

# SEYCHELLES EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (SEITI)

## SEITI RECONCILIATION REPORT FOR YEARS 2013 and 2014

**Final**

**February 2016**



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**LIST OF ABBREVIATIONS**

AFREN	East African Exploration Seychelles
AGM	Annual General Meeting
CBS	Central Bank of Seychelles
EEZ	Exclusive Economic Zone
EIAs	Environmental Impact Assessment Studies
GDP	Gross Domestic Product
INMBT	Income & Non-Monetary Benefits Tax
JMZ	Joint Management Zone
OAG	Office of the Auditor General
PAPT	Petroleum Additional Profits Tax
PEMC	Public Enterprise Monitoring Commission
PFM	Public Finance Management
PIT	Petroleum Income Tax
RG	Registrar General
ROR	Rate of Return
SOEs	State Owned Enterprises
SRC	Seychelles Revenue Commission
WHT	Withholding tax

## INTRODUCTION

### Extractive Industries Transparency Initiative (EITI)<sup>1</sup>

The Extractive Industries Transparency Initiative (EITI) is a global coalition of governments, companies and civil society working together to improve transparency and accountability in the management of revenues from natural resources. EITI issued a new global standard for transparency in the oil, gas and mining industries in July 2013 (the "EITI Standard"). The EITI principles are based on the belief that prudent use of natural resources contributes to economic growth, sustainable development 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 31 countries which have obtained compliance status and 49 implementing countries

### EITI in Seychelles

Seychelles submitted an EITI application on 12 June 2014 and was accepted as an EITI Candidate country on 6 August 2014, after successfully completing the four "sign-up" steps, including the development of a work plan, which was validated by the EITI Board. In accordance with the EITI Standard, Seychelles is required to publish its first EITI Report within 18 months of becoming a Candidate (6 February 2016), and their validation is due in February 2017.

The Petroleum Multi-Stakeholder Group (MSG) is the implementing body of EITI in Seychelles and it was created by direct invitation by the Minister of Finance to relevant Government Entities, and companies, whereas civil society representatives were elected by its constituents. The Seychelles MSG agreed clear Terms of Reference for its work which was made public and which include provisions on the role, responsibilities and rights of the Multi-Stakeholder Group, process of approval of work plans, EITI Reports and annual activity reports, internal governance rules and procedures.

### Objective

The purpose of this assignment is to produce the first EITI Report for Seychelles, to define the scope of the extractive industries in the Seychelles 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 Entities").

The overall objectives of the reconciliation exercise are to assist the Government of Seychelles (GoS) in identifying the positive contribution that mineral resources are making to the economic and social development of the Country and to realise their potential through improved resource governance that encompasses and fully implements the principles and criteria of the Extractive Industries Transparency Initiative.

### Nature and extent of our work

We have performed our work in accordance with the 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 defined in the Contract for Consultants' Services.

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.

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<sup>1</sup> Source: <https://eiti.org/eiti>

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

- 1) Executive Summary;
- 2) Approach and Methodology;
- 3) Contextual Information on the Extractive Industry;
- 4) Determination of the reconciliation scope;
- 5) Reconciliation results;
- 6) Analysis of reported data; and
- 7) Recommendations.

Reported data disaggregated by individual companies, Government Entities and revenue streams, are included in a separate document to be published on ([eiti.org/seychelles](http://eiti.org/seychelles)). The amounts in this report are stated in United States Dollars (USD), unless otherwise stated.

Our report incorporates information received up to 16 December 2015. Any information received after this date is not, therefore, included in our report.

## 1. EXECUTIVE SUMMARY

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

### 1.1. EITI scope

This report covers payments made by extractive companies and revenues received by Government Entities and other material payments and benefits to Government Entities as detailed in Section 4.

It also includes contextual information about the extractive industries according to the EITI standard - Requirement n°3. 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; state participation in the extractive industries; revenue allocations and the sustainability of revenues, license registers and license allocations.

### 1.2. Revenue Generated from the Extractive Industries

The receipts reported by government entities during the fiscal years 2013 and 2014, after reconciliation, are set out below:

#### Structure of revenues of the extractive industries

Total revenues received from the extractive industries amounted to SCR 4,113,425 and SCR 4,019,821.24 in FY 2013 and FY 2014 respectively. PetroSeychelles accounted for 100% of the total revenue streams generated by the sector. The breakdown of revenues is set out in the table below:

Designation	Total revenues FY 2013 (SCR)	(%)	Total revenues FY 2014 (SCR)	(%)
Profit commission on sale of data by exploration companies	1,588,448	39%	-	0%
Annual Rentals	1,317,295	32%	2,289,955	57%
Annual contributions	971,049	23%	1,360,688	34%
Application fee	236,633	6%	369,178	9%
<b>Total extractive revenues</b>	<b>4,113,425</b>	<b>100%</b>	<b>4,019,821</b>	<b>100%</b>
GX Technology	1,588,448	38%	-	0%
East African Exploration Seychelles Limited and AVANA Petroleum Limited (EAX)	1,519,217	37%	3,650,643	91%
PetroQuest International Incorporated	769,127	19%	-	0%
Adamantine Energy Limited	236,633	6%	-	0%
Ophir Seychelles & PQI	-	0%	241,400	6%
Japan Oil Gas and Metals Corporation (JOGMEC)	-	0%	-	0%
Rhino Resources	-	0%	127,778	3%
<b>Total extractive revenues</b>	<b>4,113,425</b>	<b>100%</b>	<b>4,019,821</b>	<b>100%</b>

Figure 1: Structure of extractive industries revenues (FY 2013)

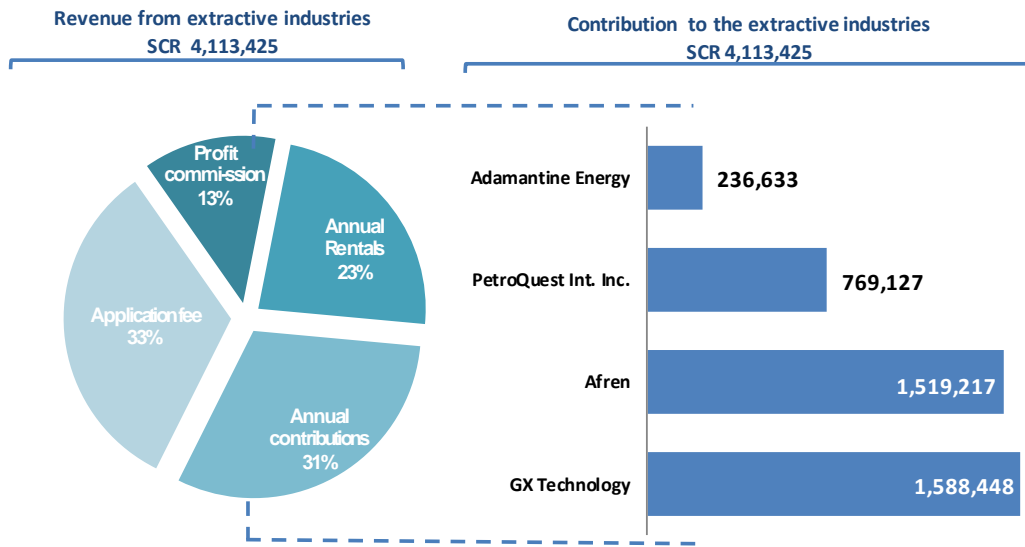
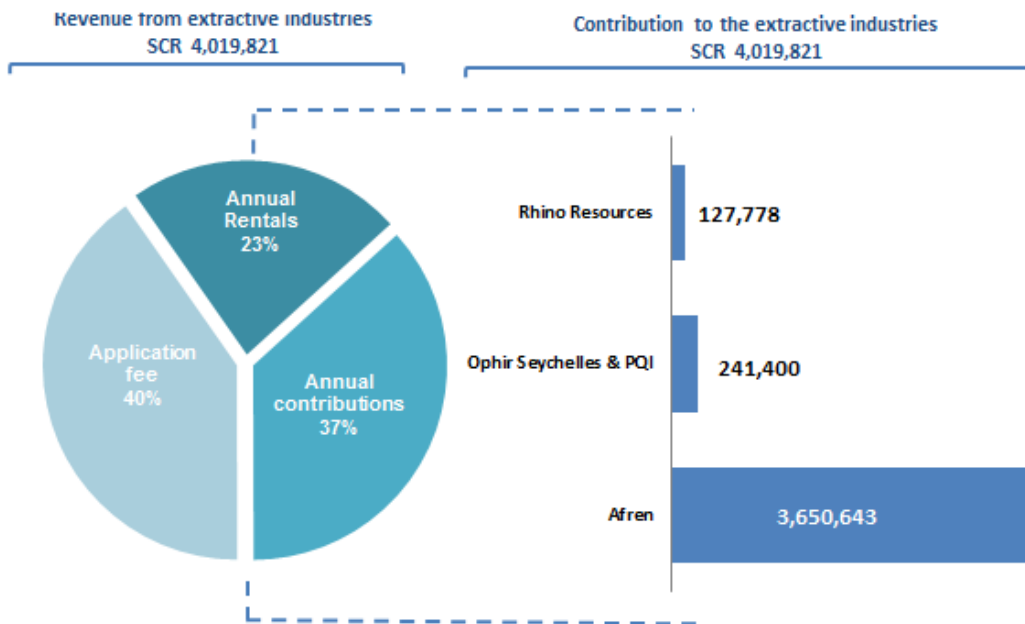


Figure 1: Structure of extractive industries revenues (FY 2014)





The allocation of the extractive revenues by Government Entity with details of transfers made by SOEs to the State budget and other accounts are detailed below:

**For FY 2013:**

Payments by entity	Revenues received from extractive sector				Transfers between SOEs and to State budget		
	PetroSeychelles	SRC	MFTBE	RG	SRC	MFTBE	PetroSeychelles
East African Exploration Seychelles Limited and AVANA Petroleum Limited	1,519,217	-	-	-	-	-	-
Adamantine Energy Limited	236,633	-	-	-	-	-	-
GX Technology+	1,588,448	-	-	-	-	-	-
PetroQuest International Incorporated	769,127	-	-	-	-	-	-
Japan Oil Gas and Metals Corporation (JOGMEC)	-	-	-	-	-	-	-
PetroSeychelles Ltd	-	-	-	-	408,625	3,000,000	-
Seychelles Petroleum Company Ltd (SEYPEC)	-	-	-	-	-	-	3,600,000
Societe Seychelloise D'Investissement Ltd (SSI)	-	-	-	-	-	-	-
<b>Total</b>	<b>4,113,425</b>	<b>-</b>	<b>-</b>	<b>-</b>			

**For FY 2014:**

Payments by entity	Revenues received from extractive sector				Transfers between SOEs and to State budget		
	PetroSeychelles	SRC	MFTBE	RG	SRC	MFTBE	PetroSeychelles
East African Exploration Seychelles Limited and AVANA Petroleum Limited	3,650,643	-	-	-	-	-	-
Ophir Seychelles & PQI	241,400	-	-	-	-	-	-
Rhino Resources	127,778	-	-	-	-	-	-
Japan Oil Gas and Metals Corporation (JOGMEC)	-	-	-	-	-	-	-
PetroSeychelles Ltd	-	-	-	-	454,207	-	-
Seychelles Petroleum Company Ltd (SEYPEC)	-	-	-	-	-	-	8,000,000
Societe Seychelloise D'Investissement Ltd (SSI)	-	-	-	-	-	-	-
<b>Total</b>	<b>4,019,821</b>	<b>-</b>	<b>-</b>	<b>-</b>			

The list of transfers from SOEs to Seychelles Revenue Commission (SRC) and to MFTBE, and the regulation governing these transfers are detailed in Section 6.2.

## Significance to Seychelles economy

As the oil and gas sector is still in the exploration phase and the mining sector was excluded from the scope, in accordance with the National Bureau of Statistics of Seychelles there was no contribution from any extractive industries to the Gross Domestic Product (GDP) in the fiscal years 2013 and 2014.

Based on the data provided by the Central Bank of Seychelles, no minerals export contribution has been identified to the total exports of the country.

Based on the data collected during the reconciliation exercise, the revenues collected from the extractive industries contributed 0.1% to the total revenues of the Government during the fiscal year 2013 as detailed in Section 3.2.2 of this report.

In accordance with the data collected from reporting entities, there were no contributions to total employment in Seychelles during both fiscal years 2013 and 2014.

Figure 3: Macro-economic indicators for the extractive sector (FY 2013)

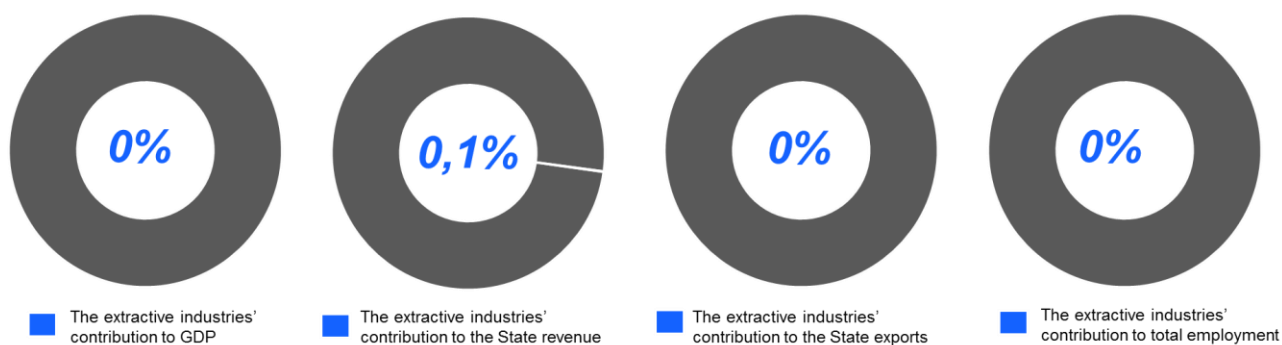
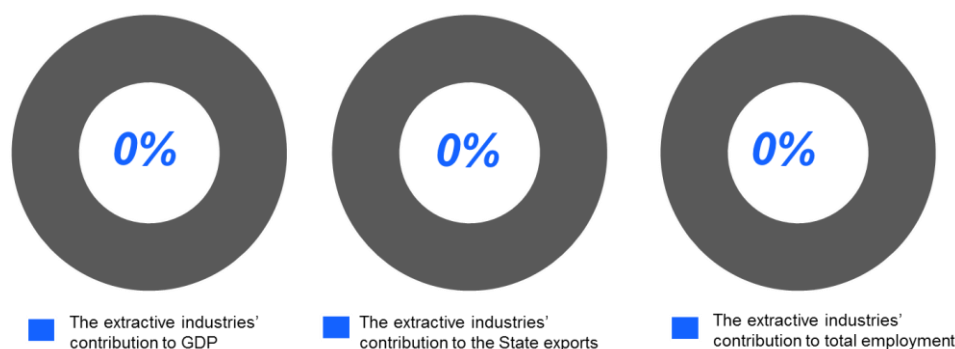


Figure 3: Macro-economic indicators for the extractive sector (FY 2014)



## 1.3. Completeness and Accuracy of Data

### Comprehensiveness of the scope

EITI Requirement 4 requires the full disclosure of extractive industry revenues and material payments by Government Entities as well as by oil, gas and mining companies. However, MSG decided that the mining sector should not be included in this report.

