	-	1,696,691
2	NewAge Ethiopia Ltd	1,754,490	-	1,754,490
3	MIDROC Gold Mine Plc	3,751,160	(187,558)	3,563,602
4	Abijata-Shalla Soda Ash Sc	190,500	(152,400)	38,100
5	National Mining Corporation Plc	30,000	-	30,000
6	Derba Midroc Cement Plc	2,041,852	-	2,041,852
7	Afar Salt Production Sc	57,230	-	57,230
8	Allied Chemical Plc	128,913	-	128,913
9	Erta Ale Salt Work Plc	300,390	-	300,390
10	Lucy Salt Producing Plc	207,060	-	207,060
11	Bezalel Construction Material Manufacturing Plc	90,900	-	90,900
12	Afdera Salt Producing Plc	281,040	-	281,040
Total		10,530,225	(339,958)	10,190,267

(*) Payments declared by companies do not relate to extractive activities as detailed in Section 5.2.2(b) of this report.

Detail of mandatory and voluntary social contributions in cash by beneficiary is presented in Annex 5 of this report.

Additionally, the following companies declared making social contributions in kind without mentioning the relating costs:

No.	Company	Description of the contribution in kind	Name and function of beneficiary
1	SouthWest Energy (HK) Ltd	Little Sun lamps Including customized lanyards	Ogaden and Gambella Regions
2	NewAge Ethiopia Ltd	School Construction	El kuran and surrounding villages communities, Somali, Dolo Bay
		Furnitures to schools	Many villages within Adigala Block, Somali, Dolo Bay
		Furnitures to health centers	Comm. getting services from Shinile & Millo Health Centers, Somali, Dolo Bay
		School construction	El kuran and surrounding villages communities, Somali, Dolo Bay
3	MIDROC Gold Mine Plc	Health Care Center Construction.	Oddo Shakisso (Reji Kebele)
		Sponsorship for 9th Nations & Nationalities Day Celebration.	Benishangul Gumuz Regional State; Finance & Economic Development Bureau
		Support for Construction of Elemenrary School	Shakisso Elementary School
		Wollega Alibo School Library Construction	Wollega Alibo School
4	Derba Midroc Cement Plc	Donation	NC

NC: Not communicated

6.3. Unilateral disclosure of revenues by Governments Entities

Government Entities were requested to disclose unilateral revenue streams collected from companies not included within the reconciliation scope in accordance with EITI Requirement 4.1.d. The unilateral disclosure of revenues by Governments Entities are summarised as follow:

Titles	Governments Entities	Amount (ETB)
Licences fees (a)	MMPNG	627,851
Royalties (b)	MMPNG	34,481
Land rental (c)	MMPNG	8,978,723
Training fees (c)	MMPNG	3,056,775
Total unilateral disclosure		12,697,830

- a) These relate to licences fees paid by companies holding exploration licences not retained in the reconciliation scope during 2014/15.
- b) Royalties paid by Sammaka Cement during 2014/15 which was not retained in the reconciliation scope; and
- c) Land rental and training fees paid during 2014/15 by Tullow Oil which was not retained in the reconciliation scope.

6.4. Regional Transfers

In accordance with EITI Requirement 5.2, where transfers between national and regional Government Agencies relate to revenues generated by extractive industries and are mandated by a national constitution, statute or other sharing mechanism, the multi-stakeholder group is required to ensure that material transfers are disclosed in the EITI Report.

In accordance with relevant laws and regulations detailed in Section 3.4.3 of this report, royalties are payable by oil, gas and mining companies. This tax should be distributed between the Federal and Regional States on the following basis:

- Federal Government: 60%
- Regional State: 40%.

In this respect, total royalties transferred to regional states amounted to ETB 90,642,361 during the year 2014/15 as stated in MMPNG's financial statements. Part of these transfers amounting to ETB 29,824,068 relates to previous fiscal years' adjustments and the remaining part amounting to 60,818,294 relates to the 40% of royalties collected during the period 2014/15. The Auditor General's report for that fiscal year did not express any qualification with regards to the amounts transferred to regional states.

6.5. Analysis of production data

Extractive Companies were requested to disclose total production volumes and the value of production by commodity, and, when relevant, by state/region in accordance with EITI Requirement 3.2. These production data as declared by MMPNG have been taken into account when company data were not available. Details of productions are given by company in Annex 6 of this report.

6.6. Analysis of export data

Two (2) companies out of the 27 selected within the reconciliation scope have reported exports figures, as detailed below:

Companies	Solid Minerals Types	Quantity (Tons)	FOB Value (in ETB)	Country of destination
MIDROC Gold Mine Plc	Silver	0.7	3,869,521	Zurich, Switzerland
	Gold	2.3	1,828,879,399	Zurich, Switzerland
National Mining Corporation Plc	Marble Block	220	1,924,850	China and Italy

Total	1,834,673,769
--------------	----------------------

6.7. Beneficial ownership

Details of beneficial ownership by company are set out in the Annex 4 of this report.

6.8. Infrastructure provisions and barter arrangements

Only Abijata-Shalla Soda Ash Sc reported amounts that the company spent on and Environmental & Social Impact Assessment Study and on the feasibility study of Shalla Soda Ash Plant. We understand that these amounts are expenditure that have no relationship with any infrastructure or barter arrangements.

Besides the above, none of the government entities reported any loan or loan guarantee granted to extractive companies.

6.9. Quasifiscal expenditure

Afar Salt Production Sc did not report any quasifiscal expenditure and Ethiopian Mineral, Petroleum and Fuel Co did not submit any reporting templates.

7. RECOMMENDATIONS

7.1 Weaknesses leading to unreconciled differences

We set out below weaknesses that led to unreconciled differences and to substantial adjustment work during the EITI reconciliation process:

- six companies failed to submit their reporting templates as set in Section 5.3 (a) of this report. These represent 3.4% of total reconciled revenues and are namely Pioneer Cement Manufacturing Plc, Ethiopian Mineral, Petroleum and Fuel Co, Sammakka Stones Plc, Target Industries Plc, Three M Marble and Terrazzo Manufacturing Plc and ETNO Mining Plc;
- payment streams composed of revenues declared mainly by ERCA amounting to ETB 80,033,461 could not be confirmed by companies as detailed in Section 5.3 (b). These unreconciled payments represent 6% of total reconciled revenues;
- tax payments were confirmed by reporting companies and which ERCA was not able to confirm amounted to ETB 37,684,379 as detailed in Section 5.3 (c) of this report. These unreconciled flows represent 2.8% of total reconciled revenues;
- revenues amounting to ETB 981,445,295 were actually collected by ERCA, which it failed to report as detailed in Section 5.2.2 (a). These adjustments represent 73% of reconciled revenue after adjustments;
- payments amounting to ETB 601,074,146 were reported by ERCA but which fell outside the reconciliation period as detailed in Sections 5.2.2 (b). These adjustments represent 45% of the reconciled revenue after adjustment;
- incorrect amounts of ETB 373,878,469 were reported mainly by ERCA as detailed in Section 5.2.2 (c). These adjustments represent 28% of reconciled revenue after adjustment;

We recommend for the future exercises that ERCA and reporting companies devote ample time towards the preparation of their respective reporting templates by adhering strictly to the instructions set out by the Independent Administrator and following the supporting schedules carefully.

This can be achieved only by all reporting entities being made aware of the importance of the EITI data they are providing and that due care is exercised during the preparation of these reporting templates.

7.2 Accuracy of Production data

EITI Requirement 3.2 requires the disclosure of production data for the fiscal year covered by the EITI Report, including total production volumes and the value of production by commodity. In order to maintain accurate and comprehensive records of production, MMPNG must produce reliable data for the EITI process, for assessing the companies' liabilities in terms of royalties on production and the subsequent monitoring of their payments.

However, we note that the minerals' production database held at MMPNG's level does not match all production volumes that were actually produced by the companies during the reconciliation period. A comparison of the data collected from companies selected in the reconciliation scope revealed significant differences in the production volumes. Quantities reported by MMPNG were in most cases lower than those reported by companies as detailed in the following table:

Company	Company		Government	Difference Quantity (Tons)
	Solid Minerals Types	Quantity (Tons)	Quantity (Tons)	
Abijata-Shalla Soda Ash Sc	Soda Ash	6,877.96	5,438.53	1,439
National Mining Corporation Plc	Marble	10,756.29	6,923.88	3,832
Afar Salt Production Sc	Salt	17,925.80	161,186.85	(143,261)
Erta Ale Salt Work Plc	Salt	10,501.60	100,305.73	(89,804)
Bezalel Construction Material Manufacturing Plc	clay soil	50,000.00	37,332.00	12,668
Afdera Salt Producing Plc	Salt	45,498.00	44,443.66	1,054

We understand that the production data provided by MMPNG was based on monthly self-declarations submitted by extractive companies. MMPNG does not have its own procedures and systems in place to collect and control production data reported by mining companies.

In addition to declarations submitted, we recommend that MMPNG:

- *develops procedures to ensure the completeness of the production data reported by companies and implements a computerised system to monitor, and update this data on a monthly basis. This would improve MMPNG's ability to reconcile royalties and other non-tax payments with production data and investigate any discrepancies; and*
- *provides the EEITI MSB with a comparison of the production volumes declared by extractive companies with the measurements made by MMPNG throughout the year.*

We recommend that the EEITI MSB includes in the terms of reference of the Independent Administrator for future exercise the reconciliation of production volumes in order to investigate these discrepancies with a view to disclose more reliable statistics on production volumes.

7.3 Electronic publication of contracts/agreements

Requirement 2.4 (a) of the 2016 EITI Standard states that Implementing countries are encouraged to publicly disclose contracts and licenses that provide the terms attached to the exploitation of oil, gas and minerals.

The EEITI MSB agreed that there is no restriction to access the contracts and agreements signed between the Government and extractive companies at the MMPNG level. However, we note that the agreements are not accessible electronically.

Moreover, some contracts for mining companies were not available at the archives of MMPNG or at the Licensing Directorate such as the agreements signed with Ethiopian Mineral, Petroleum and Fuel Co, Erta Ale Salt Work Plc, Lucy Salt Producing Plc, China Long Hoa Milla Construction Materials Plc.

We recommend that the EEITI MSB considers working on a roadmap to publish all contracts/agreements. This roadmap may include the following:

- *an action plan setting out how the electronic publication of contracts must be performed;*
- *the steps required for all mining and petroleum contracts to be published electronically and how to make these accessible to the public;*
- *considering the enactment of a law which would authorize the publication of all contracts electronically; and*
- *review of the institutional or practical barriers that may be prevent such electronic publication.*

Moreover, we recommend that the EEITI Secretariat ensures that a copy of all active contracts are available at their level.

7.4 Follow up of the mining contract terms

The contract signed between MMPNG and extractives companies stipulates that licensees shall participate in community development activities within the mining licence area, close vicinity, and allocate budgets every year for the duration of the development and mining period.

We note the lack of control and monitoring in respect of this provision of the contract as some companies did not make the social payments they were required to make in accordance to the above provision and as detailed in the table below (as stated in their reporting templates):

Company	Declared social contributions during 2014/15 (in ETB)	Provision of the contract
		Art16.5- Licensee shall participate in community development activity within the mining licence area and close vicinity and allocate budgets every year for the duration of the development and mining period. The community development programme shall be mutually agreed by both parties and the licensing authority follows up the implementation of the projects.
East Cement Sc	-	The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing authority has approved the project, <u>150 000 ETB per year</u> for the community development programme. The programme implementation shall be applicable starting from the commencement of the Pumice Mining Licensee operation. If the company, for some unforeseen reasons, runs into a loss or cash shortage, then it will appeal to the Licensing Authority for partial or full relief of the above commitment
Derba Midroc Cement Plc	-	Art16.5- Licensee shall participate in community development activities within the mining license area and close vicinity and allocate budgets every year for the duration of the development and mining period. The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing authority has approved the project, <u>ETB 100 000 per year</u> for the community development programme.
Dangote Industries (Ethiopia) Plc	-	Art16.4- Licensee shall participate in community development activities within the mining license area and close vicinity and allocate budgets every year for the duration of the development and mining period. The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing authority has approved the project, <u>200 000 ETB per year</u> for the community development programme.
Allied Chemical Plc	128,913	Art16.4- Licensee shall participate in community development activities within the mining license area and close vicinity and allocate budgets every year for the duration of the development and mining period The Licensee shall contribute, after reviewing the bill of quantity/design etc and making sure the licensing authority has approved the project, <u>300 000 ETB per year</u> for the community development programme

Furthermore, we understand that companies are required to make payments to regional states as per the agreements summarised in Section 3.3.3 of this report. We note that payments to regional states were not declared by several companies despite the terms of the contracts requiring them to do so. These are detailed as follows:

- East Cement Sc is required to pay land rental to the Oromia region in accordance with Article 12 of its corresponding mining agreement but the company did not declare any land rental payments to the regional state in its reporting template;
- Derba Midroc Cement Plc is required to pay land rental to the Oromia region in accordance with Article 12 of its mining agreement but the company did not declare any land rental payments to the regional state in its reporting template;
- Dangote Industries Ethiopia Plc is required to pay land rental to the Oromia region in accordance with Article 12 of its mining agreement but the company did not declare any payments to the regional state in its reporting template;

- Afar Salt Production Sc is required to pay land rental to the Afar regional state in accordance with Article 12 of its mining agreement but the company did not declare any payments made to the regional state in its reporting template; and
- Sourish Marbles Plc is required to pay land rental to the Oromia region in accordance with Article 11 of its mining agreement but the company did not declare any payment made to the regional state in its reporting template.

This lack of follow up may have resulted in revenue shortfalls for regional states and for local communities.

We recommend that MMPNG ensures that companies meet their contractual commitments. This can only be achieved if officers at regional government level are properly trained in order to monitor and follow up with extractive company activities. To that end, the Federal Government should probably consider some form of capacity building.

Moreover, we recommend that a system with all relevant data is developed and which can be accessible at both the federal and regional levels in order to monitor all of the contracts of extractive companies to ensure that all financial and environmental requirements of the companies are met.

7.5 Mining activities managed by the regional governments

Requirement 4.6 of the 2016 EITI Standard requires that the multi-stakeholder group establishes whether direct payments, within the scope of the agreed benefit streams, from companies to Regional States' Government Agencies are material. Where material, the multi-stakeholder group is required to ensure that company payments to Regional States' Government Agencies and receipt of these payments are disclosed and reconciled in the EITI report.

The EEITI MSB decided to exclude disclosure of the revenues by the Regional States from the scope of the current EEITI report. Contribution of mining activities conducted under the supervision of regional states was not included in the EITI report because the relating licences are awarded by the regional authorities. Therefore, payments made by extractive companies holding licences issued by the regional states were not considered for the preparation of the present EITI report.

In order to assess the materiality of payments to Regional States, only reporting companies retained in the reconciliation scope declared tax and non-tax payments made to the Regional Governments unilaterally. This represents 4% of the total revenue from the extractive industries. However, given that payments made to regional governments have only been declared by extractive companies included in the reconciliation scope only.