## Data submission

After conducting the reconciliation work in accordance with the steps presented in Section 2 of this report, the following table can summarise the number of reporting templates submitted:

FY 2013		Extractive Companies	Government Entities	
			SOEs	Government Agencies
<b><u>In number</u></b>				
	<i>Total entities in the scope</i>	6	3	3
	<i>Reporting templates not submitted</i>	5	0	1
	<b>Proportion</b>	<b>83%</b>	<b>0%</b>	<b>33%</b>
<b><u>In value (SCR)</u></b>				
	<i>Total reported by entities in the scope as confirmed by Government Entities</i>	4,113,425	6,600,000	408,625
	<i>Total reporting templates not submitted by Companies</i>	4,113,425	0	0
	<b>Proportion</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>
FY 2014		Extractive Companies	Government Entities	
			SOEs	Government Agencies
<b><u>In number</u></b>				
	<i>Total entities in the scope</i>	7	3	3
	<i>Reporting templates not submitted</i>	5	0	1
	<b>Proportion</b>	<b>71%</b>	<b>0%</b>	<b>33%</b>
<b><u>In value (SCR)</u></b>				
	<i>Total reported by entities in the scope as confirmed by Government Entities</i>	4,019,821	8,000,000	454,207
	<i>Total reporting templates not submitted by Companies</i>	4,019,821	0	0
	<b>Proportion</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>

Five (5) companies included in the reconciliation scope failed to submit their reporting templates for the years 2013 and 2014. These companies are:

- East African Exploration Seychelles Limited and AVANA Petroleum Limited;
- Adamantine Energy Limited;
- GX Technology;
- PetroQuest International Incorporated; and
- Rhino Resources.

The Registrar General, which forms part of Government Entities included in the reconciliation scope, did not return its reporting templates for the years 2013 and 2014.

## Data Certification

### Extractive companies

According to the information collected during the reconciliation work, the companies submitted reporting templates that are not signed by an authorised officer and that are not certified by an external auditor.

### Government Entities

The reporting templates, which were submitted by Government Entities had yet to be certified given that the audit of Seychelles Revenue Commission and MFTBE templates were still on-going at the date of this report.

## 1.4. Reconciliation of Cash Flows

Moore Stephens has been contracted to reconcile tax and non-tax payments reported by extractive companies and Government Entities in order to identify and clarify any potential discrepancies in the declarations of reported payments.

Total revenues received from extractive companies as declared by Government Entities amounted to SCR 4,113,425 and SCR 4,019,821 respectively during FY 2013 and FY 2014. The tables below summarise the reconciled revenues and transfers disclosed by Government Entities according to the reconciliation scope decided by MSG:

### For FY 2013

Payments (in SCR)	Initial reporting	Reconciliation adjustments	Final reporting
<b>Revenues received from extractive industries</b>			
Companies (a)	-	-	-
Government Entities (b)	4,099,139	14,285	4,113,425
<b>Unreconciled difference (c)=(a)-(b)</b>			<b>(4,113,425)</b>
<b>Transfers from SOEs to State budget</b>			
SOEs (e)	575,778,964	(568,770,385)	7,008,579
Government Entities (f)	506,460,256	(499,451,631)	7,008,625
<b>Unreconciled difference (g)=(e)-(f)</b>			<b>(46)</b>

### For FY 2014

Payments (in SCR)	Initial reporting	Reconciliation adjustments	Final reporting
<b>Revenues received from extractive industries</b>			
Companies (a)	-	-	-
Government Entities (b)	4,019,821	-	4,019,821
<b>Unreconciled difference (c)=(a)-(b)</b>			<b>(4,019,821)</b>
<b>Transfers from SOEs to State budget</b>			
SOEs (e)	600,219,932	(591,734,495)	8,485,437
Government Entities (f)	539,644,428	(531,190,221)	8,454,207
<b>Unreconciled difference (g)=(e)-(f)</b>			<b>31,230</b>



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4 February 2016

## 2. APPROACH AND METHODOLOGY

The reconciliation process consisted of the following steps:

- preliminary analysis of the EITI reporting process to determine the scope, including the reporting templates, data collection procedures, and the schedule for publishing the EITI Report;
- collection of payment data from Government Entities and extractive companies which provided the basis for reconciliation;
- comparison of amounts reported by Government Entities and extractive companies to determine if there were discrepancies between what the authorities reported as being received and the licensees report to have paid in taxes; and
- contact with Government Entities and extractive companies to resolve discrepancies identified.

### 2.1. Scoping Study

The financial flows to be included in the reconciliation and the Government Entities and companies which were required to report were determined by the SEITI MSG based on the inception report produced by Moore Stephens.

According to the ToR of our Engagement, we were required to carry out a preliminary analysis which would determine the scope of the first SEITI Report, including a proposal of:

- the materiality threshold for receipts and payments;
- taxes and revenues to be covered;
- companies and Government Entities 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 SEITI report as decided by MSG during their meeting held on 20 November 2015 is described in Section 4 of this report.

### 2.2. Data Collection

Standard reporting templates and instructions were designed to facilitate the process for the reporting companies. The templates were designed to include the revenue streams paid to each Government Entity and were formatted in such a way that companies could easily identify and determine the appropriate amounts to be disclosed. The reporting templates were sent electronically to the reporting entities.

The companies and Government Entities were requested on 25 November 2015 to report directly to the Independent Administrator and to whom they were also requested to direct any questions on the reporting templates.

Companies and Government Entities were requested to submit a breakdown of payments by date and by receipt in their supporting schedules.

MSG agreed that the deadline for submission of the certified reporting templates (soft copies and hard copies) would be 11 December 2015.

### 2.3. Reconciliation and Investigation of Discrepancies

The process of reconciling the data and investigating discrepancies was carried out from 11 to 16 December 2015. In carrying out the reconciliation, we performed the following procedures:

**Initial Reconciliation Procedures:** Figures reported by extractive companies were compiled item by item on the basis of figures reported against the Government Entities. As a result, all discrepancies identified have been listed item by item in relation to each Government Entity and company.

In cases where the reported revenue data from Government Entities agreed with a company's reported payment data, with deviation within 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 data from Government Entities did not agree with a company's reported payment data 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 USD 500 (SCR 5,780) was agreed to help determine an acceptable level of effort to spend in attempting to resolve discrepancies.

In the cases where the reported revenue data from Government Entities did not agree with the payment data reported by Companies, and the discrepancies were at or below the variance threshold determined by MSG, the Independent Administrator concluded that the discrepancies were not material to the SEITI Report.

**Follow-Up Procedures to Investigate Differences:** In cases where the revenue data reported by Government Entities did not agree with the payment data reported by Companies and the discrepancies were in absolute terms higher than the variance agreed by MSG, the Independent Administrator considered the discrepancies to be material and these amounts were further analysed and investigated. In such cases, the Government Entities and the Companies were asked to provide supporting documents and/or confirmation for any adjustment to the information provided in 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 through review of additional supporting evidence and contact with the reporting entities, we concluded that the discrepancies were "undetermined or unexplained". The results of our work are presented in Section 5 of this report.

## 2.4. Reliability and Credibility of Data Reported

### For companies

The Reporting Templates submitted by extractive companies and SOEs selected in the reconciliation scope should be:

- ❖ signed by a person authorised to represent the extractive company (Chief Financial Officer or Chief Executive Officer/Director). However none of the companies provided signed copies of their reporting templates, only Ophir Seychelles and JOGMEC provided soft copies of their reporting templates;
- ❖ supported by detail of payments reported; and
- ❖ certified by a registered external auditor. However none of the following companies provided certified copies of their reporting templates:
  - GX Technology;
  - East African Exploration Seychelles Limited and AVANA Petroleum Limited (EAX);
  - PetroQuest International Incorporated;
  - Adamantine Energy Limited;
  - Ophir Seychelles;
  - Japan Oil Gas and Metals Corporation (JOGMEC); and
  - Rhino Resources.

Companies were also requested to provide a copy of their audited financial statements, so that a review of the assurance procedures applicable to them could be undertaken, e.g. use of International Auditing Standards. However, the following companies did not submit a copy of their latest audited financial statements:

- GX Technology;
- East African Exploration Seychelles Limited and AVANA Petroleum Limited (EAX);
- PetroQuest International Incorporated;
- Adamantine Energy Limited;
- Japan Oil Gas and Metals Corporation (JOGMEC); and
- Rhino Resources.

## For Government Entities

The Reporting Templates submitted by Government Entities included in the reconciliation scope must be:

- ❖ signed by a person authorised to represent the Government Entity. However, Seychelles Revenue Commission (SRC) submitted reporting templates that are not signed by an official representative and the Registrar General did not submit its reporting templates;
- ❖ accompanied by details of payments reported; and
- ❖ certified by the Office of the Auditor General for the agencies and certified by the external auditor for the State Owned Enterprises. However, the reporting templates, which were submitted by Government Entities had yet to be certified given that the audit of Seychelles Revenue Commission and MFTBE templates were still on-going at the date of this report.

## 2.5. Accounting records

In order to comply with Requirement 2 of the EITI Standard, MSG agreed that the first SEITI Report would be based on data for the fiscal years 2013 and 2014.

The reconciliation has been carried out on a cash accounting basis. Accordingly, any payment made prior to 1 January 2013 was excluded. The same applies to any payment made after 31 December 2014.

For payments made in other currencies, reporting entities were required to report in the currency of payment. Payments made in Seychelles Rupees have been converted to USD at the monthly average rate for the periods January 2013 to December 2013 and January 2014 to December 2014 as per the 2013 and 2014 Annual reports of the Central Bank of Seychelles (CBS). The average exchange rate used for one USD is SCR 12.67 and SCR 11.56 for the financial years 2013 and 2014 respectively.

### Extractive companies

Extractive companies normally prepare their accounting records on an 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 periods from 1 January to 31 December 2013 and from 1 January to 31 December 2014 were considered in the template.

A review was also carried out to ensure that all regular payments e.g. monthly salary withholdings were accounted for and that no months were missing.

### Government Entities

In respect of Government Entities, care has been taken to ensure that amounts shown on the "Payment/Receipt Report" include all receipts during financial years 2013 and 2014, irrespective of whether the receipts were allocated in the Government Entities' records against amounts due in previous or subsequent financial year.

SOEs maintain their accounts on the accruals basis.



### 3. CONTEXTUAL INFORMATION ON THE EXTRACTIVE INDUSTRY

#### 3.1. Extractive sector in Seychelles

Seychelles is located in the Indian Ocean with a population of 89 thousand in 2013. The country has a perimeter around 1.5 thousand kilometres and is located off the East coast of Africa. It comprises an archipelago of 115 islands and has a total area of 460 square kilometres. Seychelles is endowed with natural resources from fishery, agriculture, and mining. Although multinational companies have explored the region around the islands on and off since the seventies, no commercial quantities of natural gas or petroleum had been found to date.

The Seychelles fisheries sector is regulated by establishing a license awarding system and it covers the artisanal and industrial fisheries as well as the fish processing industry producing for both the local market and export. In accordance with the 2009 statistics, the fisheries sector employs 17% of the working population and the sector represents a major source of food security, foreign exchange earnings and generation of income for the country.

Seychelles also produces mineral water, which is extracted from boreholes and solid minerals. More than 8.6 million litres of mineral water was produced in 2013 in accordance with the National Bureau of Statistics. According to USGS, the country is made up of 41 granitic islands and production of granite and gravel were extracted and used mainly for construction but information is inadequate to make reliable estimates of outputs<sup>1</sup>.

The only extractive sector covered by this report is the Oil and Gas sector as decided by the MSG.

#### 3.2. Regulatory framework and context of the petroleum sector in Seychelles

##### 3.2.1. General context of the petroleum sector

The petroleum sector of Seychelles is still at exploration stage at the end of 2015. Exploration started in the early seventies. Since then, several geophysical surveys have been conducted with the aim of finding commercial accumulations of hydrocarbons.

The first three exploratory wells were drilled in 1980-81 by Amoco and although no commercial hydrocarbons were discovered, the drilling work proved the existence of a working hydrocarbon system in Seychelles. Enterprise Oil drilled an exploratory well in 1995 and detected gas that did not reach the pre-Tertiary sedimentary target.

In November 2008, East Africa Exploration (EAX) and Avana Petroleum acquired 14,964.4 square kilometres of exploration holdings at 75% and 25% interest respectively. Then Afren acquired EAX in September 2010 through the acquisition of its parent company, Black Marlin. In March 2013, Avana Petroleum was acquired by Vanoil Energy.

WHI Energy Ltd of Australia acquired one hundred percent interest in 21,421.5 square kilometres (km<sup>2</sup>) of exploration holdings off the Southern coast of the Seychelles in 2010 through the acquisition of Petroquest International Inc. WHI Energy Ltd completed a comprehensive geological and technical review of its Seychelles license in 2012. The studies included the reprocessing of existing seismic data and rebuilding the hydrocarbon basin models. WHI subsequently sold 75% of their assets to Ophir plc in April 2014 with the approval of the Government of Seychelles.