We recommend that the EEITI MSB considers including the regional states into the future EITI process of Ethiopia. The EEITI MSB may perform a feasibility study detailing all institutional, legal and practical barriers prior to such inclusion.

We also recommend that the EEITI MSB considers the technical capacities of the regional states to be considered in the EITI reporting process. Regional resources and qualifications of regional officers may have to be reinforced in terms of controlling the validity of licences and managing the local operators holding licences at the regional level.

In order to enable the completeness of the EITI scope for future reconciliation exercises, we recommend the implementation of a reporting system which allows the centralisation of information regarding all extractive revenues, arrangements and state ownership at the Federal level. Joint working and information sharing between the federal and the regional levels of government is a key factor to the establishment and smooth running of such system.

7.6 Meeting the recommendations made in the first EEITI report

Several recommendations had been made in the previous EITI report and have yet to be addressed. A number of issues which arose during the course of the current reconciliation exercise could have been avoided if recommendations made previously had been implemented.

Following the release of the first EEITI report, we understand that an action plan has been put in place by the MSG in order to follow up on the recommendations expressed in the EEITI report 2013/14. We also understand that such actions included meeting several government entities such as ERCA, MoFEC and the Auditor General office in order to follow up with the previous EEITI recommendations. It also included several outreach activities led by the EEITI MSB and the Secretariat in co-operation with MMPNG and respective regions in Afar, Benashangul-Gumuz, Amhara, Oromia, SNNP and Tigray in order to follow up with different stakeholders such as the regional mines bureau, regional finance bureau, regional state audit bureau, regional environment protection, administrative bureau, regional cooperatives' bureau, artisanal mining cooperatives.

We note that despite these efforts to resolve weaknesses and implement recommendations from the previous EEITI report, several recommendations from the first EEITI report are yet to be met as detailed in Section 7.2 of this report.

We recommend that a committee is created at MMPNG level with the support of the EEITI MSB members in order to follow up of the recommendations from EEIT reports. This committee should prepare an action plan to address weaknesses and findings raised in the EITI report within a reasonable timeframe.

7.7 Reporting templates not adequately filled in by some stakeholders

We understand that the secretariat contacted the reporting entities to make them aware of the importance of the data they are providing. We note however that the reporting templates from extractive companies and Government Agencies were not adequately filled in. We set out below several weaknesses noted during the fieldwork:

- companies and Government Agencies must report detailed payment flows by receipt number, as this information is necessary for reconciliation work. However, MMPNG was not able to provide the breakdown of license fees disaggregated by company. reporting templates submitted by MMPNG did not include payment by receipt number;
- some reporting templates submitted by companies did not include information on licences, production as presented in in Section 7.2, beneficial ownership as detailed in Annex 4 and export details as presented in Section 6.6;
- incompleteness of payment declarations of extractive companies: amounts totalling ETB 16,426,130 representing 1.2% were not declared as detailed in Section 5.2.1 of this report.
- templates reported by ERCA included amounts reported in the detailed payments that do not match the payment stream amounts reported in the summary template. It also failed to report on the reporting templates payments that are recorded in ERCA's system;
- several reporting templates submitted by ERCA contain several incomplete or wrong receipt numbers were reported. The officers used different format and colors when reporting the amounts of payments without following a standard format; and
- several incorrect amounts were reported in the templates submitted by ERCA and some companies.

These shortcomings led to considerable delays and significant resources being involved to make sense of the figures before making adjustments to the amounts declared.

We recommend that the EEITI MSB ensures that reporting entities are made aware of the importance of the data they are providing and that due care and attention is paid during the preparation of these reporting templates.

7.8 Lack of assurance on reported data Reliability

As part of procedures set to ensure the reliability of the data reported to us in the reconciliation process, we requested reporting entities to provide a hard copy of their reporting templates, certified by an external auditor for extractive companies and by the Federal Auditor General for Government Agencies, along with a copy of their latest audited financial statements. These requirements have been clearly set out during the training workshop as well as in the instructions which were sent to the reporting entities along with the reporting templates. We noted that:

- seven (7) companies submitted reporting templates not signed by an authorised officer and nine (9) companies submitted reporting templates certified by an external auditor as detailed in Annex 10; and
- Government Agencies templates were not certified by the Office of the Auditor General (OFAG) as decided by the EEITI MSB.

According to the EITI Requirements, the reliability of data is one of the most critical points for the evaluation of a country's transparency and consequently one of the criteria to bear in mind during the country's compliance process.

We recommend for the future that the instructions for next year's reporting emphasize these matters and reporting entities should be urged to follow the instructions in the reporting process.

7.9 Weaknesses in the licences register

The EITI Standard requires implementing countries to maintain a publicly available register or cadastre system(s) with the following up to date and comprehensive information regarding each of the licenses pertaining to companies covered in the EITI Report:

- i. Names of license holders;
- ii. Coordinates of the licensed area;
- iii. Date of application, date of award and duration of the license; and
- iv. In the case of production licenses, the commodity being produced.

The list of licences made available for us included the TIN numbers of the mining license holders, as the unique identifier of companies, which enabled an efficient tracking of tax collection and facilitates joint monitoring and communication between various tax authorities at the federal level.

We noted however that the list of active mining licences submitted to us included the names of 22 companies, the license numbers and the scale of mining. The list of licences did not therefore include the coordinates of the licensed areas.

With regards to the list of active mining licences made available for us, we noted that this list does not include any licence for extracting some minerals while these have been exported during the reconciliation period. For instance, ERCA reported significant quantities of tantalum exported by several companies (which are Blue Grey Minerals Plc, Biruk Ashine Woldearegawi, Ethiopian Mineral Development Share, Bua Obsa Gold & Tantalum Mining & M, Kidane Leghesse Gebrehiwat, Bersisa Ensene Gelchu, And Omar Ali Abdu) during the reconciliation period. However, the list of mining licences provided by MMPNG does not include any active licence for Tantalum. Similarly, ERCA reported significant quantities of Platinum exported by Romhay Trading Plc. The list of active licences provided by MMPNG does not include any licence for extracting Platinum. Finally, several companies holding active mining licenses have been reported during the first EEITI report and have not been included in the list of mining licences provided by MMPNG in this reporting period although there is no information if these licences have been revoked or cancelled.

Additionally, we understand that the flexi cadastre is an integrated system already in place and that allows both of the Federal and regional licensing authorities to use it simultaneously. However, we understand that this integrated system was not used systematically by all of the officers at the Federal level and at the regional states' level because of several reasons such as the lack of internet connection or lack of technical capacity.

The accuracy of the list of licenses is extremely important to enable MMPNG to discharge its licensing authority duties and ensure an effective oversight of the extractive industries.

Therefore, remedial action needs to be taken as quickly as possible to address any gaps in the system. In this respect, we recommend that in the first place a thorough review is undertaken to ensure that it captures all existing licenses and all relevant details from each licence.

Once the mining cadastre is comprehensive, an efficient procedure needs to be set to ensure that the cadastre is kept up to date and that all new information on licences is systematically recorded therein.

7.10 Reporting deadlines not met by reporting entities

The workshop was hosted by the Independent Administrator on 1 November 2017 before sending the reporting templates to all reporting entities. The EEITI MSB set the deadline for reporting template submission at 8 November 2017 and the deadline for responding to reconciliation queries at 17 November 2017. However, we noted a lack of adherence to the agreed timeframe by reporting entities. Most of the reporting entities failed to meet the deadlines despite the numerous reminders by the Independent Administrator and by the EITI Secretariat team.

This situation led to considerable delays in receiving adequate information on time and led to significant additional resources being required to try to contact officers and management in order to obtain the reporting templates. A significant amount of the discrepancies are explained by the lack of reporting templates from reporting entities which did not report on time. We list out below instances of significant delays we came across in addition to cases where reporting entities failed to submit reporting templates altogether:

- fifteen (15) companies failed to submit their reporting templates within the timeframe;
- seven (7) companies failed to submit their reporting templates to date;
- some extractive companies did not reply to our queries for additional required detail; and
- significant delays occurred in obtaining the reporting templates from ERCA as it was not able to submit its reporting templates before 17 November 2017 because it could not start preparing the reporting templates before 9 November 2017 as all of its officers at ERCA's branches were busy managing the annual tax legal declarations of the companies.

We recommend that Ethiopian EITI raises awareness of reporting entities regarding the importance of the reconciliation process. The EEITI MSB should undertake more effective outreach activities with civil reporting entities, including through communication such as media, website and letters, informing stakeholders of the government's progress implementing the EITI and disseminating the EITI Report.

We also recommend for the future that the timing of the reconciliation exercise is better planned in the years to come in order to avoid short and pressured deadlines. This is likely to promote better cooperation from reporting entities and they would provide better support to the Independent Administrator.

7.11 Lack of EITI Database

It appears that to date a comprehensive database of all extractive companies operating in the extractive industries in Ethiopia is still to be completed by the EEITI Secretariat. This is due to the fact that there is no formal communication with Government Agencies with regards to the extractive companies operating in the sector.

It is noted that EEITI Secretariat is liaising with the different directorates in MMPNG and with ERCA and the Regional States in order to complete and update its database and that the EITI MSB decided to exclude the contribution of the Regional States from the scope of this report.

We recommend that, in the first instance, the EEITI Secretariat should create its database following the reconciliation exercise. The Secretariat should then liaise with the Governmental Entities to

ensure it obtains adequate information regularly and updates its database accordingly. To this end, we believe it is vital that any new entrants to the extractive sector are registered with the EEITI Secretariat as part of the process before or at the same time as they obtain their licence. A quarterly review with the Governmental Entities of the list of extractive companies licensed to operate in the sector is also recommended.

Each extractive company and Government Agency previously included in the reconciliation work must appoint a focal point to take responsibility for comprehensive EITI reporting and the reporting entity should notify the Secretariat of the name and contact details of that focal person.

7.12 Lack of available statistics and data on the extractive industry

The EITI Standard stipulates the disclosure of contextual information of the activities and regulations in the extractive industries, including the disclosure of:

- an overview of the extractive industries in terms of reserves, regions, current structure and size, significant exploration activities etc.;
- contribution to the economy, with regards to employment and export levels;
- government revenues generated by the extractive industries and funds earmarked for specific programmes / geographic regions and Regional States' transfers; and
- public information on license allocations, register of licensees, beneficial owners, contract terms, etc.

We understand that in order to build up a statistical database, EEITI and the MMPNG conducted several studies such as:

- a study covering the mineral operations and its economic contribution, published in February 2016.
- a summary of EEITI Implementation Process and Achievements from 2009 to June 2016, published in August 2016; and
- a study report on Artisanal Mining Operation and its Economic Values, published in April 2016.

Further efforts may be required by MMPNG may need further effort in order to compile accurate statistics and contextual information on the extractive industries in the country, which would provide comprehensive and reliable data on the revenues collected, exports, production and employment in the sector as presented in Sections 7.2 and 3.2.10 of this report.

Currently, it seems that a comprehensive database of contextual information and statistics is yet to be completed at the level of the MMPNG. The contextual information in this report is referenced to different sources dispersed across public and often not publicly available information. Certain analyses were limited due to unavailability of statistical data on the sector such as employment and GDP contribution.

In order to enhance the integrity, accuracy, reliability and accessibility of contextual information, we recommend that the EEITI Secretariat in conjunction with MMPNG, MoFEC and ERCA gather and update (at least annually) contextual information including: the industry potential, the contribution to the economy, the strategy for the sector, relevant events and facts, current regulations and upcoming changes, amongst others.

We also recommend that MMPNG develops procedures and efficient systems to collect and control production data declared by companies, in a manner that ensures the reliability and completeness of data and enhances the capacity of MMPNG to administer royalties and other non-tax payments.

7.13 Lack of a centralised reporting and payment system

Payments of taxes and other revenues of the country are made in a decentralised way. Government receipts can be collected by Federal agencies and by Regional Government Agencies. In accordance with the Constitution of the country, there are nine-member states and in spite of the number of revenue collectors there is no system in place to centralise and follow these revenues. There is no

sharing of information between the federal and regional levels of government regarding the taxes that have been collected at each level. So there is no information at the Federal level on amounts paid to the Regional governments and on licenses awarded by the Regional authorities. As a result, payments made by extractive companies at the Regional States were not available at federal level, which led to a limitation of the EITI scope due to the lack of a centralised system of information on extractive tax revenues.

During the collection of the EEITI reporting data, we noted that ERCA had to send the reporting templates to its branches in order for each office to obtain the data required for each company. This process took a relatively long time in order to collect information relating to a past period.

We also note that MMPNG does not have an integrated system between Mineral Licensing and Administration Directorate, the Finance directorate and the Petroleum Licensing and the Administration Directorate. It is noted that each one of these directorates uses a different database in order to manage and follow up with non-tax revenues received from extractive companies.

We recommend that Government Agencies put in place a system to collect consolidated data from a focal point in order to address the data accuracy and to meet the deadlines.

7.14 Weaknesses in the non-tax administration/ Non-collection of payments

MMPNG is the authority responsible for monitoring and collecting royalty payments at federal level. Royalties are levied on the value of sales of minerals produced based to the rates defined in Proclamation No. 678/2010 for each category of minerals. We understand that MMPNG does not have any monitoring system in order to make estimation of liabilities on not collected royalties from companies that undertook mineral production activities without declaring any payment.

Similarly, we noted that the provisions of Mining Operations Proclamation No. 816 which entitle the Government to 5% free equity in large scale mining investments were not enforced as only one company made free equity payments during 2014/15. We noted that only one company made free equity payments during the year 2014/15. However, in accordance with the financial statements and reporting templates submitted by companies while we noted that some other companies recorded profits and/or paid taxes on their profit during the year 2014/15 but failed to pay free equity to MoFEC. Our estimate of the Free Equity not paid to MoFEC amounts is over ETB 6 million as detailed in Annex 11 of this report. The EEITI MSB agrees that the estimated amount of the free equity not collected by MoFEC is insignificant and informed us that some companies are not in a position to pay free equity and some others are on the process to pay.

The lack of enforcement of laws results in lost revenues for the Government, and can lead to tax evasion. Rigorous monitoring systems and coordination between the various authorities is essential to ensure an effective enforcement system.

We recommend that a systematic follow up of companies is made on a regular basis to ensure that all fees due are collected on a timely basis. MMPNG should also enhance its tax administration and collection capacity to effectively discharge its duties and maximise tax collection.

We recommend that MoFEC sets up a system for administering free equity payments, whereby an official request is made to ERCA annually to provide details of companies which have reported schedule C mining payments and are therefore supposed to allocate free equity to the Ethiopian Government. MoFEC should make an initial assessment of the liability of each company and contact them proactively to request payment. Proper follow up should be made subsequently to ensure that due payments are collected from the taxpayers.

7.15 Lack of technical skills of Government Agencies, the EITI Secretariat and private entities

With regards to the payment flows monitoring detailed in Sections 7.1 and 7.7 of this report, we note a lack of capacity at ERCA's officers manipulating IT tools such as spreadsheets.

We also note that the high turnover of skilled staff at the level of the Mineral Licencing and Administration Directorate resulted in a lack institutional memory. The Directorate is using new recruits that lack knowledge about the current management system within the Ministry as well as staff that do not have adequate skills to use IT tools such as databases and spreadsheets. This lack of technical skills resulted in huge delay obtaining basic information about the active licences, payments received as well as production data.