In August 2013, Japan Oil Gas and Metals Corporation (JOGMEC) signed an agreement, for a Joint Survey Programme offshore Seychelles, with the Government of Seychelles. In order to conduct of the activities and to fulfil all the obligations provided by the joint survey agreement, JOGMEC was awarded an exploration license.

Although no commercial discovery has been made to date, a considerable amount of data has been accumulated as a result of the exploration efforts. Based on this preliminary data, PetroSeychelles has revised its model petroleum agreement, including the fiscal regime, in preparation for the current Seychelles International Upstream Petroleum Licensing Initiative 2013.

<sup>1</sup> « 2013 Minerals Yearbook », USGS science for changing world.



This forms part of the Government's efforts to expedite exploration in its EEZ and allow an early commercial discovery, which would help achieve energy security and generate additional revenues to the economy.

Under an internationally agreed process on the limits of the continental shelf, Seychelles is also working jointly with Mauritius to develop exploration in the Joint Management Zone (JMZ) estimated to measure 396,000 square kilometres of continental shelf in the Indian Ocean beyond the 200 nautical miles EEZ of the two member countries. The Commonwealth Secretariat is currently facilitating the collaboration between Seychelles and Mauritius, by offering a comprehensive package of legal and technical assistance aiming to help both Seychelles and Mauritius to identify areas for exploration while safeguarding sensitive areas for conservation, as well as preparing a joint taxation code, offshore resource codes, and model contracts for use in negotiations with international oil companies and resource investors seeking to engage in the exploration of the JMZ.

### 3.2.2. Sector contribution to the Economy

#### (i) Gross Domestic Product (GDP)

The National Bureau of Statistics (NBS) completed an exercise to determine the GDP estimate to the market basic then to market prices. As a result, the real GDP estimate increased by 15.7% and the contribution of each industry is presented below:

Industry	2013 (SCR Million)	%	2014 (SCR Million)	%
Accommodation and food service activities	2,840	19.5%	3,217	19.1%
Transportation and storage	1,732	11.9%	2,112	12.5%
Owner occupied dwellings	1,481	10.2%	1,574	9.3%
Real estate activities	1,030	7.1%	1,334	7.9%
Public administration and defence; compulsory social security	1,012	6.9%	1,263	7.5%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,087	7.5%	1,235	7.3%
Information and communication	737	5.1%	787	4.7%
Manufacture of food	497	3.4%	659	3.9%
Financial and insurance activities	669	4.6%	635	3.8%
Construction	457	3.1%	543	3.2%
Administrative and support service activities	413	2.8%	493	2.9%
Manufacture of beverages and tobacco	366	2.5%	461	2.7%
Manufacturing, other	389	2.7%	448	2.7%
Professional, scientific and technical activities	389	2.7%	426	2.5%
Education	361	2.5%	399	2.4%
Human health and social work activities	272	1.9%	361	2.1%
Electricity, gas, steam and air conditioning supply	335	2.3%	347	2.1%
Agriculture	215	1.5%	210	1.2%
Fishing	212	1.5%	182	1.1%
Other activities	73	0.5%	178	1.1%
<b>GDP at current basic prices</b>	<b>14,568</b>	<b>100.0%</b>	<b>16,864</b>	<b>100.0%</b>
Taxes less subsidies on products	2,623	15.3%	3,017	15.2%
<b>GDP at current market prices</b>	<b>17,191</b>	<b>100.0%</b>	<b>19,881</b>	<b>100.0%</b>

Source: National Bureau of Statistics

As per the above figures, the fisheries, agriculture and construction sectors account for 1.1%, 1.2% and 3.2% of GDP at current basic prices respectively. The production of beverages and tobacco reached 2.5% and 2.7% during 2013 and 2014 respectively. The upstream petroleum industry is

still at exploration stage and therefore the contribution to GDP was 0% during the years 2013 and 2014 in accordance with reports provided by the National Bureau of Statistics (NSB).

## (ii) Exports

In accordance with the Central Bank of Seychelles, the exports of the country are detailed as follows:

Commodity	2013 (SCR Million)	%	2014 (SCR Million)	%
Canned tuna	4,228.904	93.84%	4,051.350	94.45%
Other food, live animals & vegetable oils	238.728	5.30%	205.968	4.80%
Chemicals	31.657	0.70%	29.610	0.69%
Manufactured goods & misc. manufactured articles	1.906	0.04%	1.660	0.04%
Beverages and tobacco	0.823	0.02%	0.663	0.02%
Mineral fuels	0.000	0.00%	0.022	0.00%
Other commodities	4.542	0.10%	0.248	0.01%
<b>Total</b>	<b>4,507</b>	<b>100.00%</b>	<b>4,290</b>	<b>100.00%</b>

Source: Central Bank of Seychelles

In accordance with the statistics provided by CBS above, the contribution of Oil and Gas to the total exports of Seychelles is nil. The major commodity exported from the country is tuna with 93.8% and 94.4% of total exports for the years 2013 and 2014 respectively. The export of beverages and tobacco reached SCR 823,000 and SCR 663,000 during 2013 and 2014 respectively.

## (iii) Government revenues

The report of the Auditor General on the accounts of the Government for the year 2013 presents revenue streams as follows:

Description	2013 (SCR Million)	%
Transfers from SSF	0.0	0%
Trades Tax/Excise Tax/GST	1,260.4	23%
Income Tax	754.1	14%
Business Tax	881.8	16%
VAT	1,445.9	26%
Other Taxes	354.2	6%
Fees and Charges	300.7	6%
Rents/Royalties	16.4	0%
Income of Public Services	0.0	0%
Dividends/Interest	407.2	7%
Reimbursements	0.0	0%
Miscellaneous	2.4	0%
Grants	43.8	1%
Privatisation, sale of assets & long term leases	0.0	0%
<b>Total</b>	<b>5,466.9</b>	<b>100%</b>

In terms of non-tax revenues, the financial statements of PetroSeychelles, which is the State owned Enterprise (SOE) responsible for collecting non-tax revenue from the upstream petroleum sector shows income of SCR 4,113,425 and SCR 4,019,821 for the years 2013 and 2014 respectively. The percentage of revenues collected by PetroSeychelles from the Oil and Gas companies during 2013 is as follows.

Designation	Amount (SCR)
Oil & Gas Revenues	4,113,425
<b>Total extractive company revenues</b>	<b>4,113,425</b>
<b>Total Government revenues</b>	<b>5,466,966,900</b>
<b>Contribution of total revenues from extractive industries to government revenues</b>	<b>0.1%</b>

The Auditor General has not yet issued the report on the accounts of government for 2014 and the information of total government revenues is still not available.

#### (iv) Employment

In accordance with the data collected from reporting entities, there was no contribution to total employment in Seychelles during both fiscal year 2013 and 2014.

#### 3.2.3. Legal framework

The Seychelles petroleum sector is regulated by the Petroleum Mining Act (1976), the Petroleum Taxation Act (2008) as amended in 2013, the Corporate Social Responsibility Tax Act 2013 and the Model Petroleum Agreement (2013).

**The Petroleum Mining Act** of 26 July 1976 regulates petroleum exploration, development and production. It defines the ownership of petroleum resources, the rules for granting exploration licenses and petroleum agreements, as well as the rules for Participation by Government Entities in the development, production and marketing in commercial quantities of petroleum.

**The Seychelles Petroleum (Taxation) Act**, 2008 has been updated and amended in May 2013, thus repealing the Petroleum Income Tax Decree and making provisions for the Petroleum Additional Profits Tax (PAPT). The Act defines the tax base for the Petroleum Income Tax (PIT) as well as the rate (35%) and the allowable deductions and expenditure from the tax base.

The amendment of the Petroleum (Taxation) Act has brought further clarifications to the method of calculation of depreciation of allowable capital expenditure for the purpose of PIT. It also establishes the operator's responsibility for tax returns under the self-assessment system and their obligation to submit a separate tax return for each petroleum agreement. The tax return deadline is reduced from a 6 to a 3 month period following the end of the tax year.

The amendment establishes the obligation for petroleum operators to retain and pay withholding tax (WHT) at a rate of 7% in respect of services performed in Seychelles or overseas by a non-resident contractor or sub-contractor in connection with petroleum operations related to a petroleum agreement. It exempts nonetheless dividends earned by non-resident shareholders in a petroleum agreement from WHT, as well as interest derived from loans made to a person holding an interest in a petroleum agreement.

The Petroleum (Taxation) Act makes reference to the specific petroleum agreement to establish the company's right for exemptions.

**Income and Non-Monetary Benefits Tax (INMBT) Act, 2010:** is applicable to the companies operating in the petroleum sector. Companies have the obligation to pay income tax at the rate of Schedule 1 of the Act on the gross amount of emoluments paid to their employees and to pay a non-monetary benefits tax at the rate specified in Schedule 3 of the Act on the fair market value of any non-monetary benefits provided to their employees in accordance with Articles 4 and 5 of the INMBT Act.

**The Corporate Social Responsibility (CSR) Tax Act (2013):** establishes CSR as a tax to entail compliance with ethical and regulatory standards, promoting accountability for businesses that can

lead to a positive impact on the communities and markets in which it operates. CSR tax is payable at 0.5% of monthly turnover.

**The Model Petroleum Agreement (2013)**<sup>1</sup> is a non-tax contract, which grants the company the exclusive rights to conduct petroleum operations subject to provisions of the Petroleum Mining Act and the Petroleum Taxation Act. The agreement covers the upstream petroleum sector, detailing two important phases, namely the exploration phase and the development phase.

The exploration phase extends over a period of nine (9) Contract Years according to the model agreement into an initial 3 year period which can be further extended to a second and subsequently to a third optional contract period of three years each, subject to the company's fulfilment of its obligations during the previous period.

The Development Phase for Crude Oil discovery could extend up to 25 years, which can be further extended for up to another 10 years. For Natural Gas discovery, the development phase can be extended for up to 30 years. This period can be extended for up to 10 years.

The model agreement defines the company's obligations in terms of Minimum Exploration Work Programme, protection of the environment, health and safety and decommissioning. It also sets out the financial obligations of the company and the fiscal framework applicable to the agreement, including the various tax and non-tax payments that should be made to the Seychelles Government.

In particular, the agreement defines the rules for the following payment flows:

- area rentals;
- royalties on petroleum production;
- the rules for determining the company's liability for PAPT and the rate applicable based on the ROR thresholds set;
- annual contributions in respect of training of Seychelles nationals in colleges and universities, purchase of professional publications, scientific instruments and other equipment required to implement the Agreement and monitoring of Petroleum Operations.

These payments will be further detailed in the following sections of this report.

### 3.2.4. Institutional framework

#### **Ministry of Finance, Trade and the Blue Economy (MFTBE)**

MFTBE is the primary government agency responsible for the oil and gas sector and it is responsible for ensuring a sound accounting and financial system is maintained and implemented for responsible and accountable governance in the public sector and government pursues fiscal and economic policies that foster sustainable growth in national economy, regulation of the country's financial institutions. The major responsibilities of MFTBE are:

- policy, Budget and Revenue Operations;
- fiscal and Financial Policy;
- Government Financing and Debt Management;
- tender Board; and
- financial Services Industry Regulation.

MFTBE has oversight of three state owned enterprises:

- Societe Seychelloise d'Investissement Ltd (SSI) is a company wholly owned by the Government of Seychelles, which was established in 2008. It is a holding company for the investments of the Government of Seychelles. One of the primary roles of SSI is to guide the strategy and oversee the performance and objectives of all government owned commercial parastatals and agencies. SSI is involved in the petroleum sector through its holdings in PetroSeychelles and SEYPEC;

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<sup>1</sup> The Model Petroleum Agreement may be downloaded from the website of PetroSeychelles <http://www.petroseychelles.com/index.php/downloads>

- Seychelles Petroleum Company Ltd (SEYPEC) was founded in 1985 and is responsible for fulfilling the country's energy requirements through the supply of fuel for the country's energy needs. SEYPEC also owns shares in Afren and in WHL Energy Ltd which are the parents of two (2) private companies operating in the upstream sector, East African Exploration Seychelles Limited and Petroquest International Inc respectively.
- PetroSeychelles Ltd was created in 2012, as a parastatal company responsible for regulating the upstream petroleum sector and overseeing all exploration activities in Seychelles. The company currently reports directly to the Office of the President of the Republic and is governed by a Board of Directors. As part of its licensing functions, PetroSeychelles is responsible for the preparation and negotiation of agreements and for maintaining a licenses database. PetroSeychelles is also responsible for maintaining an up-to-date database of Petroleum and hydrocarbon deposits in EEZ, which can be disseminated to interested parties.

### **Seychelles Revenue Commission (SRC)**

SRC is an independent Authority responsible for collecting, receiving and accounting for the revenues of the country. It was established through the Seychelles Revenue Commission Act of 2009 under MFTBE which remains the parent Ministry responsible to oversee major policy issues affecting revenue. SRC is headed by a Revenue Commissioner (CEO) who is responsible to the Minister of Finance for the management of SRC and the administration of all revenue laws.

Regarding the petroleum sector, SRC registers PetroSeychelles collections of rentals and other non-tax fees. If oil comes on stream, SRC will collect directly from the Companies, the Petroleum Income Tax, the Petroleum Additional Profits Tax and others taxes applicable to businesses.

### **Registrar General**

In accordance with the Companies Ordinance 1972 stipulates that in order to engage in any business activity a company shall be registered with the Registrar General. Companies should submit a declaration as well as the Memorandum of Association and fees to the Registrar General.

#### **3.2.5. Types of Mining permits**

The Petroleum Mining Act provides for two types of upstream petroleum arrangements as follows:

- Exploration licences: may be granted to more than one company for the same license area. A company may apply for more than one license in different areas of the country and the terms and conditions of an exploration license are subject to negotiation. The license is provided on a non-exclusive basis, i.e. rights may be granted to more than one company on the same license area for a period of two years starting from the date of issue. According to Section 13 of the Petroleum Mining Act, an exploration license confers to the licensee the following rights in the licensed area:
  - to search, prospect and explore for petroleum in or under such land;
  - to bring onto such land and to use any machinery, equipment, vehicles or materials reasonably required for searching, prospecting and exploring for petroleum; and
  - to construct, erect and lay out such buildings, installation and structures, and to carry out such works, on or under such land as may reasonably be required for the purpose of searching, prospecting and exploring for petroleum; and
- Petroleum Agreement: confers exclusive rights to a company or a joint venture on the agreement area for a period of 35 years. The model petroleum agreement has been revised in 2013 as part of the current Seychelles International Upstream Petroleum Licensing Initiative. The Model agreement complements the Petroleum Taxation Act in terms of provisions relating to the Petroleum Additional Profit Tax.

#### **3.2.6. Procedures for the award of Oil and Gas agreements**

PetroSeychelles is the regulatory body responsible for issuing and administering licenses for petroleum exploration and development operations based on a competitive process for the award of petroleum agreements.

Exploration licenses are not transferable and may be granted to any person applying therefor in accordance with the Petroleum Mining Act (1976) without launching any tendering process.

The award of Petroleum Agreement follows an “open file” process, involving two stages:

- **Stage 1:** an application for an area 10,000 square kilometres can be made at any time. There is no limit on the number of Contract Areas for which applicants may tender for. Upon receipt of the proposal from an individual company or joint venture, the evaluation committee assesses the qualifications of the applicants in terms of technical, financial and management capabilities. This process will determine whether or not the application is considered qualified; and
- **Stage 2:** If it is determined that the applicant is qualified after the initial screening process, a Request for Competitive Proposals regarding the Contract Area will be announced for which a proposal has been received, without disclosing the terms offered by the first applicant. Other interested oil companies are given ninety (90) days to submit their proposals for this particular Contract Area as defined by the initial applicant. All proposals received will then be evaluated and the selected company will be invited to negotiate a Petroleum Agreement. One important element of the competitive process for the award of Petroleum Agreements is the proposed second threshold and rate for PAPT. In fact, the Model Petroleum Agreement only provides for the first threshold of ROR and the applicable PAPT rate when that threshold is met, and leaves the second threshold and related PAPT rate open to competitive bidding.

A full description of the awarding process and of the technical and financial criteria used is detailed on the website of PetroSeychelles<sup>1</sup>. There were no calls for competitive process to award any Petroleum Agreement during the year 2013 or 2014.

The Company having a Petroleum Agreement may transfer or assign, directly or indirectly, any right, power or interest in the Agreement Area by obtaining the prior written approval of the Minister.

### 3.2.7. Policy on disclosure of contracts and licenses

#### Contracts disclosures

The Petroleum Mining Act 1976 in paragraph 6 of Schedule (Section 5) states that:” Every application, and any information furnished therewith, shall be submitted by the Minister to the Government for final decision and all such information shall be treated as confidential”. Moreover, signed contracts are not currently published due to the confidentiality clauses in Oil and Gas contracts.

The existing Oil and Gas contracts are Petroleum Agreements, Geological Survey Agreements and Agreements for Joint Survey Programmes entered into between either SEYPEC or PetroSeychelles and the Government of Seychelles and private operators. These agreements are all based on model contracts which SEYPEC or PetroSeychelles have been using for several years. Some of these contracts contain a confidentiality provision which prevents the public disclosure of contractual information by both SOEs and the operators as follows:

- Article 6, paragraph 5 of GXT Agreement states:” *Unless otherwise agreed or required by the terms of this agreement, Parties to the Agreement shall keep all matter pertaining to it confidential.*”
- Article 7, paragraph 2 of Ophir Petroleum Agreement states:” *Unless otherwise agreed or required by the terms of this agreement; Parties to the Agreement shall keep all matter pertaining to it confidential.*”

While contract transparency is encouraged, this is not required by the EITI Standard (version 2013) and remains a topic for MSG discussion.

Disclosure of petroleum contracts would be relevant for EITI when it involves payments or benefits to the Government or involves the State’s participation. The Government may encounter this issue in seeking waivers of the confidentiality provisions in the petroleum contracts and would need to consult with the operators to clarify their disclosure obligations with respect to such information.

<sup>1</sup> <http://www.petroseychelles.com/index.php/downloads>



Since the Government has started the implementation of the EITI process, an important follow-up step would be to introduce contract waivers to these agreements in order to address the confidentiality restrictions in the petroleum agreements and to seek participation of Oil and Gas companies as part of MSG.

### **Contract allocation and transfer disclosures**

The Oil and Gas Legislation does not restrict the disclosure of the award or transfer of Oil and Gas areas. However, the confidentiality provisions in the petroleum contracts (as mentioned above) would restrict the disclosure of the transfer of Oil and Gas concessions under by PetroSeychelles.

PetroSeychelles is committed to publishing the receipt of the application on its website once the preliminary assessments are completed and the application is accepted by the evaluation committee. However, full details of the bid criteria including the criteria for assessing the bids were not publicly released.

### **Licenses disclosures**

The updated map of active permits is published on the website of PetroSeychelles<sup>1</sup>. Further details on the published register are presented in Recommendation 13 in Section 7 of this report.

### **3.2.8. State participation in the Oil & Gas sector:**

The Constitution of the Republic of Seychelles 1993, stipulates that the State is the owner of all underground water or not extracted oil or minerals of any kind or description. The State's intervention in the Oil and Gas sector is made through the State Enterprise SEYPEC and through Petroleum Agreements signed with operators.

#### **State Owned Enterprises (SOEs)**

##### (a) SEYPEC

SEYPEC is a government owned parastatal company founded in 1985. In 2005, SEYPEC merged with the Seychelles National Oil Company (SNOC), thus taking on responsibility for all regulatory activities of the petroleum sector. Another restructuring took place in 2012, as a result of which SEYPEC was split into two companies and PetroSeychelles was created. The newly created State Owned Enterprise assumed responsibility for regulating the upstream sector, while responsibility for government investment in upstream and downstream activities remained with SEYPEC.

SEYPEC's operations revolve around the supply of fuel to the domestic market, bunkering of vessels, aviation refuelling activities and the management of its shipping arm. The company's main fuel depot comprises 28 storage tanks with a capacity of 188,000 cubic meters. The products imported and stored include two grades of gasoil, two grades of fuel oil, motor gasoline, kerosene, Jet A1, AVGAS 100LL, LPG and various brands of Lubricants.

SEYPEC purchased shares in Afren PLC which is the parent company of East African Exploration Limited; the latter has been awarded a Petroleum Agreement since November 2008. SEYPEC also holds shares in WHL Energy Ltd, which is the parent company of PetroQuest International, and which operates under a Petroleum Agreement signed in February 2005. Details of SEYPEC's participations are presented in Section 6.4 of this report.

The rules and regulations governing the transfers by SEYPEC to PetroSeychelles are detailed in Section 6.2 of this report.

(b) PetroSeychelles does not hold any shares in oil and gas operating companies. Further details on PetroSeychelles role are presented in Section 3.2.4 of this report. The rules and regulations governing the transfers from PetroSeychelles to SRC are detailed in Section 4.1.3 and 3.2.9 of this report. The amounts paid by PetroSeychelles to SRC are detailed in Annex 3 and 4 of this report. The rules and regulations governing the reimbursement of the loan by PetroSeychelles to MFTBE are detailed in Section 6.2 of this report.

(c) SSI is the parent of both PetroSeychelles and SEYPEC. Further details on SSI's role are presented in Section 3.2.4 of this report. The rules and regulations governing the transfers from

<sup>1</sup> <http://www.petroseychelles.com/index.php/blocks-licensing/currently-active-licenses>

SSI to SRC are detailed in Section 4.1.3 and 3.2.9 of this report. The amounts paid by SSI to SRC are detailed in Annex 3 and 4 of this report.

### Petroleum Agreement

The agreement gives to the Government the right, at its own discretion, to claim the royalties in kind and to discharge the petroleum company of its obligation to pay such dues in cash. In the event that the Government exercises this option it shall do so, on each occasion, for a period of at least one (1) year and shall notify the Company of its intention to require payments of Royalty in kind by giving at least six (6) months' notice and stating the Field or Fields to which the option will relate.

### 3.2.9. Fiscal regime

The Petroleum Taxation Act 2008, Model Petroleum Agreement and Corporate Social Responsibility Tax Act 2013 form the basis of the fiscal regime for the petroleum sector in Seychelles. They define two types of fiscal revenue streams from the sector which are tax revenues and non-tax revenues. Further details on the institutional framework are presented in Section 3.2.4 of this report.

Non-tax revenues to be collected by PetroSeychelles are summarised as follows:

- Annual Rentals: represent payment per square kilometre of the Contract Area charged at the following rates, as defined by the Model Petroleum Agreement: (a) USD 10 in respect of the first exploration period;
  - (b) USD 15 in respect of the second exploration period;
  - (c) USD 20 in respect of the third exploration period; and
  - (d) USD1,000 for each square kilometre of the Development Area at the development stage.
 Payment of the Rentals should be made by the company annually in advance.
- Royalty: chargeable on oil and gas produced in each month during the period of the Petroleum Agreement. The applicable rates are 10% for oil and 5% for gas and marginal oil fields. The taxable base is assessed in terms of the quantity of crude oil or gas produced and saved from each field in the relevant month. The Government may at its sole discretion, and upon giving six months' notice to the company, require in kind payments of the Royalty in the form of Crude Oil, including Natural Gas Liquids or Condensates.
- License fees: Article 2 of Section 16 of the Petroleum Mining Act (1976) sets out the fees to be paid in respect of exploration licences and petroleum agreements and in respect of such other matters.
- Annual contributions: According to the Model Petroleum Agreement, the Company should make available to the Minister at the commencement of each Contract Year of its Petroleum Operations, an annual contribution of US\$ 100,000 during the Exploration Phase and of US\$ 200,000 during the Development Phase for the purposes of training, technical assistance, attending petroleum and energy-related conferences, and workshops as well as other training purposes.
- Application fees: According to Article 2 of Section 5 (Schedule) of the Petroleum Mining Act (1976), every application for an exploration license or a petroleum agreement shall be lodged accompanied with an application fee, currently set at USD 10,000 under the International Upstream Petroleum Licensing Initiative 2013 and is payable to PetroSeychelles.
- Sales of data packages: PetroSeychelles has set up a Data Bank of all geophysical, geological and engineering data on the petroleum potential of the Seychelles. In connection with the Licensing Initiative of 2013, data packages have been created and are sold by PetroSeychelles at a cost of USD 20,000.
- Commission on data sales: Once Multi-client data has been acquired, the service company which carried out the seismic study is given a fixed period within which it can commercially sell the data which it has gathered during the survey. The service company must remit specific commissions on future sales of these data. The factors considered to arrive at this profit commission are detailed in individual contracts.



Tax revenues to be collected by SRC consist of:

- Petroleum Income Tax (PIT): is provided for in the Petroleum Taxation Act 2008, which defines the rate at 35% of profits. These are calculated according to the schedule of Allowed and Disallowed Petroleum Costs given in the Accounting Procedures attached to the Petroleum Agreement and consistent with the Petroleum Taxation Act 2008. Allowable deductions include operational expenses, repairs, rent, interest, loan expenditure, and royalties for petroleum agreements. Section 5B of the Petroleum Taxation Act 2008 as amended, provides that income subject to PIT cannot be charged with other income taxes, in order to avoid double taxation of the petroleum companies under the Petroleum Taxation Act and common taxation laws. According to the Petroleum Taxation Act 2008, SRC is the competent authority for administering and collecting this tax.
- Petroleum Additional Profits Tax (PAPT): this tax is provided for under the Petroleum Taxation Act 2008, which makes explicit reference to provisions of the Petroleum Agreement for assessment of liability to this tax. According to the Model Petroleum Agreement, the company shall pay PAPT to the Government in each calendar year, in accordance with the Petroleum (Taxation) Act, in respect of each separate petroleum field, determined on the basis of the rate of return (ROR) that the company achieved from the effective date with respect to such fields as of the end of that calendar year. The tax is a two-tier tax imposed progressively based on two ROR thresholds. The first tier is applicable when a company achieves an effective ROR of 15%, at a PAPT rate of 25%. The second tier and trigger ROR threshold is proposed by the company, as part of the competitive bidding process, and is subject to negotiation in the context of the Petroleum Agreement. The Model Petroleum Agreement allows the Government to require a payment of PAPT in kind instead of cash, by giving a minimum of a three months' notice to the company.
- Corporate Social Responsibility Tax (CSR): has been provided by CSR Tax Act 2013 to entail compliance with ethical and regulatory standards, promoting accountability for businesses' actions that can lead to a positive impact on the communities and markets in which it operates. As per the first schedule of CSR Tax Act 2013, the tax is payable at 0.5% of monthly turnover.
- WHT on contractual services: the Petroleum Tax Amendment ACT 2013 stipulates that petroleum operators should retain and pay to SRC withholding tax at a rate of 7% in respect of services performed in Seychelles or overseas by a non-resident contractor or sub-contractor in connection with petroleum operations related to the Petroleum Agreement.
- Stamp duties: According to the Model Petroleum Agreement (2013), non-discriminatory stamp taxes and any other taxes or other impost of general application in the Seychelles payable to the Government or any governmental or quasi-governmental body established by or under the Law of the Seychelles;
- Income and Non-Monetary Benefits Tax (INMBT): Common Law taxation is also applicable to the companies operating in the petroleum sector, in relation to the INMBT Act, 2010. Companies have the obligation, as employers, to pay income tax on the gross amount of emoluments paid to their employees and to pay a non-monetary benefits tax on the fair market value of any non-monetary benefits paid to their employees in accordance with Articles 4 and 5 of the INMBT Act. Both income tax and non-monetary benefit tax is imposed on the gross amount of emoluments received and no deduction is allowed by the Act for any losses or outgoings incurred by the employed person in deriving emoluments.
- Penalties: are paid by any extractive company which contravenes or fails to comply with any provision or conditions of the Petroleum Taxation Act and to tax regulations.
- Excise tax: is levied on four goods specified under the Excise Tax Act (2009) including petroleum products, when imported and when produced locally. The excise tax rates are specified in column 4 of Schedule 1 of the Excise Tax Act (2009).

Petroleum companies are exempted from several taxes as follows:

- Import and export duties: The Petroleum Taxation Act makes reference to the Model Petroleum Agreement in determining the eligibility of the company to exemption from custom duties. The Model Petroleum Agreement confirms the exemption by allowing the company and its contractors and sub-contractors engaged in petroleum operations to import, free of duty or other taxes on imports, machinery, equipment, vehicles, materials,

supplies, consumable items (other than foodstuffs, alcoholic beverages or other products and moveable property) where imports in any of the said categories have been certified by the Minister to be for use solely in carrying out petroleum operations.