The Directorates responsible for Finance and for licencing at MMPNG and MoFEC as well as officers responsible for tax collection and monitoring need to be strengthened technically by having staff attend specialised training courses on administrative areas.

ANNEXES

Annex 1: Employment figures in the reconciled companies

N°	Companies	Average number of direct domestic employees (Local)	Average number of direct domestic employees (Non local)	Average number of direct foreign employees (Expatriates)	TOTAL
1	Africa Oil Ethiopia B.V	10		2	12
2	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	19		24	43
3	SouthWest Energy (HK) Ltd	70		5	75
4	NewAge Ethiopia Ltd	12			12
5	Delonex Energy Ethiopia Ltd	4		1	5
6	GPB Ethiopia Resources B.V	6		3	9
7	MIDROC Gold Mine Plc	1 301		27	1 328
8	Abijata-Shalla Soda Ash Sc	280	32		312
9	Pioneer Cement Manufacturing Plc	NS	NS	NS	NS
10	East Cement Sc	381			381
11	National Mining Corporation Plc	288			288
12	Derba Midroc Cement Plc	NC	NC	NC	NC
13	Dangote Industries (Ethiopia) Plc	557		29	586
14	Afar Salt Production Sc	21	46		67
15	Ethiopian Mineral, Petroleum and Fuel Co	NS	NS	NS	NS
16	Allied Chemical Plc	100		6	N/C
17	Erta Ale Salt Work Plc	138			138
18	Sammakka Stones Plc	NS	NS	NS	NS
19	Lucy Salt Producing Plc	30	0	2	32
20	Bezalel Construction Material Manufacturing Plc	115	18	2	135
21	East African Holding Sc	26	29	2	57
22	Inchini Bedrock Plc	NC	NC	NC	NC
23	Afdera Salt Producing Plc	19	0	0	19
24	Target Industries Plc	NS	NS	NS	NS
25	Three M Marble and Terrazzo Manufacturing Plc	NS	NS	NS	NS
26	Sourish Marbles Plc	38		7	45
27	ETNO Mining Plc	NS	NS	NS	NS
		3 415	125	110	3 544

NS: Not Submitted

NC: Not communicated

Annex 2: Extractive companies profile

No.	Company	TIN	Founding date	Nature of operation/Business	% Other than extractive activity	% Extractive activity	Capital (BIRR)	Company Address	Regional State
1	Africa Oil Ethiopia B.V	0003474255	23/06/2009	Oil and Gas Exploration	0%	100%	97 200 000	4th floor <UNIC Ethiopia> Bole Building, Bole sub city, Keb 03/05	Addis Ababa
2	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	0040603751	31/12/2013	Oil and gas exploration	0%	100%	202 692 462	Medhanialem Building, Bole Sub City, Woreda 3, Addis Ababa.	Addis Ababa
3	SouthWest Energy (HK) Ltd	0002746754	12/12/2005	Oil and Gas Exploration	0%	100%	17 000 000	Kolfe Keranyo Sub City Kebele 02/03, House No. 126 Addis Ababa, Ethiopia	Addis Ababa
4	NewAge Ethiopia Ltd	0031276071	10/10/2012	Oil and gas exploration	0%	100%	1 834 590	Park Lane Tower, 5th Floor, Bole Sub City, Kebele 03/05	Addis Ababa
5	Delonex Energy Ethiopia Ltd	0043083543	27/05/2014	Oil and Gas Exploration	0%	100%	3 085 290	Mekwor Plaza 3rd Floor Addis Ababa	Addis Ababa
6	GPB Ethiopia Resources B.V	0043141181	23/09/2014	Oil and gas exploration and Development	0%	100%	3 964 360	Addis Ababa, Bole Sub-city 04	Addis Ababa
7	MIDROC Gold Mine Plc	0000030220	04/08/2003	Mining	5%	95%	2 720 527 800	Mechare Meda Addis Ababa	Addis Ababa
8	Abijata-Shalla Soda Ash Sc	0016362919	14/07/2010	Brine	80%	20%	53 098 000	Addis Ababa, Kirkos Sub City, Woreda 05 House No. 1163	Oromya
9	Pioneer Cement Manufacturing Plc	0005172817	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
10	East Cement Sc	0003477494	2009	Cement production, machinery rental	2%	98%	510 000 000	Nefas Silk Lafto Oromiya	Oromya
11	National Mining Corporation Plc	0000030090	01/03/1993	Marble	0%	100%	103 000 000	Kirkos K/Ketema Wereda 08. House No.1163/201 Addis Ababa	Benshangul Gumze, Oromiya & Tigiray Regional States
12	Derba Midroc Cement Plc	0002937443	15/02/2006	Cement production	0%	100%	500 000 000	Addis Ababa Kirkos Sub city Kebele 17/18	Addis Ababa
13	Dangote Industries (Ethiopia) Plc	0004224329	01/11/2008	Cement	0%	100%	200 000 000	Addis Ababa Ethiopia	Oromya
14	Afar Salt Production Sc	0000998765	11/07/2002	Salt	0%	100%	60 000 000	Bole Sub city Wereda 06 House No 048	Afar
15	Ethiopian Mineral, Petroleum and Fuel Co	0000010638	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
16	Allied Chemical Plc	0004528744	02/12/2014	Manufacture of chemical	0%	100%	11 000 000	Addis Ababa	Oromya

No.	Company	TIN	Founding date	Nature of operation/Business	% Other than extractive activity	% Extractive activity	Capital (BIRR)	Company Address	Regional State
17	Erta Ale Salt Work Plc	40314	01/04/2000	Salt	0%	100%	Not Communicated	Addis Ababa Ethiopia	Addis Ababa
18	Sammakka Stones Plc	0006770153	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
19	Lucy Salt Producing Plc	0000043699	07/11/2000	Salt	0%	100%	7 000 000	Addis Ababa	Afar
20	Bezalel Construction Material Manufacturing Plc	0004920704	01/01/2009	Mining	0%	100%	15 000 000	Bole Subcity Woreda 03 House N° 2482	Addis Ababa
21	East African Holding Sc	1747102	01/10/2000	Coal Mining	2%	98%	177 928 000	KK-Lideta Wereda-02	Addis Ababa
22	Inchini Bedrock Plc	6281950	01/12/2010	Mining	0%	100%	80 000 000	Oromia	West Shoa
23	Afdera Salt Producing Plc	38433	16/03/1992	Extract of salt	0%	100%	6 000 000	AA Bole cub city woreda 03 H. No 499	Addis Ababa
24	Target Industries Plc	3756077	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
25	Three M Marble and Terrazzo Manufacturing Plc	0004624346	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
26	Sourish Marbles Plc	39314811	41424	Marble mine	0%	100%	110 000	Addis Ababa, Woreda 13, H. NO. NEW	Addis Ababa
27	ETNO Mining Plc	3510772	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted

Source: information provided by Extractive companies

Annex 3: Technical criteria for evaluation of exploration rights' application

Ser.no.	Evaluation Criteria for Exploration Licence Applications	Weight (%)
1	Experience and technical capacity	
1.1	No. of years the applicant has been in mining operation and directly/indirectly related experience (max. 15 points)	15
1.1.1	Directly related and > 9 years	15
1.1.2	Directly related and > 5 - 9 years	12
1.1.3	Directly related and 3 - 5 years	9
1.1.4	Indirectly related and > 9 years	8
1.1.5	Indirectly related and > 5 – 9 years	6
1.1.6	Indirectly related and 3 - 5 years	4
	No. of years individual applicant has been in mining operation and directly/indirectly related experience (max.10 points)	10
1.1.1	Directly related and > 9 years	10
1.1.2	Directly related and > 5 - 9 years	8
1.1.3	Directly related and 3 - 5 years	6
1.1.4	Indirectly related and > 9 years	5
1.1.5	Indirectly related and > 5 – 9 years	3
1.1.6	Indirectly related and 3 - 5 years	2
1.2	HR capacity & experience (max. 10 points)	10
	o Background of key executives	
1.2.1	Relevant educational background with	4
	· Ph.D	4
	· MSc. ,	3
	· BSc. ,	2
1.2.2	Relevant Experience	6
	· > 10 years	6
	· > 5 - 10 years	4
	· < 5 years	2
1.3	Financial performance (max. 10 points)	10
1.3.1	Experience of operating in a similar amount of finance with the project under application	
	☐ ≥ 75 % of finance under application	10
	☐ < 75 % of finance under application	6
	PART II	

Ser.no.	Evaluation Criteria for Exploration Licence Applications	
2	Proposed project location and area coverage(max. 2 points)	2
2.1	The area should have coordinate showing lat/long or UTM	0.5
2.2	Appropriate projection and datum	0.5
2.3	Area coverage should be quantified	0.5
2.4	Location map of the area overlain on any geosciences map as base map	0.5
3	Objective of the proposed project in specific, measurable, achievable and time framed (SMART) (max. 3 points)	3
3.1	Clear objective that can be achieved in long term	1
3.2	Clear objective that can be achieved in short term	2
4	Previous work assessment citing appropriate reference	10
4.1	Chronological literature review of previous works with reference	3
4.2	Clear statement about the implication of the assessment in selecting the area	4
4.3	Clear statement how the previous work assessment is used in planning the next stage of proposed work	3
5	Exploration work proposal (detail exploration program for the 1st year and comprehensive work program for 2nd and 3rd year)	30
5.1	Exploration work for 1st year	25
5.1.1	Appropriate methods (conventional and modern) of exploration (geology, geochemistry, remote sensing, airborne & ground geophysical survey, pitting/trenching, drilling)	10
5.1.2	Exploration stage or scale of operation (reconnaissance, regional, follow up, detail, grid system)	8
5.1.3	Quantified volume of work with unit of measurement	4
5.1.4	Implementation schedule for the 1 st year using Gantt chart	3
5.2	Comprehensive exploration work for 2nd and 3rd years	5
6	Expenditure obligation for the initial three years of exploration period	10
6.1	Detail estimated expenditure based on the proposed work program for 1st year	8
6.1.1	Required for each human resource	4
6.1.2	Required for each equipment and machinery	2
6.1.3	Required for each service	2
6.2	Comprehensive expenditure for 2nd and 3rd years	2
7	Financial status of the applicant related to the exploration period * *	10
7.1	Deposit equal to the minimum of 1 st year financial expenditure	3
7.2	Equivalent deposit to the minimum of 3 years financial expenditure	7
		100

Annex 4: Beneficial ownership

N°	Companies	N°	Name/Entity	Level of ownership	Nationality of the owner	Stock exchange quotations (yes/no)	Stock exchange	Owner (if the company's shares are not quoted)
1	Africa Oil Ethiopia B.V	1	Africa Oil Corporation	50,00%	Canada	Yes	TSE	
		2	Marathon Oil Corporation	50,00%	United States	Yes	NYSE	
2	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	1	POLY GCL PETROLEUM HOLDING LTD	100,00%		No		ZHU Gongshan
3	SouthWest Energy (HK) Ltd	1	SW Trustees Private Limited on behalf of SW Development Trust	29,19%	Singapore	No		
		2	Persistency Private Equity Limited	14,85%	BVI	No		
		3	Madalina Foundation	4,88%	UK	No		
		4	VLTCM Ltd	4,51%	Hong Kong	No		
		5	<5% holdings	46,57%				
4	NewAge Ethiopia Ltd	1	New Age Holdings Limited	100,00%	Private company - Jersey registered company			
5	Delonex Energy Ethiopia Ltd	NC		NC	NC	NC	NC	NC
6	GPB Ethiopia Resources B.V	NC		NC	NC	NC	NC	NC
7	MIDROC Gold Mine Plc	1	Ministry of Finance & Economic Cooperation	2,00%	Ethiopian			
		2	Sheikh Mohammed Hussein Ali Al-Amoudi	80,00%	Saudi Arabian			
		3	Mrs. Sophia Salah Al-Amoudi	18,00%	Saudi Arabian			
8	Abijata-Shalla Soda Ash Sc	1	State Owned (Ethiopia Government)	38,00%	Ethiopian	NC	NC	NC
		2	National Mining Corporation Plc.	31,07%	Ethiopian	NC	NC	NC
		3	Seid Hussein Ali	11,19%	Ethiopian	NC	NC	NC
		4	Hassan H. Al-Amoudi	9,94%	Ethiopian	NC	NC	NC
		5	Abdulah H. Al-Amoudi	9,94%	Ethiopian	NC	NC	NC
9	Pioneer Cement Manufacturing Plc	NS		NS	NS	NS	NS	NS
10	East Cement Sc	1	Mr. Lu Qiyuan	1,00%	NC	No	NC	NC
		2	Mr. Li Peihua	1,00%	NC	No	NC	NC
		3	Mr. Lu Qizhong	1,00%	NC	No	NC	NC

N°	Companies	N°	Name/Entity	Level of ownership	Nationality of the owner	Stock exchange quotations (yes/no)	Stock exchange	Owner (if the company's shares are not quoted)
		4	China Africa Development Bank	40,00%	NC	No	NC	NC
		5	Giangu Qiyuan Group Co	57,00%	NC	No	NC	NC
11	National Mining Corporation Plc	1	Dr.Sheik Mohammed Hussen Ali Al Amoudi	70,00%	Saudi Arabian	NC	NC	NC
		2	Ato Hassen Hussen Ali AL Amoudi	30,00%	Ethiopian	NC	NC	NC
12	Derba Midroc Cement Plc	NC		NC	NC	NC	NC	NC
13	Dangote Industries (Ethiopia) Plc	NC		NC	NC	NC	NC	NC
		1	State Owned (Federal Government)	83,33%	Ethiopian	NC	NC	NC
		2	Ezana Mining Development Plc	3,98%	Ethiopian	NC	NC	NC
14	Afar Salt Production Sc	3	Saba Dimensional Stones Plc	11,67%	Ethiopian	NC	NC	NC
		4	Guna Trading Plc	1,00%	Ethiopian	NC	NC	NC
		5	Ato Tewodros Hagos	0,02%	Ethiopian	NC	NC	NC
15	Ethiopian Mineral, Petroleum and Fuel Co	NS		NS	NS	NS	NS	NS
		1	Mr..Rajesh Gupta	55%	Indian	NC	NC	NC
16	Allied Chemical Plc	2	Mr .Jyotsna Gupta	45%	Indian	NC	NC	NC
		1	Ato Tsegaye G/yessus	50,00%	Ethiopian	NC	NC	NC
17	Erta Ale Salt Work Plc	2	Akakas Logistics Plc	50,00%	NC	NC	NC	NC
18	Sammakka Stones Plc	NS		NS	NS	NS	NS	NS
19	Lucy Salt Producing Plc	NC		NC	NC	NC	NC	NC
		1	Hanna Tilahun	50%	Ethiopian	NC	NC	NC
20	Bezalel Construction Material Manufacturing Plc	2	Messele Haile	50%	Ethiopian	NC	NC	NC
		1	Buzuayehu Tadele	91,67%	NC	NC	NC	NC
		2	Michael Buzuayehu	2,50%	NC	NC	NC	NC
21	East African Holding Sc	3	Egzael Buzuayehu	2,50%	NC	NC	NC	NC
		4	Batuael Buzuayehu	2,50%	NC	NC	NC	NC
		5	Bizenu Investemen PLC	0,83%	NC	NC	NC	NC
22	Inchini Bedrock Plc	NC		NC	NC	NC	NC	NC
23	Afdera Salt Producing Plc	1	Dori Kebede	16,67%	NC	NC	NC	NC