- WHT on dividends and interests: Article 54 of the Petroleum Taxation Act amendment 2013 exempts non-resident holders of interest in a Petroleum Agreement from WHT on dividends. WHT exemption also applies to interest derived by a non-resident on loans made to a person holding an interest in a Petroleum Agreement in accordance with Article 55 of Petroleum Taxation Act Amendment 2013.
- Values Added Tax (VAT): According to the Value Added Tax Act 2010, a taxable person is an individual or a business which makes taxable supplies and is registered or is required to be registered for VAT under the Act. Current exemptions provided for under the first schedule of the VAT Act in relation to the petroleum sector are:
  - Imports of Gas Oil and Fuel Oil;
  - any importation that is made by a petroleum company for the sole purpose of the petroleum operation as long as the Petroleum agreement plans for it; and
  - Services by Seychelles Petroleum Company (SEPEC) (Part 2, article 1).
 The supply of manufactured petroleum products is Zero rated (Article 2, Schedule 2, VAT Act, 2010).
- Business Tax: Section 5B of the Petroleum Taxation Act 2008 as amended, provides that income subject to PIT cannot be charged with other income taxes. This means that business tax would not be applicable to petroleum companies which hold petroleum agreements are liable to pay PIT and PAPT. Business tax is provided for by the Business Tax Act 2009. Schedule 2 of the Business Tax Act does not exempt PetroSeychelles, SEYPEC or SSI from paying the business Tax.

### 3.2.10. Environmental protection

The Model Petroleum Agreement (clause 20) defines the requirement to take out insurance policy covers by extractive companies for risks related to potential damages to the environment as a result of the company's operations. The company is also obliged to require its contractors and sub-contractors to obtain and maintain such insurance covers as operators.

The 21<sup>st</sup> Clause of the Model Petroleum Agreement details extractive companies' obligations in relation to environmental protection. Accordingly, companies shall act in accordance with the relevant provisions of environmental laws and regulations in force in the Seychelles, including with respect to requirements for the conduct of Environmental Impact Assessment Studies ('EIAs') and the terms and conditions of any approval or authorisation granted to the companies under the relevant environmental laws and regulations. In the absence of such laws and regulations, or when such laws and regulations are inconsistent with best international petroleum industry practices, the companies shall act pursuant to sub-clause 21 (2) of the Petroleum Agreement by employing techniques, practices and methods of operation and taking other steps as are necessary and adequate in accordance with Best International Petroleum Industry Practice, in order to:

- (a) protect the environment and the living resources of the sea and prevent pollution;
- (b) ensure the protection from contamination of strata containing potable water or treatable water;
- (c) provide an effective and safe method for the disposal and discharge of drill cuttings and drilling muds generated during drilling operations;
- (d) provide an effective and safe method for the disposal of waste materials generated by the Company's operations;
- (e) control the flow of Petroleum so as to prevent avoidable waste and escape into the environment; and
- (f) ensure adequate compensation for injury to persons or damages to properties proved to have been caused by carrying out the activities under this Agreement by the company.

Where the activities of the company result in pollution or damage to the environment or marine life or otherwise, the company shall take all necessary measures in accordance with best international Petroleum Industry Practices to effect immediate remedy of the failure and the effects thereof. If

such pollution or damage is the result of gross negligence or wilful misconduct of the Company, the cost of the remedy shall not be an allowable deduction in the computation of PIT and PAPT.

### 3.2.11. Main petroleum projects

The main petroleum projects relate to on-going exploration work undertaken by the following companies:

#### **Ophir Energy**

Ophir acquired 75% interest in Area 5B/1, 5B/2 and 5B/3 in offshore Seychelles from WHL after the approval of the Government of Seychelles in accordance with the terms of the Petroleum Agreement. The area covers 12,855 square kilometres in water depths of less than 75 metres.

Areas 5B/1, 5B/2 and 5B/3 are located within a frontier basin with a number of potential structural oil targets.

Significant seismic data had been acquired previously and already four wells have been drilled offshore in Seychelles. Ophir acquired 1,500 square kilometres of 3D seismic data in July 2014. Interpretation is expected to be completed during 2015 with a prospect inventory finalised ahead of a potential exploration drilling in 2016.

#### **JOGMEC**

Japan Oil, Gas and Metals National Corporation has signed the Joint Survey Agreement for the evaluation of the hydrocarbon potential in offshore Seychelles with the government of Seychelles and PetroSeychelles on 30 August 2013.

Based on this Agreement, JOGMEC jointly conducts geological and geophysical surveys including seismic survey with PetroSeychelles for a two-year period under the Exploration License granted by the Government of Seychelles in the Western Shelf and Seychelles Plateau area.

In January 2015, the exploration license was extended by 6 months effective from 30 August 2015. The work Programme of JOGMEC includes 3,500 line km 2D seismic data acquisition and 150 seabed coring samples for geochemical analysis.

#### **East African Exploration Seychelles and Avana Petroleum Limited (EAX)**

EAX undertook exploration in two areas located in shallow to deep water in the northern half of the Seychelles plateau and cover a combined area of approximately 14,964 square kilometres. The main exploration targets were the Permo-Triassic Karoo interval, which comprises non-marine sands inter-bedded with shales and a Cretaceous marine rift basin underlain by Jurassic platform source rocks. The Karoo formation contains both the source rock and the reservoir. Between 1980 and 1981, three exploration wells were drilled, all of which encountered oil shows and confirmed the presence of a working hydrocarbon system. Seismic data previously acquired by the Partners revealed the presence of several large-scale structures in the two licence areas that are located in shallow to deep water in the northern half of the Seychelles plateau. A major new 2D survey in 2011 (3,733 km) focused on these areas to better define their true prospectivity. In 2013, Afren, the parent company of EAX) completed a major 3D seismic programme, the first 3D survey to be conducted in the Seychelles, of two surveys in Afren's licence areas. The first 3D survey was in the southern portion of the licence over the Bonit prospect and covered 600 km<sup>2</sup>. The second survey was in the northern section of the licence area and covered an area of 2,775 square kilometres. Interpretation of this new 3D seismic is underway. Early results have confirmed pre-3D prospectivity in the southern deep water portion of area.

Evaluation of the northern deepwater 3D seismic acquired in 2013 has been completed and an economic study of the licence prospectivity has begun. This will aid in ranking the prospects and determining which of the prospects to target as the first exploration well.

There was no exploration activity during 2014. Further 3D seismic acquisition in the shallow water areas of the licence was planned in 2015 but has not been carried out.

## WHL Energy through Petroquest International

WHL Energy Ltd is an emerging oil and gas company with assets in Australia and in East Africa.

It entered the exploration market in Seychelles in October 2010 through the acquisition of 100% interest in 20,476 square kilometres of exploration holdings off the southern Seychelles coast from Petroquest. WHL completed its interpretation of 966 km of 2D seismic data which firmed up the definition of several large prospects and leads.

2014 has seen a major acceleration in the development of the assets with the signing of a farm-out agreement with a US\$3.2 billion plus Market Cap Ophir Energy plc after the approval of the Government of Seychelles in accordance with the terms of the Petroleum Agreement. An extension of 2 years period was provided on the petroleum agreement as result of the farm out.

The farm-out agreement involves:

- Ophir Energy farms in for a 75% interest in WHL Energy's Seychelles Project;
- Ophir Energy funds an initial 1,500km<sup>2</sup> 3D seismic acquisition and processing programme;
- an option for Ophir to fund a further 1,000km<sup>2</sup> of 3D seismic and 90% of a first exploration well following data evaluation; and
- WHL Energy received US\$4 million of past costs and the potential to receive US\$2 million following take up of the drilling option.

According to the WHL website, an initial 1,528km<sup>2</sup> 3D seismic survey was successfully completed on time in July 2014 and within budget. This was the first 3D survey ever acquired over WHL Energy's Seychelles exploration asset and only the third ever acquired in the waters off the coast of the Republic of Seychelles.

The Junon 3D seismic survey was designed to mature a number of those prospects for drilling including Junon South, Junon East and Junon Central.

An initial fast track processed data set was delivered in September 2014 and a Pre-Stack Depth Migration processed volume was expected to be completed by year 2015.

### 3.3. Budget process

Seychelles has a legal framework governing its budget system that derives from the 1993 Constitution of The Republic of Seychelles. The Constitution clearly defines structure, division of powers and responsibilities among the State organs.

The budget setting process is led by the Ministry of Finance, Trade, and Blue Economy (MFTBE). According to the Public Finance Management Act (2012), the Minister of Finance has overall responsibility for developing and implementing a national macro-economic and fiscal policy framework comprising the annual budget calendar and is responsible for proposing an annual budget to the National Assembly for approval.

Only revenues received by SRC, MFTBE and the Registrar General are recorded in the national budget. As detailed in Section 3.2.2 of this report, the extractive industries are still at exploration stage and relating revenues account for 0.1% of total government revenues in 2013.

#### (i) Budget planning and formulation

The annual budget preparation process is launched by the Minister of Finance by issuing a budget circular which contains a clear calendar including the main dates and milestones, in July of each year. The budget submitted by different ministries are consolidated by end of September and submitted to the President of the Republic's approval and then to the Cabinet in October, before being sent to the National Assembly for a vote on the Appropriations Bill in December.

**(ii) Budget approval**

The Public Finance Management (PFM) Performance Report of Seychelles (2011)<sup>1</sup> which is based on the Public Expenditure Financial Accountability Framework (PEFA) describes the role of Parliament in budgetary affairs as being limited mainly due to the short period of time allowed for the National Assembly in December to approve the annual budget. This impacts the legislature capacity to scrutinise the budget.

**(iii) Budget Implementation:**

The implementation of the budget is carried out by the various Ministries, Departments and Agencies of the Government. Funds for capital projects are released progressively to the relevant Ministries, Departments and Agencies in line with what has been allocated to them in the budget.

**(iv) Annual Financial Statements:**

The Public Finance Management Act (2012) sets the obligation to prepare annual financial statements for the Government. The Minister of Finance is accountable to the National Assembly for the revenue collected and the use of public funds and the submission of a mid-year fiscal statement to the National Assembly shall take place by the end of August.

The financial statements have been defined as statement of assets and liabilities, cash flow statements, statement of comparison of budget and actual amount and such other statements as may be necessary to show the financial results of the public enterprise during the financial year.

**(i) Audit of the Financial Statements:**

The Minister must submit after approval by the Cabinet and within ninety-one days after the end of each financial year, to the National Assembly and the Auditor General the annual financial statements of the Government along with a consolidated performance report.

The Auditor General has a three-month period to complete the audit of the financial statements after being submitted by the Minister. We have however noted that the report of the Auditor General for 2014 has not been published to date.

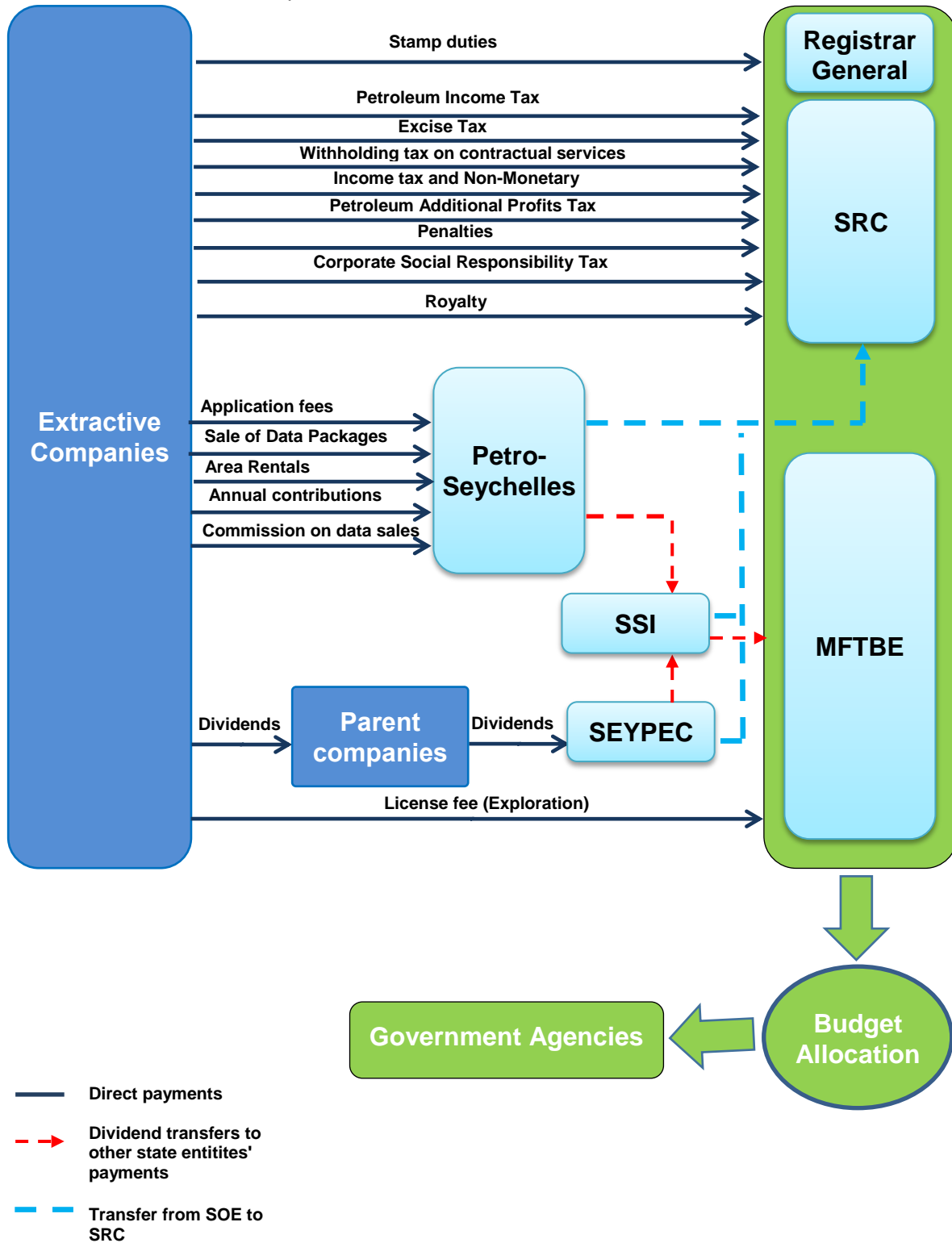
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<sup>1</sup> Ferdinand Pot, Corina Certan, Laura Thissen. (ECORYS Nederland BV): *Public Finance Management Performance Report, Seychelles, 2011. Based on the Public Expenditure Financial Accountability Framework (PEFA)*. European Commission Delegation Mauritius. Rotterdam, June 20, 2011.