N°	Companies	N°	Name/Entity	Level of ownership	Nationality of the owner	Stock exchange quotations (yes/no)	Stock exchange	Owner (if the company's shares are not quoted)
		2	Tsegaye T/Mariam	33,33%	NC	NC	NC	NC
		3	Nazreth Tsegaye	16,67%	NC	NC	NC	NC
		4	Haile Kebede	16,67%	NC	NC	NC	NC
		5	Yodit Dori	16,67%	NC	NC	NC	NC
24	Target Industries Plc	NS		NS	NS	NS	NS	NS
25	Three M Marble and Terrazzo Manufacturing Plc	NS		NS	NS	NS	NS	NS
26	Sourish Marbles Plc	NC		NC	NC	NC	NC	NC
27	ETNO Mining Plc	NS		NS	NS	NS	NS	NS

NS: Not Submitted

NC: Not communicated

Annex 5: Social contributions

No.	Company	Figures as reported by companies	Adjustment s(*)	Total social Contributions (in ETB)	Mandatory contribution		Voluntary contribution	
					Name and function of beneficiary	Amount (ETB)	Name and function of beneficiary	Amount (ETB)
1	SouthWest Energy (HK) Ltd	1,696,691	-	1,696,691	Ogaden and Gambella Regions	1,696,691		
					El kuran and surrounding villages communities in Somali, Dolo Bay	984,224		
					Many villages within Adigala Block in Somali, Siti Zone	404,500		
2	NewAge Ethiopia Ltd	1,754,490	-	1,754,490	Comm. getting services from Shinile & Millo Health Centers in Somali, Siti Zone	69,000		
					El kuran and surrounding villages communities in Somali, Dolo Bay	296,765		
3	MIDROC Gold Mine Plc	3,751,160	(187,558)	3,563,602			Benishangul Gumuz Regional State; Finance & Economic Development Bureau in Benishangul Gumuz Regional State	1,140,000
							Shakisso Elementary School	190,000
							Wollega Alibo School	1,131,602
					Oddo Shakisso (Reji Kebele)	912,000	MNPNG	190,000
					MNPNG	36,000	Elders Association in Oromia, East Shoa, Adamitulu J.K. Woreda	600
4	Abijata-Shalla Soda Ash Sc	190,500	(152,400)	38,100			Woreda Invironmental Protection Office in Oromia, East Shoa, Adamitulu J.K. Woreda	1,500
5	National Mining Corporation Plc	30,000	-	30,000	Benshangul gumz in Oda Bilduglu	30,000		
6	Derba Midroc Cement Plc	2,041,852	-	2,041,852	NC	2,041,852		
7	Afar Salt Production Sc	57,230	-	57,230			Student of Afdera in Afar Reg state	13,500
							Stationery for Afdera Regional in Afar Reg state	3,474
							SEPDM in Afar Reg state	20,000

No.	Company	Figures as reported by companies	Adjustments(*)	Total social Contributions (in ETB)	Mandatory contribution		Voluntary contribution	
					Name and function of beneficiary	Amount (ETB)	Name and function of beneficiary	Amount (ETB)
							Afdera Wereda water resorce office in Afar Reg state	3,106
							TPLF in Afar Reg state	5,000
							Tutorial for Afdera State	12,150
8	Allied Chemical Plc	128,913	-	128,913	PENSION	128,913		
9	Erta Ale Salt Work Plc	300,390	-	300,390			Afar development Association	300,390
10	Lucy Salt Producing Plc	207,060	-	207,060			Afedera worda	207,060
11	Bezalel Construction Material Manufacturing Plc	90,900	-	90,900	Cheshire Services Ethiopia in Oromia	10,000		
					Accsess road maintenance	80,900		
12	Afdera Salt Producing Plc	281,040	-	281,040			Afar Reg. State	281,040
Total		10,530,225	(339,958)	10,190,267		6,690,845		3,499,422

NC: Not communicated

Annex 6: Production data by mineral and by company

N°	Companies	Solid Minerals Types	Quantity (Tons)	Value of the production in ETB	Royalties paid (in ETB)	Source
1	Africa Oil Ethiopia B.V	-	-	-	-	
2	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	-	-	-	-	
3	SouthWest Energy (HK) Ltd	-	-	-	-	
4	NewAge Ethiopia Ltd	-	-	-	-	
5	Delonex Energy Ethiopia Ltd	-	-	-	-	
6	GPB Ethiopia Resources B.V	-	-	-	-	
7	MIDROC Gold Mine Plc	Silver	0.87	4,574,556	228,727	(*)
		Gold	3.45	2,695,502,537	134,775,127	
8	Abijata-Shalla Soda Ash Sc	Soda Ash	6,877.96	43,882,770	1,755,311	(*)
		Trona	20.05	18,032	674	
9	Pioneer Cement Manufacturing Plc	Limestone	499,533.97	NS	1,398,695.12	(**)
		Limestone	173,110.98	12,207,786	488,311	
10	East Cement Sc	Clay	26,588.79	1,879,827	75,193	(*)
		gypsum	27,228.25	1,296,609	51,864	
		Pumice	5,856.00	409,920	16,397	
11	National Mining Corporation Plc	Marble	10,756.29	7,089,839	212,668	(*)
		Limestone	1,495,712.00	127,509,448	5,100,378	
		Basalt	141,386.11	12,371,185	494,851	
12	Derba Midroc Cement Plc	Sandstone	35,896.20	5,025,468	201,019	(*)
		Pumice	96,643.27	7,272,406	290,896	
		Gypsum	88,394.46	2,240,587	901,623	
13	Dangote Industries (Ethiopia) Plc	Limestone	150,859.30	NC	575,136	(*)

N°	Companies	Solid Minerals Types	Quantity (Tons)	Value of the production in ETB	Royalties paid (in ETB)	Source
		Basalt	6,691.55	NC	34,014	
		Silica sand	10,443.25	NC	66,356	
		Pumice	15,452.09	NC	65,455	
14	Afar Salt Production Sc	Salt	17,925.80	23,125,478	925,019	(*)
15	Ethiopian Mineral, Petroleum and Fuel Co	NS	NS	NS	NS	
16	Allied Chemical Plc	Silica Sand	-	-	-	(*)
17	Erta Ale Salt Work Plc	Salt	10,501.60	14,931,910.43	597,276.42	(*)
18	Sammakka Stones Plc	NS	NS	NS	NS	
19	Lucy Salt Producing Plc	Salt	5,679.40	7,435,031	297,361	(*)
20	Bezalel Construction Material Manufacturing Plc	clay soil	50,000.00	2,500,000	55,998	(*)
21	East African Holding Sc	Coal	34,131.37	46,450,095	1,858,004	(*)
22	Inchini Bedrock Plc	Limestone	NC	313,514	NC	(*)
23	Afdera Salt Producing Plc	Salt	45,498.00	6,433,781	257,351	(*)
24	Target Industries Plc	NS	NS	NS	NS	
25	Three M Marble and Terrazzo Manufacturing Plc	NS	NS	NS	NS	
26	Sourish Marbles Plc	Marble	1,162.00	3,595,435	NC	(*)
27	ETNO Mining Plc	NS	NS	NS	NS	

NS : Not Submitted

NC : Not Communicated

(*) From the companies

(**) From MMPNG

Annex 7: Payment flows description

Ref	Payment flows	Paid to / Received by	Description
Ministry of Mines Petroleum and Natural Gas			
1.1	Royalties paid to Federal Government	MMPNG	Payment made each mining license holder based on the sales price of the commercial transactions of the minerals produced in accordance with the Mineral Proclamation N°678-2010
1.2	License Fees	MMPNG	This payment is made for the issuance and renewal of licenses in accordance with Mining Operations Council of Ministers Regulations 182/1994
1.3	Penalties	MMPNG	This payment is made by any extractive companies that contravenes or fails to comply with any order, provision of a proclamation, regulations, directives or the terms and conditions of a license or permit
1.4	Land Rentals	MMPNG	A licensee is required to pay annually in advance a rental for area covered by a lease. The rates of rentals have been specified in the Mining Operations Council of Ministers Regulations No. 182/1994. The rentals are usually paid to regional governments
1.5	Signature Bonus	MMPNG	This payment is made by companies operating in Oil & Gas sector to the Ministry of Mines Petroleum and Natural Gas within a period of time after the effective date of the Production Sharing Agreement signed between the government and the company. The signature bonus is generally made in USD currency
1.6	Production bonuses	MMPNG	A company shall pay to the Ministry of Mines Petroleum and Natural Gas a amounts namely "Production bonuses" when production of crude oil attains for the specified periods of time some levels that are defined in the Production Sharing Agreement
1.7	Sale of Petroleum Data Package	MMPNG	Payment made by extractive company to the Ministry of Mines Petroleum and Natural Gas (MMPNG) in exchange with any study or data package that the MMPNG will share with the extractive company
1.8	Other material payments to Mining authority	MMPNG	Any other payment made to the Mining Authority, in either the Federal level or the Regional State level, and that exceeds 500,000 Birr
Ethiopian Revenues and Customs Authority			
2.1	Income tax : Schedule C (Mining)	ERCA	<u>Any payment</u> made to either the Federal or Regional level as being a Mining Income Tax as defined by the Mining Operations Proclamation N°678/2010. A Mining Income tax is paid: - by any holder of a large scale mining license in accordance with the Mining Income Tax Proclamation No. 53/1993 as amended which set it at 25% of taxable income; and - by holders of artisanal and small scale mining licenses shall be determined by the laws of the states.
2.2	Income tax : Schedule C (Normal)	ERCA	<u>Payment made</u> for income tax on profit from any industrial, commercial, professional or vocational activity or any other activity recognised as trade by the Commercial Code of Ethiopia and carried on by any person for profit.
2.3	Withholding tax on payments	ERCA	Any payment relating <u>to any kind of tax</u> that was withheld by the extractive company and that has been paid to the government
2.4	Customs duty	ERCA	Custom duties are payments made by extrative companies and that are relating to taxes imposed on the imports and exports of goods and services. Duty amounts paid on commodities depend on the class of such commodities in accordance to the Proclamation No. 38/1993

Ref	Payment flows	Paid to / Received by	Description
2.5	Dividend Tax	ERCA	These payments are relating to taxes on dividends that are separately paid by the extractive company to the government when these payments are not already reported in another payment flow such as the income tax above or the withholding tax above
2.6	Personal Income tax (Pay As You Earn "PAYE")	ERCA	These are payments relating to the income tax of the own staff of the extractive companies. These income tax on salaries are withheld by the extractive companies and paid to the Federal or Regional government
2.7	Capital gains	ERCA	Capital gains tax are paid on capital nature gain such as plants, building, factory or office, and shares of companies
2.8	Value Add Tax (VAT)	ERCA	Payments made in accordance to the Value Added Tax (VAT) Proclamation N°285/2002 as amended. The VAT is charged on the supply of goods and services by registered persons, and on the importation of goods and services into Ethiopia and services
2.9	Excise Tax	ERCA	Excise tax is a payment made on certain goods specified under the Schedule to the Excise Tax Proclamation, when imported and when produced locally. The excise tax rate varies from 10% to 100% on the cost of production, or CIF ("cost-insurance-freight")
2.10	Penalties	ERCA	This payment is made, to either Federal or Regional State lever, by any extractive companies that contravenes or fails to comply with any provision or conditions of the tax regulation
2.11	Withholding tax on interests (foreign debt)	ERCA	When extractive companies are paying interests on a foreign currency debt, the extractive companies may withhold part of the interest as a Withholding tax on interest and pay it to the government
2.12	Other material payments to ERCA	ERCA	Any other payment made to ERCA and that exceeds 500,000 Birr
Ministry of Finance and Economic Cooperation			
3.1	Free Equity	MoFEC	These are the proceeds of participation interest acquired without cost by the government in any large scale or small scale mining. This participation is possible because the government may acquire without cost a participation interest of five percent of any large scale or small scale mining investment
3.2	Dividends from State Owned Companies	MoFEC	These are the proceeds of various investments in the State Owned Companies accruing to the Government. This participation of the government is possible because the Government may undertake mining operations that are vital for the overall economic growth either by itself or in partnership with private investors
3.3	Other material payments to MoFEC	MoFEC	Any other payment made to MOFEC and that exceeds 500,000 Birr
Social Payments			
4.1	Voluntary Corporate Social Responsibility	All beneficiaries	These contributions are voluntary and can be made in cash or in kind depending on individual contracts. It includes all voluntary contributions made by extractive companies to promote local development and to finance social projects such as inter alia: health infrastructure, school infrastructure, road infrastructure, market gardening infrastructure, projects related to the promotion of the agriculture and the grants provided to the population
4.2	Mandatory Social Responsibility	All beneficiaries	These contributions are mandatory and can be made in cash or in kind depending on individual contracts. It includes all voluntary contributions made by extractive companies to promote local development and to finance social projects such as inter alia: health infrastructure, school infrastructure, road infrastructure, market gardening infrastructure, projects related to the

Ref	Payment flows	Paid to / Received by	Description
			promotion of the agriculture and the grants provided to the population
Infrastructure provisions and barter arrangements			
			Total budgeted amount of the entire project within the infrastructure provisions and barter arrangements.
5.1	Total budget of the Engagement/Project	Government	"Infrastructure provisions and barter arrangements" include any agreements, or sets of agreements between the extractive company and the government (Federal or Regional State), 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
5.2	Value of engagements/project incurred from 08/07/2014 to 07/07/2015	Government	Total amount of all costs incurred for all Project under any infrastructure provisions or barter arrangements during the reconciliation period starting from 08/07/2014 to 07/07/2015
5.3	Cumulated value of engagements/project incurred on 07/07/2015	Government	Total amount of all costs incurred for all Project under any infrastructure provisions or barter arrangements during the reconciliation period starting from the beginning of the Project until 07/07/2015
Payment to State Owned companies			
6.1	Dividends from Mining Companies	State Owned Companies	These are the proceeds of various investments of the State Owned Companies (SOC) in the extractive companies. The amount received by SOC is dependent on its shareholding in the paying entity
6.2	Other payments	State Owned Companies	Any other payment made to SOC and that exceeds 500,000 Birr