### 3.4. Collection of revenue from the Extractive Industries

#### Oil and Gas payment flow

The petroleum revenue collections framework can be represented diagrammatically in the chart below. Further detail on the payment flow definition and budget process presented in the Sections 3.2.4, 3.2.9 and 3.3 of this report:





## 3.5. Auditing and accounting

### 3.5.1 Public sector

#### (i) Audit of the Financial Statement of Government:

In Seychelles, the Office of the Auditor General (OAG) is the supreme audit institution, which is accountable to the National Assembly, the government and general public. This body carries out controls over the execution of the State's budget and payment of taxes and other mandatory payments.

Article 158 of the Constitution requires the Auditor General to audit the accounts of the Cabinet Office, the National Assembly, all government departments and offices, all courts and those related to funds withdrawn from the Consolidated Fund, all the accounts of any statutory corporation or such other body as may be specified by or under an Act. The Constitution also requires that the Auditor General report to the National Assembly within twelve months of the end of the preceding financial year drawing attention to irregularities in the accounts audited and to any other matter which in the opinion of the Auditor General should be brought to the notice of the Assembly

Article 34 of the PFM Act 2012 provides for a Government Audit Committee, which works in an advisory capacity to the Minister. The Public Finance Management Performance Report of Seychelles 2011 has assessed that the Office of the Auditor General (OAG) operates appropriately for a small island public institution.

The Public Enterprise Monitoring Commission (PEMC) Act (2013) further explains reporting requirements applicable to Public Enterprises, which include the obligation to submit within 3 months of the end of the financial year an annual report of operations along with the annual audited financial statements to the Minister of Finance, the Responsible Minister for the entity and the Commission (Article 36).

The Act does not prescribe the accounting standards to be followed in preparation of the financial statements. However it provides that the auditor's report must state whether the accounts have been prepared in accordance with the International Financial Reporting Standards and whether or not the audit has been performed in accordance with the International Standards on Auditing (ISA).

#### (ii) Audit of the Financial Statement of State Owned Enterprises (SOEs):

The Public Enterprise Monitoring Commission (PEMC) Act 2013 further explains reporting requirements applicable to public enterprises, which include the obligation to submit within 3 months of the end of the financial year an annual report of operations along with the annual audited financial statements to the Minister of Finance, the Minister responsible for the entity and the Commission in accordance with Article 36 of the PEMC Act.

SOEs are created as limited companies and are therefore liable for all audit obligations under the Companies Ordinance as prescribed in Section 3.5.2. The financial statements include: profit and loss; changes in financial position; cash flow, and such other statements as may be necessary to show the financial results of the Public Enterprise during the financial year and the auditor's report on those financial statements.

### 3.5.2 Private companies and SOEs

The Companies Ordinance 1972 establishes the obligation for company directors to prepare an annual report comprising the financial statements and to submit it to the business registrar.

The financial statements defined by the Companies Act are the profit and loss account, the balance sheet and the group accounts. The Companies Act also defines the contents and format of these statements in its sixth schedule and also sets out the responsibility of management to appoint auditors to undertake the annual audit of financial statements and establishes the qualification requirements for the appointed auditors.

The requirement for publication of the annual report in newspaper is prescribed in the case of companies which do not hold Annual General Meetings (AGM) of shareholders by Section 141 of the Ordinance. There is no requirement for companies to disclose their accounts to the public.

### 3.6. Beneficial ownership

#### 3.6.1. Legal and regulatory framework governing companies

The legal framework governing companies incorporated in Seychelles are: Companies Ordinance 1972, the Company Special Licences Act 2003, and the International Business Companies Act 1994

The Companies Legislation provides guidelines for the formation, administration, and winding up of registered corporate bodies. The companies' legislation is expected to be reformed in the near future to include further transparency and disclosure provisions in the law.

There are various types of companies which can be formed in Seychelles, namely limited by shares, limited by guarantee, limited by shares and guarantee (hybrid), existing and overseas companies.

#### 3.6.2. Beneficial ownership in Seychelles' legal and regulatory framework

##### (i) Disclosure framework

The definition of "beneficial ownership" should not necessarily be linked to share ownership. Owning more than a certain percentage of shares certainly gives a meaningful indication of beneficial ownership. However, in identifying the real beneficial owner, the focus should also be on contractual and informal arrangements.

The notions of control and beneficial interest have been treated by the Companies' legislation but there is no requirement to disclose information about the ultimate beneficial owners.

##### (ii) Disclosure requirements for Oil & Gas companies

There are no obligations or restrictions on the disclosure of beneficial ownership information by the Government, state-owned enterprises and private companies under the current Petroleum Legislation.

Private operators in the Seychelles oil and gas sector are wholly owned by listed companies which would not be subject to beneficial ownership disclosure. Afren Plc and WHL Energy Ltd, which owns Petroquest International, are publicly listed companies. Foreign government owned enterprises for which disclosure of ownership details should not present too much difficulty with regards to beneficial ownership disclosure.

#### 3.6.3. Beneficial ownership declaration

MSG decided that extractive companies should submit beneficial ownership declarations as presented in Annex 1. Accordingly, the following information should be made available:

- **name of beneficial owner:** full name(s) of the company's beneficial owner(s) and information on their identity;
- **name of any politically exposed person:** where any owner is also a 'politically involved person', this should be mentioned;
- **identifying details:** additional details are required in order to narrow down a beneficial owner to one individual;
- **contact:** a means of contacting the beneficial owner such as a business address;
- **means of control:** A description of how the beneficial owner and any politically engaged persons exercise control over the company. If there is a chain of companies between the beneficial owner and the natural resource asset, for example, this would mean the name of every company within the chain. In some cases, there may be an additional link, such as a private agreement between the beneficial owner and the owner of the last company in the chain, in which case this additional link should also be declared. Third parties should then be in a position to verify some, if not all, information declared in the shareholder registers; and



- **signed statement of accuracy:** a senior official from the company should sign a statement to confirm that the information provided is accurate.

The table below summarises the information on beneficial ownership submitted by the reporting entities:

Ownership as at 31 December 2014	N°	Name/Entity	% Interest	Nationality of the owner	Stock exchange Listed entity (yes/no)	Stock exchange (if the company's shares are quoted)
Japan Oil Gas and Metals Corporation (JOGMEC)	1	Government of Japan	100%	Japan	No	No
Ophir Seychelles	2	Ophir Energy plc	100%	British	Yes	London Stock Exchange
GX Technology	3	NC	NC	NC	NC	NC
East African Exploration Seychelles Limited and AVANA Petroleum Limited (EAX)	4	NC	NC	NC	NC	NC
PetroQuest International Incorporated	5	NC	NC	NC	NC	NC
Adamantine Energy Limited	6	NC	NC	NC	NC	NC
Rhino Resources	7	NC	NC	NC	NC	NC

NC: not communicated

Further detail on the data submitted is presented in Section 2.4 of this report.

## 4. DETERMINATION OF THE RECONCILIATION SCOPE

The EITI Standard defines materiality as follows: "Payments and revenues are considered material if their omissions or misstatements could significantly affect the comprehensiveness of the EITI Report."

### 4.1. Analysis of payment flows and information to be reported

The financial flows to be included in the reconciliation and the Government Entities and Companies which were required to report were determined by MSG based on the scoping study performed prior to the reconciliation work.

The description of each payment flow detailed below is set out in Appendix 2 of this report.

#### 4.1.1. Common taxation analysis (tax revenue streams)

The Seychelles Revenue Commission (SRC) is part of MFTBE and is responsible for the collection of tax revenue streams. The list of taxes collected by SRC from the extractive sector (Oil & Gas) as identified during the review of existing tax regulations and interviews carried out with Government Entities is as follows:

Ref.	Payment flows
<b>Payments to Seychelles Revenue Commission (SRC)</b>	
3.1	Petroleum Income Tax
3.2	Petroleum Additional Profits Tax
3.4	Corporate Social Responsibility Tax (CSR)
3.5	Withholding taxes
3.8	Penalties
3.9	Income & Non-Monetary Benefits Taxes
3.13	Other material payments to SRC
<b>Payments to Registrar General (RG)</b>	
4.1	Stamp duties

In the case of State Owned Enterprises involved in the petroleum sector which have been identified from applicable laws, the following income streams apply to these entities and should be added to the above list:

Ref.	Payment flows
<b>Payments to Seychelles Revenue Commission (SRC)</b>	
3.3	Business taxes
3.6	Dividend Taxes
3.7	Value Added Tax (VAT)
3.10	Custom Duties
3.11	Excise Duties

While exemption from Business Taxes and VAT was confirmed for SEYPEC in the existing legislation, it could not be established for other State Owned Enterprises involved in the Petroleum Sector, namely PetroSeychelles and Societe Seychelloise d'Investissement.

MSG decided to include all the identified tax revenue streams in the scope for the years 2013 and 2014 EITI Report without applying a materiality threshold.

#### 4.1.2. Oil and Gas payments analyses (non-tax revenue streams)

According to EITI Requirement 4.2 a) the EITI report must provide a comprehensive reconciliation of government revenues and company payments, including payments to and from state-owned enterprises in accordance with the agreed scope.

MSG has decided to include the 3 SOEs which may receive and make payments in relation to the Petroleum sector.

### Payment flows to PetroSeychelles

MSG has decided to include eight (8) categories of non tax revenue streams payable to PetroSeychelles by petroleum companies that are summarised as follows:

Ref.	Payment flows
<b>Payment/revenues in cash</b>	
<b>Payments to PetroSeychelles</b>	
2.1	Sale of Data Package
2.2	License Fees
2.3	Application fee
2.4	Annual Rentals
2.5	Annual contributions
2.6	Profit commission on sale of data by exploration companies

### Payment flows to SEYPEC and to SSI

According to EITI Requirement 4.2 a), the EITI report must provide a comprehensive reconciliation of government revenues and company payments, including payments to and from state-owned enterprises in accordance with the agreed scope

MSG has decided to include all payment flows identified from dividends paid by extractive companies to SEYPEC and SSI.

Ref.	Payment flows
<b>Payment to State Owned Enterprises (SOEs)</b>	
8.1	Dividends

### Payment flows to the Ministry of Finance

The Government of Seychelles through MFTBE owns the equity of Societe Seychelloise d'Investissement (SSI) which is the holding company for all SOEs in the petroleum Sector, namely SEYPEC and PetroSeychelles.

Schedule 1 (section 47) of the Public Enterprise Monitoring Commission Act (2013) confirms that the Minister of Finance is the minister responsible for SSI. So it is expected that SSI pays dividends to MFTBE.

MSG has decided to include the following two (2) revenue streams:

Ref.	Payment flows
<b>Payments to Ministry of Finance (MFTBE)</b>	
5.1	Dividends from State Owned Enterprises
5.2	Exploration fees

### Payment flows to Seychelles Revenue Commission

MSG has decided to include two (2) category of non tax revenue stream payable to SRC by petroleum companies as follows:

Ref.	Payment flows
<b>Payment/revenues in kind</b>	
<b>Payments to SRC</b>	
1.1	Royalties
<b>Payment/revenues in cash</b>	
<b>Payments to SRC</b>	
3.12	Royalties

### 4.1.3. Transfers from SOEs

According to MSG's decision, the revenue streams in the reconciliation scope include all transfers made or reported by SOEs to the Government Entities during the fiscal years 2013 and 2014. Accordingly the payments below have been selected in the reconciliation scope:

Ref	Payment flows
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	
3.1	Petroleum Income Tax
3.2	Petroleum Additional Profits Tax
3.3	Business taxes
3.4	Corporate Social Responsibility Tax (CSR)
3.5	Withholding taxes on payments
3.6	Dividends Taxes
3.7	Value Added Tax (VAT)
3.8	Penalties
3.9	Income & Non-Monetary Benefits Tax
3.10	Custom Duties
3.11	Excise Duties
3.12	Other material payments to SRC
<b>4- Payments to Registrar General (RG)</b>	
4.1	Stamp duties
4.2	Other material payments to RG
<b>5- Payments to Ministry of Finance (MFTBE)</b>	
5.1	Dividends from State Owned Enterprises
5.2	Exploration fees
5.3	Other material payments to MFTBE

### 4.1.4. Other information to be reported

#### (i) Infrastructure provisions and barter arrangements

According to interviews conducted during the scoping study, no payment flows related to barter arrangements involving infrastructure works as set out in EITI Requirement 9 (f) have been identified. However, companies were required to disclose infrastructure or barter arrangements as decided by MSG:

Ref.	Payment flows
<b>Infrastructure provisions and barter arrangements</b>	
7.1	Total budget of the Engagement/Project
7.2	Value of engagements/project incurred during the year
7.3	Cumulated value of engagements/project incurred until the end of 2013

#### (ii) Social payments

These consist of all contributions made by extractive companies to promote local development and to finance social projects in line with Requirement 4.1 (e) of the EITI Standard. The EITI Standard require multi-stakeholder group 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 may include 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. As mandatory social expenditure, the

Corporate Social Responsibility Tax (CSR) is already part of the reconciliation scope as presented in Section 4.1.1 of this report.

According to MSG's decision the extractive companies were required to report the social payments in the 2013-2014 SEITI report through unilateral disclosure of extractive companies, in addition to distinguishing between the two types of social payments (mandatory and voluntary) in case companies paid any social expenditure different from the mandatory Corporate Social Responsibility Tax (CSR). These payments can be summarised as follows:

N°	Payment flows
4.1	Voluntary Corporate Social Responsibility
4.2	Mandatory Social Responsibility

### **(iii) Quasi fiscal expenditures**

According to EITI Requirement 3.6 b) the multi-stakeholder group is required to develop a reporting process to disclose quasi-fiscal expenditures from state-owned enterprises such as payments for social services, public infrastructure and national debt servicing. MSG decided to include these payments through unilateral reporting from state-owned companies.