Annex 8: Detail of Licenses disclosed by companies selected in the scope

N ^o	Company	Commodity extracted	Licence type	Licence number or Blocks awarded	Status of the lease	Issue date	Duration	Regional State	Local / Woreda
1	Africa Oil Ethiopia B.V	Oil and Gas	Exploration	Rift Basin Area Block	Active	21/02/2013	3 Years	Arba Minch	Arba Minch
2	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	Oil and Gas	Exploration	Calub & Hilala	Active	16/11/2013	Appraisal 2 +2 Years	Somali	Debeweyn,Gode,
			Exploration	Block 3 & 4	Active	16/11/2013	Exploration up to 8 Years	Somali	Dolo Odo,Chereti,Goro Baqaqsa
			Exploration	Block 11 & 15	Active	16/11/2013	Exploration up to 8 Years	Somali	Gode,Dabeweyn,Denan,Kedridehar,Shilabo
			Exploration	Block 12 & 16	Active	16/11/2013	Exploration up to 8 Years	Somali	Adadle,Bare,KalafoMustahil
			Exploration	Block 17 and 20	Active	16/11/2013	Exploration up to 8 Years	Somali	Danot/Warder/Boh
3	SouthWest Energy (HK) Ltd	Oil and Gas	Exploration	020/2/3257/98	Active	04/12/2012	11.5 Years	Addis Ababa	2
4	NewAge Ethiopia Ltd	Oil and Gas	Exploration	Ogaden Block # 8	Active	11/07/2007	Exploration 25-10 Years Development and production	Ethiopian Somali	Dolo Bay
			Exploration	Adigala Block	Active	11/07/2007	Exploration 25-10 Years Development and production	Ethiopian Somali	Siti Zone
5	Delonex Energy Ethiopia Ltd	Oil and Gas	Exploration	Block 18, 19, 21	Active	24/08/2014	8 Years	Somali	Not communicated

N ^o	Company	Commodity extracted	Licence type	Licence number or Blocks awarded	Status of the lease	Issue date	Duration	Regional State	Local / Woreda
6	GPB Ethiopia Resources B.V		Exploration	Gewane El-Wuha Block	Active	17/07/2014	4 Years	Afar National Regional state	Comprises Many Woredas
7	MIDROC Gold Mine Plc	Precious Metals	Mining	43 Blocks	Active	29/03/1998	20 Years	Oromya	Oddo Shakisso
		Precious Metals	Mining	0111/2002	Active	24/11/2009	20 Years	Oromya	Oddo Shakisso
8	Abijata-Shalla Soda Ash Sc	Soda Ash	Mining	MOM/LSML/163/2011	Active	16/09/2011	20 Years	Oromiya	Adami Tulu Jido Kombolicha Woreda
9	Pioneer Cement Manufacturing Plc	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
10	East Cement Sc	Gypsum	Mining	MOM/SSML/148/2010	Active	06/10/2010	10Years	Oromiya	Filklik
		Pumice	Mining	1971/2010	Active	05/08/2010	10Years	Oromiya	Dire/Chalo
		Clay	Mining	455/99	Active	04/07/2010	10Years	Oromiya	Gandashano
		Limestone	Mining	452/99	Active	04/06/2010	10Years	Oromiya	Amuma Mec
11	National Mining Corporation Plc	Marble	Mining	14/706/29789/2004	Active	October,08 2013	upto May,2023	Benshangul Gumuze	Oda Beldaglu
12	Derba Midroc Cement Plc	Not Communicate d	Not Communicate d	Not Communicated	Not Communicate d	Not Communicate d	Not Communicate d	Not Communicate d	Not Communicated
13	Dangote Industries (Ethiopia) Plc	Limestone	Mining	MOM/LSML/125/2013	Active	09/06/2013	20 Years	Oromya	Adabrga
		Clay	Mining	MOM/LSML/1/2013	Inactive	23/04/2014	20 Years	Oromya	Adabrga
		Gypsum	Mining	MOM/LSML/304/2014	Inactive	12/10/2014	20 Years	Oromya	Adabrga

N ^o	Company	Commodity extracted	Licence type	Licence number or Blocks awarded	Status of the lease	Issue date	Duration	Regional State	Local / Woreda
		Silica sand	Mining	MOM/LSML/413/2014	Active	20/01/2015	20 Years	Oromya	Adabrga
		Basalt	Mining	MOM/LSML/414/2014	Active	20/01/2015	20 Years	Oromya	Adabrga
		Pumice	Mining	MOM/LSML/421/2014	Active	20/01/2015	20 Years	Oromya	Bora
14	Afar Salt Production Sc	Salt	Salt	006/94	Active	11/07/2002	20 Years	Afar	Afdera
15	Ethiopian Mineral, Petroleum and Fuel Co	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
16	Allied Chemical Plc	Silica Sand	Mining	MOM/LSML/2/2013	Active	02/12/2013	20 Years	Oromya	Lemi/Salayish
17	Erta Ale Salt Work Plc	Salt	Mining	020/92	Active	40399	10 Years	Afar	Afdera
18	Sammakka Stones Plc	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
19	Lucy Salt Producing Plc	Salt	Mining	058/96	Active	01/08/2004	20 Years	Afar	Afdera
20	Bezalel Construction Material Manufacturing Plc	Clay Soil	Mining	1197/2001	Active	23/06/1905	15 YEARS	Oromya	Oromya
21	East African Holding Sc	Coal	Mining	ORO/LSML\132\2011	Active	11/01/2003	15 Years	Oromiya	Dedo
		Coal	Mining	LD/AA/14/669/40044539/2007	Active	24/04/2009	1 Year	AA	Lideta
22	Inchini Bedrock Plc	Gypsum	Mining	MOM/EL\25\2015	Active		3 Years	Oromya	

N ^o	Company	Commodity extracted	Licence type	Licence number or Blocks awarded	Status of the lease	Issue date	Duration	Regional State	Local / Woreda
23	Afdera Salt Producing Plc	Salt	Mining	080/95	Active	02/06/2003	20 Years	Afar	Afdera
24	Target Industries Plc	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
25	Three M Marble and Terrazzo Manufacturing Plc	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted
26	Sourish Marbles Plc	Marbles	Mining	MOMLSML\230\2013	Active	12/05/2013	20 Years	Beshangul	Obeldiglu
27	ETNO Mining Plc	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted	Not Submitted

Annex 9: Reconciliation sheets by company

Company name: Africa Oil Ethiopia B.V

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	6 578 992	207 974	6 786 966	6 786 966	(1 010 920)	5 776 046	1 010 920	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	4 449 585	-	4 449 585	4 449 585	(1 010 920)	3 438 665	1 010 920	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	3 438 665	-	3 438 665	3 438 665	-	3 438 665	-	
1.5 Signature Bonus	-	-	-	1 010 920	(1 010 920)	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	1 010 920	-	1 010 920	-	-	-	1 010 920	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	2 129 407	207 974	2 337 381	2 337 381	-	2 337 381	-	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	333 148	-	333 148	333 148	-	333 148	-	
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	1 796 259	-	1 796 259	1 796 259	-	1 796 259	-	
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	-	-	-	-	-	-	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	207 974	207 974	207 974	-	207 974	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	6 578 992	207 974	6 786 966	6 786 966	(1 010 920)	5 776 046	1 010 920	
B- Unilateral company disclosures	-	-	-	-	-	-	-	
6- Regional State Mining Authority	-	-	-	-	-	-	-	
6.1 Royalties paid	-	-	-	-	-	-	-	
6.2 License Fees	-	-	-	-	-	-	-	
6.3 Penalties	-	-	-	-	-	-	-	
6.4 Land Rentals	-	-	-	-	-	-	-	
6.5 Other material payments to Regional State Mining Authority	-	-	-	-	-	-	-	
7- Regional State Tax Authority	-	-	-	-	-	-	-	
7.1 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
7.2 Withholding tax on payments	-	-	-	-	-	-	-	
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-	-	-	-	-	
7.4 Excise duty	-	-	-	-	-	-	-	
7.5 Other material payments to Regional State Tax Authority	-	-	-	-	-	-	-	
8- Social Contributions	-	-	-	-	-	-	-	
8.1 Voluntary Corporate Social Responsibility	-	-	-	-	-	-	-	
8.2 Mandatory Social Responsibility	-	-	-	-	-	-	-	

Company name: POLY-GCL Petroleum Investments Ltd Ethiopian Branch

Reporting period: 2014/15 (2007 EFY)

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures		21 661 680	-	21 661 680	23 067 422	(11 155 100)	11 912 322	9 749 358	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)		19 644 458	-	19 644 458	20 760 608	(11 155 100)	9 605 508	10 038 950	
1.1	Royalties paid	-	-	-	-	-	-	-	
1.2	License Fees	-	-	-	-	-	-	-	
1.3	Penalties	-	-	-	-	-	-	-	
1.4	Land Rentals	9 605 508	-	9 605 508	9 605 508	-	9 605 508	-	
1.5	Signature Bonus	-	-	-	11 155 100	(11 155 100)	-	-	
1.6	Production bonuses	-	-	-	-	-	-	-	
1.7	Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8	Other material payments to Mining authority	10 038 950	-	10 038 950	-	-	-	10 038 950	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)		2 017 221	-	2 017 221	2 306 813	-	2 306 813	(289 592)	
2.1	Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2	Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3	Withholding tax on payments	997 185	-	997 185	1 042 183	-	1 042 183	(44 998)	Tax not reported by the extractive company
2.4	Customs duties	-	-	-	-	-	-	-	
2.5	Dividend Tax	-	-	-	-	-	-	-	
2.6	Personal Income tax (Pay As You Earn "PAYE")	804 317	-	804 317	860 363	-	860 363	(56 046)	Tax not reported by the extractive company
2.7	Capital gains	-	-	-	-	-	-	-	
2.8	Value Add Tax (VAT)	-	-	-	-	-	-	-	
2.9	Excise Tax	-	-	-	-	-	-	-	
2.10	Penalties	-	-	-	-	-	-	-	
2.11	Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12	Other material payments to ERCA	215 719	-	215 719	404 267	-	404 267	(188 548)	Tax not reported by the extractive company
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)		-	-	-	-	-	-	-	
3.1	Free Equity	-	-	-	-	-	-	-	
3.2	Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3	Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)		-	-	-	-	-	-	-	
4.1	Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2	Other payments	-	-	-	-	-	-	-	
Total payments		21 661 680	-	21 661 680	23 067 422	(11 155 100)	11 912 322	9 749 358	
B- Unilateral company disclosures		-	-	-					
6- Regional State Mining Authority		-	-	-					
6.1	Royalties paid	-	-	-					
6.2	License Fees	-	-	-					
6.3	Penalties	-	-	-					
6.4	Land Rentals	-	-	-					
6.5	Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority		-	-	-					
7.1	Income tax : Schedule C (Normal)	-	-	-					
7.2	Withholding tax on payments	-	-	-					
7.3	Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4	Excise duty	-	-	-					
7.5	Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions		-	-	-					
8.1	Voluntary Corporate Social Responsibility	-	-	-					
8.2	Mandatory Social Responsibility	-	-	-					

Company name: SouthWest Energy (HK) Ltd

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	74 112	-	74 112	2 135 122	-	2 135 122	(2 061 010)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	2 061 010	-	2 061 010	(2 061 010)	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	2 061 010	-	2 061 010	(2 061 010)	Tax not reported by the extractive company
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	74 112	-	74 112	74 112	-	74 112	-	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	74 112	-	74 112	74 112	-	74 112	-	
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	-	-	-	-	-	-	-	
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	-	-	-	-	-	-	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	74 112	-	74 112	2 135 122	-	2 135 122	(2 061 010)	
B- Unilateral company disclosures	1 696 691	-	1 696 691					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	-	-	-					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	1 696 691	-	1 696 691					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	1 696 691	-	1 696 691					

Company name: New Age Ethiopia Ltd

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	8 986 978	-	8 986 978	7 434 993	-	7 434 993	1 551 985	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	4 999 558	-	4 999 558	4 015 393	-	4 015 393	984 165	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	4 015 393	-	4 015 393	4 015 393	-	4 015 393	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	984 165	-	984 165	-	-	-	984 165	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	3 987 420	-	3 987 420	3 419 600	-	3 419 600	567 820	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	1 987 167	-	1 987 167	1 987 167	-	1 987 167	-	
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	1 430 032	-	1 430 032	1 430 032	-	1 430 032	-	
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	-	-	-	-	-	-	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	2 400	-	2 400	(2 400)	Tax not reported by the extractive company
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	570 220	-	570 220	-	-	-	570 220	Tax not reported by the Government Entity
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	8 986 978	-	8 986 978	7 434 993	-	7 434 993	1 551 985	
B- Unilateral company disclosures	1 754 490	-	1 754 490					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	-	-	-					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	1 754 490	-	1 754 490					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	1 754 490	-	1 754 490					

Company name: Delonex Energy Ethiopia Ltd

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	24 771 624	(2 189 077)	22 582 547	28 877 132	(4 800 973)	24 076 160	(1 493 612)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	22 389 200	-189 077	22 200 123	24 184 633	-1 984 510	22 200 123	0	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	2 389 200	(20 177)	2 369 023	2 369 023	-	2 369 023	-	
1.5 Signature Bonus	20 000 000	(168 900)	19 831 100	19 831 100	-	19 831 100	-	
1.6 Production bonuses	-	-	-	1 984 510	(1 984 510)	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	382 424	0	382 424	4 692 499	-2 816 463	1 876 036	-1 493 612	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	74 367	-	74 367	41 562	32 805	74 367	-	
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	308 057	-	308 057	3 157 325	(2 849 268)	308 057	-	
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	-	-	-	-	-	-	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	-	-	1 493 612	-	1 493 612	(1 493 612)	Tax not reported by the extractive company
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	0	0	0	0	0	0	0	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	2 000 000	-2 000 000	0	0	0	0	0	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	2 000 000	(2 000 000)	-	-	-	-	-	
Total payments	24 771 624	(2 189 077)	22 582 547	28 877 132	(4 800 973)	24 076 160	(1 493 612)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	0	0	0					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	-	-	-					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	0	0	0					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	0	0	0					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	-	-	-					

Company name: GPB Ethiopia Resources B.V

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	14 404 723	(146 691)	14 258 032	14 253 566	-	14 253 566	4 466	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	14 369 311	(146 691)	14 222 620	14 218 285	-	14 218 285	4 335	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	3 369 466	(37 041)	3 332 425	3 332 425	-	3 332 425	-	
1.5 Signature Bonus	9 974 500	(109 650)	9 864 850	9 864 850	-	9 864 850	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	1 025 345	-	1 025 345	1 021 010	-	1 021 010	4 335	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	35 412	-	35 412	35 281	-	35 281	131	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	8 993	-	8 993	8 993	-	8 993	-	
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	26 419	-	26 419	26 288	-	26 288	131	Not material difference < KETB 20
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	-	-	-	-	-	-	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	14 404 723	(146 691)	14 258 032	14 253 566	-	14 253 566	4 466	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	-	-	-					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	-	-	-					

Company name: MIDROC Gold Mine Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	839,020,889	(33,434,643)	805,586,245	943,341,595	(137,758,880)	805,582,715	3,530	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	140,979,984	-	140,979,984	140,976,454	-	140,976,454	3,530	
1.1 Royalties paid	140,976,454	-	140,976,454	140,976,454	-	140,976,454	-	
1.2 License Fees	3,530	-	3,530	-	-	-	3,530	Tax not reported by the Government Entity
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	668,692,870	(33,434,643)	635,258,226	773,017,106	(137,758,880)	635,258,226	-	
2.1 Income tax : Schedule C (Mining)	494,328,176	(24,716,409)	469,611,767	472,747,187	(3,135,421)	469,611,767	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	9,199,393	(459,970)	8,739,424	2,428,093	6,311,331	8,739,424	-	
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	143,805,371	(7,190,269)	136,615,103	268,536,914	(131,921,811)	136,615,103	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	7,922,206	(396,110)	7,526,096	29,304,912	(21,778,816)	7,526,096	-	
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	9,322,338	(466,117)	8,856,222	-	8,856,222	8,856,222	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	2,051,837	(102,592)	1,949,245	-	1,949,245	1,949,245	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	2,063,548	(103,177)	1,960,371	-	1,960,371	1,960,371	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	29,348,035	-	29,348,035	29,348,035	-	29,348,035	-	
3.1 Free Equity	29,348,035	-	29,348,035	29,348,035	-	29,348,035	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	839,020,889	(33,434,643)	805,586,245	943,341,595	(137,758,880)	805,582,715	3,530	
B- Unilateral company disclosures	46,664,324	(2,257,685)	44,406,640					
6- Regional State Mining Authority	1,510,634	-	1,510,634					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	1,510,634	-	1,510,634					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	41,402,531	(2,070,127)	39,332,404					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	108,506	(5,425)	103,081					
7.3 Personal Income tax (Pay As You Earn "PAYE")	32,903,028	(1,645,151)	31,257,876					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	8,390,997	(419,550)	7,971,447					
8- Social Contributions	3,751,160	(187,558)	3,563,602					
8.1 Voluntary Corporate Social Responsibility	3,271,160	(163,558)	3,107,602					
8.2 Mandatory Social Responsibility	480,000	(24,000)	456,000					

Company name: Abijata-Shalla Soda Ash Sc

Reporting period: 2014/15 (2007 EFY)

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures		7,351,916	(4,674,265)	2,677,650	5,901,364	(3,188,245)	2,713,118	(35,468)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)		1,509,084	-	1,509,084	1,509,084	-	1,509,084	-	
1.1	Royalties paid	1,509,084	-	1,509,084	1,509,084	-	1,509,084	-	
1.2	License Fees		-	-		-	-	-	
1.3	Penalties		-	-		-	-	-	
1.4	Land Rentals		-	-		-	-	-	
1.5	Signature Bonus		-	-		-	-	-	
1.6	Production bonuses		-	-		-	-	-	
1.7	Sale of Petroleum Data Package		-	-		-	-	-	
1.8	Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)		5,842,832	(4,674,265)	1,168,566	4,392,280	(3,188,245)	1,204,034	(35,468)	
2.1	Income tax : Schedule C (Mining)	17,784	(14,227)	3,557	-	-	-	3,557	Tax not reported by the Government Entity
2.2	Income tax : Schedule C (Normal)		-	-	-	-	-	-	
2.3	Withholding tax on payments	166,158	(132,927)	33,232	51,643	(18,412)	33,232	-	
2.4	Customs duties		-	-	-	-	-	-	
2.5	Dividend Tax		-	-	195,125	(156,100)	39,025	(39,025)	Tax not reported by the extractive company
2.6	Personal Income tax (Pay As You Earn "PAYE")	288,468	(230,775)	57,694	-	57,694	57,694	-	
2.7	Capital gains		-	-		-	-	-	
2.8	Value Add Tax (VAT)	5,370,421	(4,296,337)	1,074,084	4,145,511	(3,071,427)	1,074,084	-	
2.9	Excise Tax	-	-	-		-	-	-	
2.10	Penalties	-	-	-		-	-	-	
2.11	Withholding tax on interests (foreign debt)	-	-	-		-	-	-	
2.12	Other material payments to ERCA	-	-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)		-	-	-	-	-	-	-	
3.1	Free Equity		-	-		-	-	-	
3.2	Dividends from State Owned Companies		-	-		-	-	-	
3.3	Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)		-	-	-	-	-	-	-	
4.1	Dividends from Mining Companies		-	-		-	-	-	
4.2	Other payments		-	-		-	-	-	
Total payments		7,351,916	(4,674,265)	2,677,650	5,901,364	(3,188,245)	2,713,118	(35,468)	
B- Unilateral company disclosures		1,423,266	(1,122,893)	300,373					
6- Regional State Mining Authority		19,650	-	19,650					
6.1	Royalties paid		-	-					
6.2	License Fees		-	-					
6.3	Penalties		-	-					
6.4	Land Rentals	19,650	-	19,650					
6.5	Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority		1,213,116	(970,493)	242,623					
7.1	Income tax : Schedule C (Normal)		-	-					
7.2	Withholding tax on payments		-	-					
7.3	Personal Income tax (Pay As You Earn "PAYE")	1,213,116	(970,493)	242,623					
7.4	Excise duty		-	-					
7.5	Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions		190,500	(152,400)	38,100					
8.1	Voluntary Corporate Social Responsibility	10,500	(8,400)	2,100					
8.2	Mandatory Social Responsibility	180,000	(144,000)	36,000					

Company name: Pioneer Cement Manufacturing Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	-	-	-	36 811 588	-	36 811 588	(36 811 588)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	1 398 695	-	1 398 695	(1 398 695)	
1.1 Royalties paid				1 398 695		1 398 695	(1 398 695)	Reporting template not submitted by the extractive company
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	-	-	-	35 412 893	-	35 412 893	(35 412 893)	
2.1 Income tax : Schedule C (Mining)		-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)		-	-	17 849 065	-	17 849 065	(17 849 065)	Reporting template not submitted by the extractive company
2.3 Withholding tax on payments		-	-	5 881 332	-	5 881 332	(5 881 332)	Reporting template not submitted by the extractive company
2.4 Customs duties		-	-		-	-	-	
2.5 Dividend Tax		-	-	6 689 151	-	6 689 151	(6 689 151)	Reporting template not submitted by the extractive company
2.6 Personal Income tax (Pay As You Earn "PAYE")		-	-		-	-	-	
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)		-	-	4 993 344	-	4 993 344	(4 993 344)	Reporting template not submitted by the extractive company
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties		-	-		-	-	-	
2.11 Withholding tax on interests (foreign debt)		-	-		-	-	-	
2.12 Other material payments to ERCA		-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	-	-	-	36 811 588	-	36 811 588	(36 811 588)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments		-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4 Excise duty		-	-					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility		-	-					
8.2 Mandatory Social Responsibility		-	-					

Company name: East Cement Sc

Reporting period: 2014/15 (2007 EFY)

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures		3,129,206	15,849,839	18,979,045	121,992,944	(103,058,434)	18,934,509	44,536	
1-	Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	504,708	426,809	931,517	931,519	-	931,519	(2)	
1.1	Royalties paid	504,708	426,809	931,517	931,519	-	931,519	(2)	Not material difference < KETB 20
1.2	License Fees		-	-		-	-	-	
1.3	Penalties		-	-		-	-	-	
1.4	Land Rentals		-	-		-	-	-	
1.5	Signature Bonus		-	-		-	-	-	
1.6	Production bonuses		-	-		-	-	-	
1.7	Sale of Petroleum Data Package		-	-		-	-	-	
1.8	Other material payments to Mining authority		-	-		-	-	-	
2-	Payments to Ethiopian Revenues and Customs Authority (ERCA)	2,624,498	15,423,030	18,047,528	121,061,425	(103,058,434)	18,002,990	44,538	
2.1	Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2	Income tax : Schedule C (Normal)	-	-	-	34,821,328	(34,821,328)	-	-	
2.3	Withholding tax on payments	2,453,426	(49,069)	2,404,358	7,639,811	(5,377,264)	2,262,547	141,811	Tax not reported by the extractive company
2.4	Customs duties	-	-	-	-	-	-	-	
2.5	Dividend Tax	-	-	-	-	-	-	-	
2.6	Personal Income tax (Pay As You Earn "PAYE")	171,071	(3,421)	167,650	2,295,898	(2,030,975)	264,923	(97,273)	Tax not reported by the extractive company
2.7	Capital gains	-	-	-	-	-	-	-	
2.8	Value Add Tax (VAT)	-	15,475,520	15,475,520	76,304,388	(60,828,868)	15,475,520	0	Not material difference < KETB 20
2.9	Excise Tax	-	-	-	-	-	-	-	
2.10	Penalties	-	-	-	-	-	-	-	
2.11	Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12	Other material payments to ERCA	-	-	-	-	-	-	-	
3-	Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1	Free Equity	-	-	-	-	-	-	-	
3.2	Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3	Other material payments to MoFEC	-	-	-	-	-	-	-	
4-	Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1	Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2	Other payments	-	-	-	-	-	-	-	
	Total payments	3,129,206	15,849,839	18,979,045	121,992,944	(103,058,434)	18,934,509	44,536	
B- Unilateral company disclosures		613,286	(9,725)	603,562					
6-	Regional State Mining Authority	127,057	-	127,057					
6.1	Royalties paid	127,057	-	127,057					
6.2	License Fees		-	-					
6.3	Penalties		-	-					
6.4	Land Rentals		-	-					
6.5	Other material payments to Regional State Mining Authority		-	-					
7-	Regional State Tax Authority	486,229	(9,725)	476,504					
7.1	Income tax : Schedule C (Normal)		-	-					
7.2	Withholding tax on payments		-	-					
7.3	Personal Income tax (Pay As You Earn "PAYE")	486,229	(9,725)	476,504					
7.4	Excise duty		-	-					
7.5	Other material payments to Regional State Tax Authority		-	-					
8-	Social Contributions	-	-	-					
8.1	Voluntary Corporate Social Responsibility		-	-					
8.2	Mandatory Social Responsibility		-	-					

Company name: National Mining Corporation Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	8 970 225	-	8 970 225	6 810 724	1 073 720	7 884 444	1 085 781	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	179 233	-	179 233	179 233	-	179 233	-	
1.1 Royalties paid	179 233	-	179 233	179 233	-	179 233	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	8 790 992	-	8 790 992	6 631 491	1 073 720	7 705 211	1 085 781	
2.1 Income tax : Schedule C (Mining)	-	-	-	37 271	-	37 271	(37 271)	Tax not reported by the extractive company
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	73 246	-	73 246	134 221	(42 155)	92 066	(18 819)	Tax not reported by the extractive company
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	1 705 699	-	1 705 699	-	1 705 699	1 705 699	(0)	Not material difference < KETB 20
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	5 307 104	-	5 307 104	6 459 999	(1 152 895)	5 307 104	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	1 704 943	-	1 704 943	-	563 071	563 071	1 141 872	Tax not reported by the Government Entity
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	8 970 225	-	8 970 225	6 810 724	1 073 720	7 884 444	1 085 781	
B- Unilateral company disclosures	1 340 542	-	1 340 542					
6- Regional State Mining Authority	3 000	-	3 000					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	3 000	-	3 000					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	1 307 542	-	1 307 542					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	1 920	-	1 920					
7.3 Personal Income tax (Pay As You Earn "PAYE")	1 145 272	-	1 145 272					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	160 351	-	160 351					
8- Social Contributions	30 000	-	30 000					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	30 000	-	30 000					

Company name: Derba Midroc Cement Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	290 841 359	-	290 841 359	3 275 416	293 054 236	296 329 651	(5 488 292)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	6 988 768	-	6 988 768	-	-	-	6 988 768	
1.1 Royalties paid	6 988 768	-	6 988 768	-	-	-	6 988 768	Tax not reported by the Government Entity
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	283 852 592	-	283 852 592	3 275 416	293 054 236	296 329 651	(12 477 060)	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	12 348 993	-	12 348 993	-	12 348 993	12 348 993	-	
2.4 Customs duties	27 743 755	-	27 743 755	-	-	-	27 743 755	Tax not reported by the Government Entity
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	2 556 109	-	2 556 109	3 196 027	(639 919)	2 556 109	-	
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	240 918 664	-	240 918 664	-	281 385 876	281 385 876	(40 467 212)	Tax not reported by the extractive company
2.9 Excise Tax	55 269	-	55 269	-	-	-	55 269	Tax not reported by the Government Entity
2.10 Penalties	229 801	-	229 801	-	-	-	229 801	Tax not reported by the Government Entity
2.11 Withholding tax on interests (foreign debt)	-	-	-	79 388	(40 715)	38 674	(38 674)	Tax not reported by the extractive company
2.12 Other material payments to ERCA	-	-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	290 841 359	-	290 841 359	3 275 416	293 054 236	296 329 651	(5 488 292)	
B- Unilateral company disclosures	2 041 852	-	2 041 852					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	-	-	-					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	2 041 852	-	2 041 852					
8.1 Voluntary Corporate Social Responsibility	2 041 852	-	2 041 852					
8.2 Mandatory Social Responsibility	-	-	-					

Company name: Dangote Industries (Ethiopia) Plc

Reporting period: 2014/15 (2007 EFY)

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures		1 165 127	-	1 165 127	92 552 163	(80 592 753)	11 959 411	(10 794 284)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)		110 780	-	110 780	-	-	-	110 780	
1.1	Royalties paid	110 780	-	110 780		-	-	110 780	Tax not reported by the Government Entity
1.2	License Fees		-	-		-	-	-	
1.3	Penalties		-	-		-	-	-	
1.4	Land Rentals		-	-		-	-	-	
1.5	Signature Bonus		-	-		-	-	-	
1.6	Production bonuses		-	-		-	-	-	
1.7	Sale of Petroleum Data Package		-	-		-	-	-	
1.8	Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)		1 054 347	-	1 054 347	92 552 163	(80 592 753)	11 959 411	(10 905 064)	
2.1	Income tax : Schedule C (Mining)		-	-	-	-	-	-	
2.2	Income tax : Schedule C (Normal)		-	-	-	-	-	-	
2.3	Withholding tax on payments		-	-	-	-	-	-	
2.4	Customs duties		-	-	-	-	-	-	
2.5	Dividend Tax		-	-	-	-	-	-	
2.6	Personal Income tax (Pay As You Earn "PAYE")	1 054 347	-	1 054 347	12 751 062	(5 992 149)	6 758 913	(5 704 566)	Tax not reported by the extractive company
2.7	Capital gains		-	-		-	-	-	
2.8	Value Add Tax (VAT)		-	-	66 869 468	(66 869 468)	-	-	
2.9	Excise Tax		-	-		-	-	-	
2.10	Penalties		-	-		-	-	-	
2.11	Witholding tax on interests (foreign debt)		-	-	12 931 634	(7 731 136)	5 200 498	(5 200 498)	Tax not reported by the extractive company
2.12	Other material payments to ERCA		-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)		-	-	-	-	-	-	-	
3.1	Free Equity		-	-		-	-	-	
3.2	Dividends from State Owned Companies		-	-		-	-	-	
3.3	Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)		-	-	-	-	-	-	-	
4.1	Dividends from Mining Companies		-	-		-	-	-	
4.2	Other payments		-	-		-	-	-	
Total payments		1 165 127	-	1 165 127	92 552 163	(80 592 753)	11 959 411	(10 794 284)	
B- Unilateral company disclosures		-	-	-					
6- Regional State Mining Authority		-	-	-					
6.1	Royalties paid		-	-					
6.2	License Fees		-	-					
6.3	Penalties		-	-					
6.4	Land Rentals		-	-					
6.5	Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority		-	-	-					
7.1	Income tax : Schedule C (Normal)		-	-					
7.2	Withholding tax on payments		-	-					
7.3	Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4	Excise duty		-	-					
7.5	Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions		-	-	-					
8.1	Voluntary Corporate Social Responsibility		-	-					
8.2	Mandatory Social Responsibility		-	-					