### **(iv) Other significant payment flows**

To avoid omissions that may be considered significant, MSG decided to insert a line entitled "Other significant payment flows" has been included in the reporting template for extractive companies and Government Entities to report any significant payments including any payment flow which is not expected in the reporting templates.

### **(v) Production volumes and value**

According to EITI Requirement 3.5 b), the EITI report must disclose total export volumes and the value of exports by commodity, and when relevant, by state/region of origin.

Since there are active petroleum agreements during the financial years 2013 and 2014, Companies selected in the EITI reconciliation scope were requested to disclose by MSG's decision, exports for the reconciliation period in the reporting templates by value, by commodity and by country of destination .

### **(vi) Export volumes and value**

According to EITI Entities Requirement 3.5 (b), the EITI report must disclose total export volumes and the value of exports by commodity, and when relevant, by state/region of origin.

Since there are active petroleum agreements during the reporting periods FY2013 and FY 2014, Companies selected in the EITI reconciliation scope were requested by the MSG to disclose exports for the reconciliation period in the reporting templates by value, by commodity and by country of destination.

### **(vii) Number of employees**

According to EITI Requirement 3.5 (a), the EITI report must disclose, when available, information related to employment in the extractive sector in absolute terms and as a percentage of the total employment. MSG decided to disclose the number of domestic and foreign employees.

### **(viii) Public interest and State participation**

According to EITI Requirement 3.6, where State participation in the extractive industries gives rise to material revenue payments, the EITI report must include disclosures from the Government and State Owned Enterprises of their level of beneficial ownership in mining, oil and gas companies operating within the country.

In order to comply with the EITI requirements, MSG agreed to include state participation in the EITI scope of work for the year 2013-2014.

### (ix) Register of license

According to EITI Requirement 3.9, implementing countries are required to maintain a publicly available register or cadastre system. As a result, license details were included in the EITI report through unilateral reporting from government<sup>1</sup>.

#### 4.1.5. Financial flows for inclusion in 2013-2014 SEITI Report

According to the above, MSG decided to include the following flows in the 2013 and 2014 reconciliation scopes:

Ref	Flows description	Petroleum companies	Government Entities	
			SOEs	Government Agencies
<b>Payment/revenues in kind</b>				
<b>Payments to SRC/SOEs/Ministry</b>				
1.1	Royalties	✓	✓	N/A
1.2	Other payments out of production	✓	✓	N/A
<b>Payment/revenues in cash</b>				
<b>Payments to PetroSeychelles</b>				
2.1	Sale of Data Package	✓	✓	N/A
2.2	License Fees	✓	✓	N/A
2.3	Application fee	✓	✓	N/A
2.4	Annual Rentals	✓	✓	N/A
2.5	Annual contributions	✓	✓	N/A
2.6	Profit Commission on Sale of Data by Exploration Companies	✓	✓	N/A
2.7	Other material payments to PetroSeychelles	✓	✓	N/A
<b>Payments to Seychelles Revenue Commission (SRC)</b>				
3.1	Petroleum Income Tax (PIT)	✓	N/A	✓
3.2	Petroleum Additional Profits Tax (PAPT)	✓	N/A	✓
3.3	Business tax	N/A	✓	✓
3.4	Corporate Social Responsibility Tax (CSR)	✓	✓	✓
3.5	Withholding tax on payments	✓	✓	✓
3.6	Dividend Tax	N/A	✓	✓
3.7	Value Added Tax (VAT)	✓	✓	✓
3.8	Penalties	✓	✓	✓
3.9	Income & Non-Monetary Benefits Tax	✓	✓	✓
3.10	Custom duties	N/A	✓	✓
3.11	Excise duties	N/A	✓	✓
3.12	Royalties	✓	✓	✓
3.13	Other material payments to SRC	✓	✓	✓
<b>Payments to Registrar General (RG)</b>				
4.1	Stamp duties	✓	✓	✓
4.2	Other material payments to RG	✓	✓	✓
<b>Payments to Ministry of Finance (MFTBE)</b>				
5.1	Dividends from State Owned Enterprises	N/A	✓	✓
5.2	Exploration fees	✓	N/A	✓
5.3	Other material payments to MFTBE	✓	✓	✓
<b>Social Payments</b>				
6.1	Voluntary Social Responsibility	✓	N/A	N/A
6.2	Mandatory Corporate Social Responsibility	✓	N/A	N/A
<b>Infrastructure provisions and barter arrangements</b>				
7.1	Total budget of the Engagement/Project	✓	✓	✓

<sup>1</sup> <http://www.petroseychelles.com/index.php/blocks-licensing/currently-active-licenses>

Ref	Flows description	Petroleum companies	Government Entities	
			SOEs	Government Agencies
7.2	Value of engagements/project incurred during the year	✓	✓	✓
7.3	Cumulated value of engagements/project incurred until the end of year	✓	✓	✓
<b>Payment to State Owned Enterprises (SOEs)</b>				
8.1	Dividends	✓	✓	N/A
8.2	Other payments to SOEs	✓	✓	N/A

The description of each payment flow, rates and rules are set out in Annex 2 of this report.

#### 4.2. Extractive companies in the scope

Given the limited number of companies in the oil and gas sector, MSG decided to include all the operators, exploration partners and companies which have made payments without applying a materiality threshold.

On this basis, six (6) oil and gas private companies were included in the reconciliation scope for the financial year 2013 and seven (7) private companies for 2014. These companies are presented as follows:

N°	Company	FY 2013	FY 2014
1	GX Technology	✓	✓
2	East African Exploration Seychelles Limited and AVANA Petroleum Limited	✓	✓
3	PetroQuest International Incorporated	✓	✓
4	Adamantine Energy	✓	✓
5	Ophir Seychelles & PQI	N/A	✓
6	Rhino Resources	✓	✓
7	Japan Oil, Gas and Metals National Corporation	✓	✓
<b>Total</b>		<b>6</b>	<b>7</b>

MSG also decided to include the following state-owned enterprises which may have made payments out of the extractive industries to Government Entities:

N°	Central Agencies
1	PetroSeychelles
2	Societe Seycheloise d'Investissement
3	Seychelles Petroleum Company (SEYPEC)

#### 4.3. Government Entities in the scope

According to MSG's decision, the Government Entities that will be required to report for the 2013-2014 EITI Report are:

Government Agencies	
1	Ministry of Finance Trade and the Blue Economy (MFTBE)
2	Seychelles Revenue Commission (SRC)
3	Payments to Registrar General (RG)
State Owned Enterprises (SOEs)	
1	PetroSeychelles Ltd
2	Seychelles Petroleum Company Ltd (SEYPEC)

#### **4.4. Fiscal year**

The periods covered by the First Report for EITI Seychelles are the financial years 2013 and 2014.

Thus, payment flows and contributions made during the period from 1 January to 31 December 2013 and the period from 1 January to 31 December 2014 must be reported by companies and Government Entities in the first Seychelles EITI Report.

The date to be considered is the date mentioned on the flag receipt or the date of the cheque / bank transfer.



## 5. RECONCILIATION RESULTS

We present below detailed results of the reconciliation exercises, as well as differences noted between amounts paid by extractive companies and amounts received by Government Entities. 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 Entities

#### Reconciliation by Extractive Company

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

The table includes consolidated figures based on the reporting templates prepared by every extractive company and Government Entity, adjustments made by us following our reconciliation work and the residual, unreconciled differences.

For FY 2013:

Company		<i>Amounts in SCR</i>								
		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) = (a+d)	Govt (h) = (b+e)	Difference (i) = (g-h)
1	East African Exploration Seychelles Limited and AVANA Petroleum Limited	-	1,519,217	(1,519,217)	-	-	-	-	1,519,217	(1,519,217)
2	Ophir Seychelles & PQI	-	-	-	-	-	-	-	-	-
3	Adamantine Energy Limited	-	236,633	(236,633)	-	-	-	-	236,633	(236,633)
4	GX Technology	-	1,588,448	(1,588,448)	-	-	-	-	1,588,448	(1,588,448)
5	PetroQuest International Incorporated	-	754,842	(754,842)	-	14,285	(14,285)	-	769,127	(769,127)
6	Japan Oil, Gas and Metals National Corporation	-	-	-	-	-	-	-	-	-
7	Rhino Resources	-	-	-	-	-	-	-	-	-
<b>Subtotal 1</b>	<b>Revenues received from Private companies</b>	<b>-</b>	<b>4,099,140</b>	<b>(4,099,140)</b>	<b>-</b>	<b>14,285</b>	<b>(14,285)</b>	<b>-</b>	<b>4,113,425</b>	<b>(4,113,425)</b>
8	PetroSeychelles Ltd	3,507,239	3,408,625	98,614	(98,660)	-	(98,660)	3,408,579	3,408,625	(46)
9	Seychelles Petroleum Company Ltd (SEYPEC)	572,140,919	502,922,625	69,218,294	(568,540,919)	(499,322,625)	(69,218,294)	3,600,000	3,600,000	-
10	Societe Seychelloise D'Investissement Ltd (SSI)	130,806	129,006	1,800	(130,806)	(129,006)	(1,800)	-	-	-
<b>Subtotal 2</b>	<b>Transfers from SOEs</b>	<b>575,778,964</b>	<b>506,460,256</b>	<b>69,318,708</b>	<b>(568,770,385)</b>	<b>(499,451,631)</b>	<b>(69,318,754)</b>	<b>7,008,579</b>	<b>7,008,625</b>	<b>(46)</b>
	<b>Total</b>	<b>575,778,964</b>	<b>510,559,396</b>	<b>65,219,568</b>	<b>(568,770,385)</b>	<b>(499,437,346)</b>	<b>(69,333,039)</b>	<b>7,008,579</b>	<b>11,122,050</b>	<b>(4,113,471)</b>

## For FY 2014:

Amounts in SCR

No.	Company	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) = (a+d)	Govt (h) = (b+e)	Difference (i) = (g-h)
1	East African Exploration Seychelles Limited and AVANA Petroleum Limited	-	3,650,643	(3,650,643)	-	-	-	-	3,650,643	(3,650,643)
2	Ophir Seychelles & PQI	-	241,400	(241,400)	-	-	-	-	241,400	(241,400)
3	Adamantine Energy Limited	-	-	-	-	-	-	-	-	-
4	GX Technology	-	-	-	-	-	-	-	-	-
5	PetroQuest International Incorporated	-	-	-	-	-	-	-	-	-
6	Japan Oil, Gas and Metals National Corporation	-	-	-	-	-	-	-	-	-
7	Rhino Resources	-	127,778	(127,778)	-	-	-	-	127,778	(127,778)
<b>Subtotal 1</b>	<b>Revenues received from Private companies</b>	<b>-</b>	<b>4,019,821</b>	<b>(4,019,821)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,019,821</b>	<b>(4,019,821)</b>
8	PetroSeychelles Ltd	485,437	454,207	31,230	-	-	-	485,437	454,207	31,230
9	Seychelles Petroleum Company Ltd (SEYPEC)	599,639,666	539,101,604	60,538,062	(591,639,666)	(531,101,604)	(60,538,062)	8,000,000	8,000,000	-
10	Societe Seychelloise D'Investissement Ltd (SSI)	94,829	88,617	6,212	(94,829)	(88,617)	(6,212)	-	-	-
<b>Subtotal 2</b>	<b>Transfers from SOEs</b>	<b>600,219,932</b>	<b>539,644,428</b>	<b>60,575,504</b>	<b>(591,734,495)</b>	<b>(531,190,221)</b>	<b>(60,544,274)</b>	<b>8,485,437</b>	<b>8,454,207</b>	<b>31,230</b>
	<b>Total</b>	<b>600,219,932</b>	<b>543,664,249</b>	<b>56,555,683</b>	<b>(591,734,495)</b>	<b>(531,190,221)</b>	<b>(60,544,274)</b>	<b>8,485,437</b>	<b>12,474,028</b>	<b>(3,988,591)</b>

## Reconciliation by revenue stream

The table below shows the total payments reported by extractive companies and Government Entities, taking into account all adjustments:

### For FY 2013:

N°	Description of Payment	Templates originally lodged			Adjustments			Amounts in SCR Final amounts		
		Extractive company	Govt	Difference	Extractive company	Govt	Difference	Extractive company	Govt	Difference
		(a)	(b)	(c) = (a - b)	(d)	(e)	(f) = (d-e)	(g) = (a+d)	(h) = (b+e)	(i) = (g-h)
<b>1- Payments to SRC/SOEs/Ministry</b>										
1.1	Royalties in kind	-	-	-	-	-	-	-	-	-
1.2	Other payments out of production	-	-	-	-	-	-	-	-	-
<b>2-Payments to PetroSeychelles</b>										
2.1	Sale of Data Package	-	-	-	-	-	-	-	-	-
2.2	License Fees	-	-	-	-	-	-	-	-	-
2.3	Application fee	-	236,633	(236,633)	-	-	-	-	236,633	(236,633)
2.4	Annual Rentals	1,200,000	1,306,792	(106,792)	(1,200,000)	10,503	(1,210,503)	-	1,317,295	(1,317,295)
2.5	Annual contributions	-	-	-	-	971,049	(971,049)	-	971,049	(971,049)
2.6	Profit commission on sale of data by companies	-	1,588,448	(1,588,448)	-	-	-	-	1,588,448	(1,588,448)
2.7	Other material payments to PetroSeychelles	3,600,000	967,267	2,632,733	-	2,632,733	(2,632,733)	3,600,000	3,600,000	-
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>										
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	-	-
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	-	-
3.3	Business tax	-	-	-	-	-	-	-	-	-
3.4	Corporate Social Responsibility Tax (CSR)	9,921,186	-	9,921,186	(9,921,186)	-	(9,921,186)	-	-	-
3.5	Withholding tax on payments	34,419	327,741	(293,322)	(34,419)	(327,741)	293,322	-	-	-
3.6	Dividend Tax	-	-	-	-	-	-	-	-	-
3.7	Value Added Tax (VAT)	6,565,842	6,945,165	(379,323)	(6,565,842)	(6,861,350)	295,508	-	83,815	(83,815)
3.8	Penalties	-	-	-	-	-	-	-	-	-
3.9	Income & Non-Monetary Benefits Tax	1,030,023	4,982,232	(3,952,209)	(705,213)	(4,657,422)	3,952,209	324,810	324,810	-
3.10	Custom duties	-	226,161,062	(226,161,062)	-	(226,161,062)	226,161,062	-	-	-
3.11	Excise duties	540,422,539	265,044,056	275,378,483	(540,422,539)	(265,044,056)	(275,378,483)	-	-	-