Company name: Afar Salt Production Sc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	7 760 900	-	7 760 900	3 844 195	-	3 844 195	3 916 705	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	925 019	-	925 019	925 019	-	925 019	-	
1.1 Royalties paid	925 019	-	925 019	925 019	-	925 019	-	
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	6 835 881	-	6 835 881	2 919 176	-	2 919 176	3 916 705	
2.1 Income tax : Schedule C (Mining)	3 983 830	-	3 983 830	-	-	-	3 983 830	Tax not reported by the Government Entity
2.2 Income tax : Schedule C (Normal)		-	-	-	-	-	-	
2.3 Withholding tax on payments	148 836	-	148 836	148 836	-	148 836	-	
2.4 Customs duties		-	-	-	-	-	-	
2.5 Dividend Tax		-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	390 813	-	390 813	390 813	-	390 813	-	
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)	2 311 464	-	2 311 464	2 311 464	-	2 311 464	-	
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties	937	-	937		-	-	937	Tax not reported by the Government Entity
2.11 Withholding tax on interests (foreign debt)	-	-	-		-	-	-	
2.12 Other material payments to ERCA	-	-	-	68 062	-	68 062	(68 062)	Tax not reported by the extractive company
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	7 760 900	-	7 760 900	3 844 195	-	3 844 195	3 916 705	
B- Unilateral company disclosures	1 237 676	-	1 237 676					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	1 180 446	-	1 180 446					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	406 706	-	406 706					
7.4 Excise duty	773 740	-	773 740					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	57 230	-	57 230					
8.1 Voluntary Corporate Social Responsibility	57 230	-	57 230					
8.2 Mandatory Social Responsibility		-	-					

Company name: Ethiopian Mineral, Petroleum and Feul Co

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	-	-	-	4 000 000	-	4 000 000	(4 000 000)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	4 000 000	-	4 000 000	(4 000 000)	
1.1 Royalties paid		-	-	4 000 000	-	4 000 000	(4 000 000)	Reporting template not submitted by the extractive company
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	-	-	-	-	-	-	-	
2.1 Income tax : Schedule C (Mining)		-	-		-	-	-	
2.2 Income tax : Schedule C (Normal)		-	-		-	-	-	
2.3 Withholding tax on payments		-	-		-	-	-	
2.4 Customs duties		-	-		-	-	-	
2.5 Dividend Tax		-	-		-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")		-	-		-	-	-	
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)		-	-		-	-	-	
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties		-	-		-	-	-	
2.11 Withholding tax on interests (foreign debt)		-	-		-	-	-	
2.12 Other material payments to ERCA		-	-		-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	-	-	-	4 000 000	-	4 000 000	(4 000 000)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments		-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4 Excise duty		-	-					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility		-	-					
8.2 Mandatory Social Responsibility		-	-					

Company name: Allied Chemical Plc

Reporting period: 2014/15 (2007 E-FY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	9 870 970	-	9 870 970	9 490 611	-	9 490 611	380 359	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	-	-	-	-	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	9 870 970	-	9 870 970	9 490 611	-	9 490 611	380 359	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	2 331 395	-	2 331 395	2 331 395	-	2 331 395	(0)	Not material difference < KETB 20
2.3 Withholding tax on payments	321 635	-	321 635	310 158	-	310 158	11 477	Tax not reported by the Government Entity
2.4 Customs duties	596 247	-	596 247	-	-	-	596 247	Tax not reported by the Government Entity
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	-	-	-	223 177	-	223 177	(223 177)	Tax not reported by the extractive company
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	6 621 693	-	6 621 693	6 625 880	-	6 625 880	(4 187)	Not material difference < KETB 20
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	9 870 970	-	9 870 970	9 490 611	-	9 490 611	380 359	
B- Unilateral company disclosures	3 075 616	-	3 075 616					
6- Regional State Mining Authority	407 379	-	407 379					
6.1 Royalties paid	-	-	-					
6.2 License Fees	10 260	-	10 260					
6.3 Penalties	400	-	400					
6.4 Land Rentals	396 719	-	396 719					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	2 539 324	-	2 539 324					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	2 539 324	-	2 539 324					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	128 913	-	128 913					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	128 913	-	128 913					

Company name: Erta Ale Salt Work Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	3 554 472	-	3 554 472	3 715 897	-	3 715 897	(161 425)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	471 732	-	471 732	575 273	-	575 273	(103 541)	
1.1 Royalties paid	471 732	-	471 732	575 273	-	575 273	(103 541)	Tax not reported by the extractive company
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	3 082 740	-	3 082 740	3 140 623	-	3 140 623	(57 883)	
2.1 Income tax : Schedule C (Mining)	787 774	-	787 774	787 774	-	787 774	(0)	Not material difference < KETB 20
2.2 Income tax : Schedule C (Normal)		-	-	-	-	-	-	
2.3 Withholding tax on payments	792	-	792	791	-	791	1	Not material difference < KETB 20
2.4 Customs duties		-	-	-	-	-	-	
2.5 Dividend Tax	178 444	-	178 444	178 444	-	178 444	(0)	Not material difference < KETB 20
2.6 Personal Income tax (Pay As You Earn "PAYE")	7 536	-	7 536	7 537	-	7 537	(1)	Not material difference < KETB 20
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)	2 108 194	-	2 108 194	2 108 194	-	2 108 194	(0)	Not material difference < KETB 20
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	-	-	57 883	-	57 883	(57 883)	Tax not reported by the extractive company
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	3 554 472	-	3 554 472	3 715 897	-	3 715 897	(161 425)	
B- Unilateral company disclosures	1 510 325	-	1 510 325					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	1 209 935	-	1 209 935					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	54 759	-	54 759					
7.4 Excise duty	1 155 176	-	1 155 176					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	300 390	-	300 390					
8.1 Voluntary Corporate Social Responsibility	300 390	-	300 390					
8.2 Mandatory Social Responsibility		-	-					

Company name: Sammakka Stones Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	-	-	-	1 367 586	-	1 367 586	(1 367 586)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	294 848	-	294 848	(294 848)	
1.1 Royalties paid		-	-	294 848	-	294 848	(294 848)	Reporting template not submitted by the extractive company
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	-	-	-	1 072 738	-	1 072 738	(1 072 738)	
2.1 Income tax : Schedule C (Mining)		-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)		-	-	-	-	-	-	
2.3 Withholding tax on payments		-	-	16 772	-	16 772	(16 772)	Reporting template not submitted by the extractive company
2.4 Customs duties		-	-	-	-	-	-	
2.5 Dividend Tax		-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")		-	-	110 780	-	110 780	(110 780)	Reporting template not submitted by the extractive company
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)		-	-	872 265	-	872 265	(872 265)	Reporting template not submitted by the extractive company
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties		-	-		-	-	-	
2.11 Withholding tax on interests (foreign debt)		-	-		-	-	-	
2.12 Other material payments to ERCA		-	-	72 921	-	72 921	(72 921)	Reporting template not submitted by the extractive company
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	-	-	-	1 367 586	-	1 367 586	(1 367 586)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments		-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4 Excise duty		-	-					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility		-	-					
8.2 Mandatory Social Responsibility		-	-					

Company name: Lucy Salt Producing Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	1 860 481	-	1 860 481	1 854 396	-	1 854 396	6 085	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	299 575	-	299 575	-	-	-	299 575	
1.1 Royalties paid	297 361	-	297 361	-	-	-	297 361	Tax not reported by the Government Entity
1.2 License Fees	2 214	-	2 214	-	-	-	2 214	Tax not reported by the Government Entity
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	1 560 906	-	1 560 906	1 854 396	-	1 854 396	(293 490)	
2.1 Income tax : Schedule C (Mining)	406 254	-	406 254	406 254	-	406 254	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	-	-	-	8 932	-	8 932	(8 932)	Tax not reported by the extractive company
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	89 731	-	89 731	89 731	-	89 731	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	19 289	-	19 289	19 689	-	19 689	(400)	Not material difference < KETB 20
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	986 241	-	986 241	1 270 397	-	1 270 397	(284 156)	Tax not reported by the extractive company
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	59 391	-	59 391	59 393	-	59 393	(2)	Not material difference < KETB 20
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	1 860 481	-	1 860 481	1 854 396	-	1 854 396	6 085	
B- Unilateral company disclosures	786 307	-	786 307					
6- Regional State Mining Authority	24 935	-	24 935					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	24 935	-	24 935					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	554 312	-	554 312					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	50 644	-	50 644					
7.4 Excise duty	503 668	-	503 668					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	207 060	-	207 060					
8.1 Voluntary Corporate Social Responsibility	207 060	-	207 060					
8.2 Mandatory Social Responsibility	-	-	-					

Company name: Bezalel Construction Material Manufacturing Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	1 137 312	-	1 137 312	1 137 312	-	1 137 312	(0)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	55 998	-	55 998	55 998	-	55 998	-	
1.1 Royalties paid	55 998	-	55 998	55 998	-	55 998	-	
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	1 081 314	-	1 081 314	1 081 314	-	1 081 314	(0)	
2.1 Income tax : Schedule C (Mining)		-	-		-	-	-	
2.2 Income tax : Schedule C (Normal)	143 368	-	143 368	143 368	-	143 368	-	
2.3 Withholding tax on payments	27 860	-	27 860	27 861	-	27 861	(0)	Not material difference < KETB 20
2.4 Customs duties		-	-		-	-	-	
2.5 Dividend Tax		-	-		-	-	-	
2.6 Personal income tax (Pay As You Earn "PAYE")	44 758	-	44 758	44 758	-	44 758	-	
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)	839 468	-	839 468	839 468	-	839 468	-	
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties		-	-		-	-	-	
2.11 Withholding tax on interests (foreign debt)		-	-		-	-	-	
2.12 Other material payments to ERCA	25 860	-	25 860	25 860	-	25 860	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	1 137 312	-	1 137 312	1 137 312	-	1 137 312	(0)	
B- Unilateral company disclosures	293 890	-	293 890					
6- Regional State Mining Authority	46 701	-	46 701					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals	46 701	-	46 701					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	156 289	-	156 289					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments		-	-					
7.3 Personal income tax (Pay As You Earn "PAYE")	102 557	-	102 557					
7.4 Excise duty		-	-					
7.5 Other material payments to Regional State Tax Authority	53 732	-	53 732					
8- Social Contributions	90 900	-	90 900					
8.1 Voluntary Corporate Social Responsibility	90 900	-	90 900					
8.2 Mandatory Social Responsibility		-	-					

Company name: East African Holding Sc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	10,591,994	385	10,592,378	11,991,243	(239,825)	11,751,418	(1,159,039)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	2,686	-	2,686	-	-	-	2,686	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	2,686	-	2,686	-	-	-	2,686	Tax not reported by the Government Entity
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	10,589,308	385	10,589,692	11,991,243	(239,825)	11,751,418	(1,161,725)	
2.1 Income tax : Schedule C (Mining)	850,255	(850,255)	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	3,265,313	3,265,313	6,298,762	(125,975)	6,172,787	(2,907,474)	Tax not reported by the extractive company
2.3 Withholding tax on payments	436,089	(8,722)	427,367	436,089	(8,722)	427,367	-	
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	-	833,250	833,250	850,255	(17,005)	833,250	-	
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	5,304,276	106,086	5,410,362	4,396,113	(87,922)	4,308,191	1,102,171	Tax not reported by the Government Entity
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	3,998,687	(3,345,287)	653,400	10,023	(200)	9,823	643,578	Tax not reported by the Government Entity
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	10,591,994	385	10,592,378	11,991,243	(239,825)	11,751,418	(1,159,039)	
B- Unilateral company disclosures	1,344,192	(475)	1,343,717					
6- Regional State Mining Authority	1,320,454	-	1,320,454					
6.1 Royalties paid	1,320,454	-	1,320,454					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	-	-	-					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	23,738	(475)	23,263					
7.1 Income tax : Schedule C (Normal)	23,738	(475)	23,263					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	-	-	-					

Company name: Inchini Bedrock Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	12 443 265	(133 809)	12 309 456	35 037 403	-	35 037 403	(22 727 947)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	93 198	-	93 198	807 979	-	807 979	(714 780)	
1.1 Royalties paid	93 198	-	93 198	807 979	-	807 979	(714 780)	Tax not reported by the extractive company
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	12 350 066	(133 809)	12 216 257	34 229 424	-	34 229 424	(22 013 167)	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	3 322 232	-	3 322 232	(3 322 232)	Tax not reported by the extractive company
2.3 Withholding tax on payments	6 518 731	(133 809)	6 384 922	7 247 374	-	7 247 374	(862 452)	Tax not reported by the extractive company
2.4 Customs duties	208 622	-	208 622	19 962	-	19 962	188 660	Tax not reported by the Government Entity
2.5 Dividend Tax		-	-	359 351	-	359 351	(359 351)	Tax not reported by the extractive company
2.6 Personal Income tax (Pay As You Earn "PAYE")	953 155	-	953 155	-	-	-	953 155	Tax not reported by the Government Entity
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)	4 669 558	-	4 669 558	23 280 505	-	23 280 505	(18 610 946)	Tax not reported by the extractive company
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties		-	-		-	-	-	
2.11 Withholding tax on interests (foreign debt)		-	-		-	-	-	
2.12 Other material payments to ERCA		-	-		-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	12 443 265	(133 809)	12 309 456	35 037 403	-	35 037 403	(22 727 947)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments		-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4 Excise duty		-	-					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility		-	-					
8.2 Mandatory Social Responsibility		-	-					

Company name: Afdera Salt Producing Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	2 924 034	-	2 924 034	1 311 752	(15 541)	1 296 211	1 627 823	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	292 460	-	292 460	255 071	120 971	376 042	(83 582)	
1.1 Royalties paid	290 994	-	290 994	255 071	120 971	376 042	(85 048)	Missing Government Entity detail per receipt number
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	1 466	-	1 466	-	-	-	1 466	Tax not reported by the Government Entity
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	2 631 573	-	2 631 573	1 056 681	(136 512)	920 169	1 711 404	
2.1 Income tax : Schedule C (Mining)	1 297 822	-	1 297 822	-	-	-	1 297 822	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	2 670	-	2 670	3 062	(1 512)	1 550	1 120	Not material difference < KETB 20
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	69 645	-	69 645	238 723	(169 078)	69 645	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	59 929	-	59 929	59 498	9 595	69 093	(9 164)	Detail of expenditure could not be used
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	1 081 483	-	1 081 483	722 438	(59 119)	663 319	418 164	Tax not reported by the Government Entity
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	120 025	-	120 025	-	83 601	83 601	36 424	Tax not reported by the Government Entity
2.11 Withholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	-	-	32 961	-	32 961	(32 961)	Tax not reported by the extractive company
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	2 924 034	-	2 924 034	1 311 752	(15 541)	1 296 211	1 627 823	
B- Unilateral company disclosures	888 840	-	888 840					
6- Regional State Mining Authority	24 778	-	24 778					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	24 778	-	24 778					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	583 022	-	583 022					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	52 393	-	52 393					
7.4 Excise duty	530 629	-	530 629					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	281 040	-	281 040					
8.1 Voluntary Corporate Social Responsibility	281 040	-	281 040					
8.2 Mandatory Social Responsibility	-	-	-					

Company name: Target Industries Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	-	-	-	40 520	-	40 520	(40 520)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	40 520	-	40 520	(40 520)	
1.1 Royalties paid		-	-	40 520	-	40 520	(40 520)	Reporting template not submitted by the extractive company
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-		-	-	-	
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	-	-	-	-	-	-	-	
2.1 Income tax : Schedule C (Mining)		-	-		-	-	-	
2.2 Income tax : Schedule C (Normal)		-	-		-	-	-	
2.3 Withholding tax on payments		-	-		-	-	-	
2.4 Customs duties		-	-		-	-	-	
2.5 Dividend Tax		-	-		-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")		-	-		-	-	-	
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)		-	-		-	-	-	
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties		-	-		-	-	-	
2.11 Withholding tax on interests (foreign debt)		-	-		-	-	-	
2.12 Other material payments to ERCA		-	-		-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	-	-	-	40 520	-	40 520	(40 520)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments		-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4 Excise duty		-	-					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility		-	-					
8.2 Mandatory Social Responsibility		-	-					

Company name: Three M Marble and Terrazzo Manufacturing Plc

Reporting period: 2014/15 (2007 EFY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	-	-	-	1 751 954	-	1 751 954	(1 751 954)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	13 994	-	13 994	(13 994)	
1.1 Royalties paid		-	-	13 664	-	13 664	(13 664)	Reporting template not submitted by the extractive company
1.2 License Fees		-	-		-	-	-	
1.3 Penalties		-	-	330	-	330	(330)	Reporting template not submitted by the extractive company
1.4 Land Rentals		-	-		-	-	-	
1.5 Signature Bonus		-	-		-	-	-	
1.6 Production bonuses		-	-		-	-	-	
1.7 Sale of Petroleum Data Package		-	-		-	-	-	
1.8 Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	-	-	-	1 737 960	-	1 737 960	(1 737 960)	
2.1 Income tax : Schedule C (Mining)		-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)		-	-	-	-	-	-	
2.3 Withholding tax on payments		-	-	108 186	-	108 186	(108 186)	Reporting template not submitted by the extractive company
2.4 Customs duties		-	-	-	-	-	-	
2.5 Dividend Tax		-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")		-	-	-	-	-	-	
2.7 Capital gains		-	-		-	-	-	
2.8 Value Add Tax (VAT)		-	-	1 621 719	-	1 621 719	(1 621 719)	Reporting template not submitted by the extractive company
2.9 Excise Tax		-	-		-	-	-	
2.10 Penalties		-	-		-	-	-	
2.11 Withholding tax on interests (foreign debt)		-	-		-	-	-	
2.12 Other material payments to ERCA		-	-	8 055	-	8 055	(8 055)	Reporting template not submitted by the extractive company
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity		-	-		-	-	-	
3.2 Dividends from State Owned Companies		-	-		-	-	-	
3.3 Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies		-	-		-	-	-	
4.2 Other payments		-	-		-	-	-	
Total payments	-	-	-	1 751 954	-	1 751 954	(1 751 954)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid		-	-					
6.2 License Fees		-	-					
6.3 Penalties		-	-					
6.4 Land Rentals		-	-					
6.5 Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)		-	-					
7.2 Withholding tax on payments		-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4 Excise duty		-	-					
7.5 Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility		-	-					
8.2 Mandatory Social Responsibility		-	-					

Company name: Sourish Marbles Plc

Reporting period: 2014/15 (2007 EFY)

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures		243 982	-	243 982	287 423	-	287 423	(43 441)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)		-	-	-	-	-	-	-	
1.1	Royalties paid		-	-		-	-	-	
1.2	License Fees		-	-		-	-	-	
1.3	Penalties		-	-		-	-	-	
1.4	Land Rentals		-	-		-	-	-	
1.5	Signature Bonus		-	-		-	-	-	
1.6	Production bonuses		-	-		-	-	-	
1.7	Sale of Petroleum Data Package		-	-		-	-	-	
1.8	Other material payments to Mining authority		-	-		-	-	-	
2- Payments to Ehiopian Revenues and Customs Authority (ERCA)		243 982	-	243 982	287 423	-	287 423	(43 441)	
2.1	Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2	Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3	Withholding tax on payments	-	-	-	1 191	-	1 191	(1 191)	Tax not reported by the extractive company
2.4	Customs duties	8 793	-	8 793	-	-	-	8 793	Tax not reported by the Government Entity
2.5	Dividend Tax		-	-		-	-	-	
2.6	Personal Income tax (Pay As You Earn "PAYE")	-	5 157	5 157	12 311	-	12 311	(7 154)	Tax not reported by the extractive company
2.7	Capital gains		-	-		-	-	-	
2.8	Value Add Tax (VAT)	226 584	-	226 584	266 943	-	266 943	(40 359)	Tax not reported by the extractive company
2.9	Excise Tax		-	-		-	-	-	
2.10	Penalties		-	-		-	-	-	
2.11	Witholding tax on interests (foreign debt)		-	-		-	-	-	
2.12	Other material payments to ERCA	8 605	(5 157)	3 448	6 979	-	6 979	(3 531)	Tax not reported by the Government Entity
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)		-	-	-	-	-	-	-	
3.1	Free Equity		-	-		-	-	-	
3.2	Dividends from State Ow ned Companies		-	-		-	-	-	
3.3	Other material payments to MoFEC		-	-		-	-	-	
4- Payment to State Owned Companies (SOC)		-	-	-	-	-	-	-	
4.1	Dividends from Mining Companies		-	-		-	-	-	
4.2	Other payments		-	-		-	-	-	
Total payments		243 982	-	243 982	287 423	-	287 423	(43 441)	
B- Unilateral company disclosures		-	-	-					
6- Regional State Mining Authority		-	-	-					
6.1	Royalties paid		-	-					
6.2	License Fees		-	-					
6.3	Penalties		-	-					
6.4	Land Rentals		-	-					
6.5	Other material payments to Regional State Mining Authority		-	-					
7- Regional State Tax Authority		-	-	-					
7.1	Income tax : Schedule C (Normal)		-	-					
7.2	Withholding tax on payments		-	-					
7.3	Personal Income tax (Pay As You Earn "PAYE")		-	-					
7.4	Excise duty		-	-					
7.5	Other material payments to Regional State Tax Authority		-	-					
8- Social Contributions		-	-	-					
8.1	Voluntary Corporate Social Responsibility		-	-					
8.2	Mandatory Social Responsibility		-	-					

Company name: ETNO Mining Plc

Reporting period: 2014/15 (2007 E-FY)

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
A- Bilateral company disclosures	-	-	-	1 466 594	-	1 466 594	(1 466 594)	
1- Payments to Ministry of Mines Petroleum and Natural Gas (MMPNG)	-	-	-	-	-	-	-	
1.1 Royalties paid	-	-	-	-	-	-	-	
1.2 License Fees	-	-	-	-	-	-	-	
1.3 Penalties	-	-	-	-	-	-	-	
1.4 Land Rentals	-	-	-	-	-	-	-	
1.5 Signature Bonus	-	-	-	-	-	-	-	
1.6 Production bonuses	-	-	-	-	-	-	-	
1.7 Sale of Petroleum Data Package	-	-	-	-	-	-	-	
1.8 Other material payments to Mining authority	-	-	-	-	-	-	-	
2- Payments to Ethiopian Revenues and Customs Authority (ERCA)	-	-	-	1 466 594	-	1 466 594	(1 466 594)	
2.1 Income tax : Schedule C (Mining)	-	-	-	-	-	-	-	
2.2 Income tax : Schedule C (Normal)	-	-	-	-	-	-	-	
2.3 Withholding tax on payments	-	-	-	49 764	-	49 764	(49 764)	Reporting template not submitted by the extractive company
2.4 Customs duties	-	-	-	-	-	-	-	
2.5 Dividend Tax	-	-	-	-	-	-	-	
2.6 Personal Income tax (Pay As You Earn "PAYE")	-	-	-	1 416 831	-	1 416 831	(1 416 831)	Reporting template not submitted by the extractive company
2.7 Capital gains	-	-	-	-	-	-	-	
2.8 Value Add Tax (VAT)	-	-	-	-	-	-	-	
2.9 Excise Tax	-	-	-	-	-	-	-	
2.10 Penalties	-	-	-	-	-	-	-	
2.11 Witholding tax on interests (foreign debt)	-	-	-	-	-	-	-	
2.12 Other material payments to ERCA	-	-	-	-	-	-	-	
3- Payments to Ministry of Finance and Economic Cooperation (MoFEC)	-	-	-	-	-	-	-	
3.1 Free Equity	-	-	-	-	-	-	-	
3.2 Dividends from State Owned Companies	-	-	-	-	-	-	-	
3.3 Other material payments to MoFEC	-	-	-	-	-	-	-	
4- Payment to State Owned Companies (SOC)	-	-	-	-	-	-	-	
4.1 Dividends from Mining Companies	-	-	-	-	-	-	-	
4.2 Other payments	-	-	-	-	-	-	-	
Total payments	-	-	-	1 466 594	-	1 466 594	(1 466 594)	
B- Unilateral company disclosures	-	-	-					
6- Regional State Mining Authority	-	-	-					
6.1 Royalties paid	-	-	-					
6.2 License Fees	-	-	-					
6.3 Penalties	-	-	-					
6.4 Land Rentals	-	-	-					
6.5 Other material payments to Regional State Mining Authority	-	-	-					
7- Regional State Tax Authority	-	-	-					
7.1 Income tax : Schedule C (Normal)	-	-	-					
7.2 Withholding tax on payments	-	-	-					
7.3 Personal Income tax (Pay As You Earn "PAYE")	-	-	-					
7.4 Excise duty	-	-	-					
7.5 Other material payments to Regional State Tax Authority	-	-	-					
8- Social Contributions	-	-	-					
8.1 Voluntary Corporate Social Responsibility	-	-	-					
8.2 Mandatory Social Responsibility	-	-	-					

Annex 10: Data submission and reliability 2014/15

N°	Name of company	Company submissions		
		Audited Financial Statements (Submitted/Not submitted)	Hard copy of Reporting template signed by Senior Management (Submitted/Not submitted)	Reporting template certified by Auditor (Submitted/Not submitted)
1	Africa Oil Ethiopia B.V	Submitted	Submitted	Submitted
2	POLY-GCL Petroleum Investments Ltd Ethiopian Branch	Submitted	Submitted	Submitted
3	SouthWest Energy (HK) Ltd	Submitted	Submitted	Submitted
4	NewAge Ethiopia Ltd	Submitted	Not Submitted	Not Submitted
5	Delonex Energy Ethiopia Ltd	Submitted	Submitted	Submitted
6	GPB Ethiopia Resources B.V	Submitted	Submitted	Submitted
7	MIDROC Gold Mine Plc	Submitted	Submitted	Submitted
8	Abijata-Shalla Soda Ash Sc	Submitted	Submitted	Submitted
9	Pioneer Cement Manufacturing Plc	Not Submitted	Not Submitted	Not Submitted
10	East Cement Sc	Submitted	Submitted	Submitted
11	National Mining Corporation Plc	Submitted	Submitted	Submitted
12	Derba Midroc Cement Plc	Submitted	Not Submitted	Not Submitted
13	Dangote Industries (Ethiopia) Plc	Submitted	Not Submitted	Not Submitted
14	Afar Salt Production Sc	Submitted	Submitted	Submitted
15	Ethiopian Mineral, Petroleum and Fuel Co	Not Submitted	Not Submitted	Not Submitted
16	Allied Chemical Plc	Submitted	Not Submitted	Not Submitted
17	Erta Ale Salt Work Plc	Submitted	Submitted	Submitted
18	Sammakka Stones Plc	Not Submitted	Not Submitted	Not Submitted
19	Lucy Salt Producing Plc	Submitted	Submitted	Submitted
20	Bezalel Construction Material Manufacturing Plc	Submitted	Not Submitted	Not Submitted
21	East African Holding Sc	Submitted	Submitted	Not Submitted
22	Inchini Bedrock Plc	Submitted	Not Submitted	Not Submitted
23	Afdera Salt Producing Plc	Submitted	Submitted	Not Submitted
24	Target Industries Plc	Not Submitted	Not Submitted	Not Submitted
25	Three M Marble and Terrazzo Manufacturing Plc	Not Submitted	Not Submitted	Not Submitted
26	Sourish Marbles Plc	Submitted	Not Submitted	Not Submitted
27	ETNO Mining Plc	Not Submitted	Not Submitted	Not Submitted

Annex 11: Estimation of Free equity to be paid to MoFEC

Companies	Estimation of Free equity according to the financial statements				Estimation of Free equity according to the reporting template (2014/15)		
	Fiscal year ended 31/12/2014		Fiscal year ended 31/12/2015		Incom tax paid	Estimated profit (ETB)	Free Equity 5%
	Profit/Loss (ETB)	Free Equity 5%	Profit/Loss (ETB)	Free Equity 5%			
Abijata-Shalla Soda Ash Sc	1,223,447	61,172	367,252	18,363	-	-	-
Pioneer Cement Manufacturing Plc					-	-	-
East Cement Sc	(1,949,064)	(97,453)	91,211,784	4,560,589	-	-	-
Ethiopian Mineral, Petroleum and Fuel Co					-	-	-
Allied Chemical Plc					2,331,395	9,325,580	466,279
Erta Ale Salt Work Plc	2,488,882	124,444	4,802,339	240,117	-	-	-
Bezalel Construction Material Manufacturing Plc					143,368	573,472	28,674
East African Holding Sc					3,265,313	13,061,251	653,063
Total extractive sector (**)		88,163		4,819,069			1,148,015

Annex 12: Persons contacted or involved in the scoping study**Moore Stephens LLP**

Tim Woodward	Partner
Ben Toorabally	Mission Director
Rached Maalej	Team Leader
Fidelys RAFENOMANANA	Audit Senior

Ministry of Mines Petroleum and Natural Gas

Motuma Mekassa	Federal Minister of the Ministry of Mines Petroleum and Natural Gas
Ketsela Tadesse	Director of Petroleum Licensing and Administration Directorate
Sisay Ayalew	Director of Mineral Licensing and Administration Directorate
Engdawork Dagne Endeshaw	Procurement, Finance and Property Administration Directorate Director

Ethiopian Revenues and Customs Authority (ERCA)

Girma Tefesse G Mariama	Federal Domestic Tax Affairs Support and Follow up Directorate Director
-------------------------	---

Ministry of Finance and Economic Cooperation

Akililu G/Selassie Gebru	Head of Minister Office
Mulay Woldu	Senior Officer Ministry of Finance and Economic Development

EEITI Secretariat

Merga Kenea	Head, EEITI Secretariat Office
Mohamadsaid Hagos	EEITI Secretariat member
Daba Shoro	EEITI Secretariat member