N°	Description of Payment	Templates originally lodged			Adjustments			Final amounts		
		Extractive company	Govt	Difference	Extractive company	Govt	Difference	Extractive company	Govt	Difference
		(a)	(b)	(c) = (a - b)	(d)	(e)	(f) = (d-e)	(g) = (a+d)	(h) = (b+e)	(i) = (g-h)
3.12	Royalties	-	-	-	-	-	-	-	-	-
3.13	Other material payments to SRC	83,769	-	83,769	-	-	-	83,769	-	83,769
<b>4- Payments to Registrar General (RG)</b>		-	-	-	-	-	-	-	-	-
4.1	Stamp duties	-	-	-	-	-	-	-	-	-
4.2	Other material payments to RG	-	-	-	-	-	-	-	-	-
<b>5- Payments to Ministry of Finance (MFTBE)</b>		<b>3,000,000</b>	<b>3,000,000</b>	-	-	-	-	<b>3,000,000</b>	<b>3,000,000</b>	-
5.1	Dividends from SOEs	-	-	-	-	-	-	-	-	-
5.2	Exploration fees	-	-	-	-	-	-	-	-	-
5.3	Other material payments to MFTBE	3,000,000	3,000,000	-	-	-	-	3,000,000	3,000,000	-
<b>6- Federal Ministry of Environment</b>		<b>9,921,186</b>	-	<b>9,921,186</b>	<b>(9,921,186)</b>	-	<b>(9,921,186)</b>	-	-	-
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	-	-
6.2	Mandatory Corporate Social Responsibility	9,921,186	-	9,921,186	(9,921,186)	-	(9,921,186)	-	-	-
<b>Total payments</b>		<b>575,778,964</b>	<b>510,559,396</b>	<b>65,219,568</b>	<b>(568,770,385)</b>	<b>(499,437,346)</b>	<b>(69,333,039)</b>	<b>7,008,579</b>	<b>11,122,050</b>	<b>(4,113,471)</b>

## For FY 2014:

N°	Description of Payment	Templates originally lodged			Adjustments			Final amounts		
		Extractive company	Govt	Difference	Extractive company	Govt	Difference	Extractive company	Govt	Difference
		(a)	(b)	(c) =(a-b)	(d)	(e)	(f) = (d-e)	(g) = (a+d)	(h) = (b+e)	(i) = (g-h)
<b>1- Payments to SRC/SOEs/Ministry</b>										
1.1	Royalties in kind	-	-	-	-	-	-	-	-	-
1.2	Other payments out of production	-	-	-	-	-	-	-	-	-
<b>2-Payments to PetroSeychelles</b>										
2.1	Sale of Data Package	-	-	-	-	-	-	-	-	-
2.2	License Fees	-	-	-	-	-	-	-	-	-
2.3	Application fee	-	369,178	(369,178)	-	-	-	-	369,178	(369,178)
2.4	Annual Rentals	1,200,000	2,289,955	(1,089,955)	(1,200,000)	-	(1,200,000)	-	2,289,955	(2,289,955)
2.5	Annual contributions	-	-	-	-	1,360,688	(1,360,688)	-	1,360,688	(1,360,688)
2.6	Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	-	-
2.7	Other material payments to PetroSeychelles	8,000,000	9,360,688	(1,360,688)	-	(1,360,688)	1,360,688	8,000,000	8,000,000	-
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>										
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	-	-
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	-	-
3.3	Business tax	-	-	-	-	-	-	-	-	-
3.4	Corporate Social Responsibility Tax (CSR)	12,069,380	11,215,062	854,318	(12,069,380)	(11,215,062)	(854,318)	-	-	-
3.5	Withholding tax on payments	17,871	375,840	(357,969)	(17,871)	(318,090)	300,219	-	57,750	(57,750)
3.6	Dividend Tax	-	-	-	-	-	-	-	-	-
3.7	Value Added Tax (VAT)	5,808,227	8,513,996	(2,705,769)	(5,808,227)	(8,487,462)	2,679,235	-	26,534	(26,534)
3.8	Penalties	-	-	-	-	-	-	-	-	-
3.9	Income & Non-Monetary Benefits Tax	1,093,555	5,135,463	(4,041,908)	(629,457)	(4,765,540)	4,136,083	464,098	369,923	94,175
3.10	Custom duties	-	44,947,402	(44,947,402)	-	(44,947,402)	44,947,402	-	-	-
3.11	Excise duties	559,940,180	461,456,665	98,483,515	(559,940,180)	(461,456,665)	(98,483,515)	-	-	-
3.12	Royalties	-	-	-	-	-	-	-	-	-
3.13	Other material payments to SRC	21,339	-	21,339	-	-	-	21,339	-	21,339
<b>6- Social payments</b>										
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	-	-
6.2	Mandatory Corporate Social Responsibility	12,069,380	-	12,069,380	(12,069,380)	-	(12,069,380)	-	-	-
<b>Total payments</b>		<b>600,219,932</b>	<b>543,664,249</b>	<b>56,555,683</b>	<b>(591,734,495)</b>	<b>(531,190,221)</b>	<b>(60,544,274)</b>	<b>8,485,437</b>	<b>12,474,028</b>	<b>(3,988,591)</b>

## 5.2. Adjustments

### 5.2.1. Adjustments for FY 2013

#### (i) Extractive Company Adjustments

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

Adjustments to extractive company payments	Total Amount (in SCR)
Tax paid reported but outside the period covered (a)	(98,660)
Tax related to activity other than mining (b)	(568,671,725)
<b>Total added to amounts originally reported</b>	<b>(568,770,385)</b>

(a) This adjustment is related to an INMBT payment that was reported by PetroSeychelles but falling outside the reconciliation period FY 2013.

(b) These payments were reported by SEYPEC and SSI as transfers to SRC from extractive industries revenues. Both companies, however, did not collect any extractive revenues during 2013. These taxes are relating to non-extractive activities and are detailed as follows:

Payment stream	SEYPEC	SSI	Total
<b>2-Payments to PetroSeychelles</b>	<b>(1,200,000)</b>	-	<b>(1,200,000)</b>
2.4 Annual Rentals	(1,200,000)	-	(1,200,000)
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	<b>(557,419,733)</b>	<b>(130,806)</b>	<b>(557,550,539)</b>
3.4 Corporate Social Responsibility Tax (CSR)	(9,921,186)	-	(9,921,186)
3.5 Withholding tax on payments	(34,419)	-	(34,419)
3.7 Value Added Tax (VAT)	(6,565,842)	-	(6,565,842)
3.9 Income & Non-Monetary Benefits Tax	(475,747)	(130,806)	(606,553)
3.11 Excise duties	(540,422,539)	-	(540,422,539)
<b>6- Social payments</b>	<b>(9,921,186)</b>	-	<b>(9,921,186)</b>
6.2 Mandatory Corporate Social Responsibility	(9,921,186)	-	(9,921,186)
<b>Total for SEYPEC</b>	<b>(568,540,919)</b>	<b>(130,806)</b>	<b>(568,671,725)</b>

#### (ii) Adjustments to Government Entity templates

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

Adjustments to Government payments	Amount (in SCR)
Tax received not reported (a)	3,614,285
Tax related to activity other than mining (b)	(503,051,631)
<b>Total added to amounts originally reported</b>	<b>(499,437,346)</b>

(a) These are amounts that PetroSeychelles received and missed to report. These amounts are detailed as follows:

Company	Amount received not reported
PetroQuest International Incorporated	14,285
Seychelles Petroleum Company Ltd (SEYPEC)	3,600,000
<b>Total</b>	<b>3,614,285</b>

(b) These payments were reported by SRC as taxes received from SEYPEC and SSI and which are not related to extractive activities:

Revenue stream	SEYPEC (in SCR)	SSI (in SCR)	Total tax related to activities other than mining (in SCR)
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	<b>(502,922,625)</b>		<b>(503,051,632)</b>
Withholding taxes	(327,741)		(327,741)
Dividend Tax	-		-
Value Added Tax (VAT)	(6,861,350)		(6,861,350)
Income & Non-Monetary Benefits Tax	(4,528,416)	(129,006)	(4,657,422)
Custom Duties	(226,161,062)		(226,161,062)
Excise Duties	(265,044,056)		(265,044,056)
<b>Total</b>	<b>(502,922,625)</b>	<b>(129,006)</b>	<b>(503,051,631)</b>

### 5.2.2. Adjustments for FY 2014

#### (i) Extractive Company Adjustments

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

Adjustments to extractive company payments	Amount (in SCR)
Tax related to activities other than mining	(591,734,495)
<b>Total added to amounts originally reported</b>	<b>(591,734,495)</b>

These payments to SRC were reported by SEYPEC and SSI as an extractive transfers but these are not out of the upstream activities and should therefore be excluded:

Company	Tax related to activity other than mining
Seychelles Petroleum Company Ltd (SEYPEC)	(531,101,604)
Societe Seychelloise D'Investissement Ltd (SSI)	(88,617)
<b>Total</b>	<b>(531,190,221)</b>

**(ii) Adjustments to Government Entity templates**

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

Adjustments to Government payments	Total Amount (in SCR)
Tax related to activity other than mining <b>(a)</b>	(531,190,221)
<b>Total added to amounts originally reported</b>	<b>(531,190,221)</b>

(a) These payments were reported by SRC as taxes received from SEYPEC and SSI but they are considered as being not related to extractive industries:

Revenue stream	SEYPEC (in SCR)	SSI (in SCR)	Total tax related to activities other than mining (in SCR)
<b>Payments to Seychelles Revenue Commission (SRC)</b>	<b>(531,190,221)</b>	<b>(531,190,221)</b>	<b>(531,190,221)</b>
Corporate Social Responsibility Taxes (CSR)	(11,215,062)		(11,215,062)
Withholding taxes	(318,090)		(318,090)
Value Added Tax (VAT)	(8,487,462)		(8,487,462)
Income & Non-Monetary Benefits Tax	(4,676,923)	(88,617)	(4,765,540)
Custom Duties	(44,947,402)		(44,947,402)
Excise Duties	(461,456,665)		(461,456,665)
<b>Total</b>	<b>(531,101,604)</b>	<b>(88,617)</b>	<b>(531,190,221)</b>

**5.3. Unreconciled Differences****5.3.1 Unreconciled Differences for FY 2013**

Following our adjustments, unreconciled discrepancies of payments amounted to SCR (4,113,471) representing 37% of total payments received as reported by Government Entities. This is the sum of positive differences of SCR 83,769 and negative differences amounting to SCR 4,197,239.

These unreconciled differences can be analysed as follows:

	Total payments (in SCR)
Taxes not reported by SOEs <b>(a)</b>	(83,815)
Taxes not reported by Government Entities <b>(b)</b>	83,769
Reporting templates not submitted by extractive companies <b>(c)</b>	(4,113,425)
<b>Total differences</b>	<b>(4,113,471)</b>

**(a)** This difference relates to VAT transferred from PetroSeychelles to SRC and which has not been confirmed by PetroSeychelles.

**(b)** This difference relates to transfers by PetroSeychelles to SRC for which the latter did not confirm receipt.

**(c)** This unreconciled difference relates to four (4) companies which failed to submit their reporting templates. Due to the lack of feedback from reporting entities, these differences remain unreconciled. The receipts reported by Government Entities in respect of these companies amount to **SCR (4,113,425)** detailed as follows:



Company	Unreconciled difference (in SCR)
East African Exploration Seychelles Limited and AVANA Petroleum Limited	(1,519,217)
Adamantine Energy Limited	(236,633)
GX Technology	(1,588,448)
PetroQuest International Incorporated	(769,127)
<b>Total</b>	<b>(4,113,425)</b>

### 5.3.2 Unreconciled Differences for 2014

Following our adjustments, unreconciled discrepancies of payments amounted to SCR (3,988,591) representing 32% of total payments reported by Government Entities. This is the sum of positive differences of SCR 115,514 and negative differences amounting to SCR 4,104,105.

These unreconciled differences can be analysed as follows:

	Total payments (in SCR)
Taxes not reported by the Government Entity <b>(a)</b>	115,514
Taxes not reported by the extractive company <b>(b)</b>	<b>(325,684)</b>
Reporting template not submitted by the extractive company <b>(c)</b>	<b>(3,778,421)</b>
<b>Total differences</b>	<b>(3,988,591)</b>

**(a)** This difference relates to taxes paid by PetroSeychelles and not confirmed by SRC. These differences remain unreconciled.

Taxes	Amounts (in SCR)
Income & Non-Monetary Benefits Tax	94,175
Other material payments to SRC	21,339
<b>Total</b>	<b>115,514</b>

**(b)** This difference relates to application fee confirmed by PetroSeychelles and not by Ophir Seychelles for SCR 241,400 and to taxes received by SRC and not reported by PetroSeychelles for SCR 84,284. Due to the lack of feedback from reporting entities, these differences remain unreconciled:

Taxes	Amounts (in SCR)
Application fee	(241,400)
<b>Sub-total 1: Revenue confirmed by PetroSeychelles</b>	<b>(241,400)</b>
Value Added Tax (VAT)	(26,534)
Withholding taxes	(57,750)
<b>Sub-total 2: Revenue confirmed by SRC</b>	<b>(84,284)</b>
<b>Total</b>	<b>(325,684)</b>

**(c)** This unreconciled difference relates to three (3) companies which failed to submit their reporting templates. The receipts reported by Government Entities in respect of these companies are detailed as follows:

Company	Unreconciled difference <sup>7</sup> (in SCR)
East African Exploration Seychelles Limited and AVANA Petroleum Limited	(3,650,643)
Rhino Resources	(127,778)
<b>Total</b>	<b>(3,778,421)</b>

## 6. ANALYSIS OF REPORTED DATA

### 6.1. Analysis of Government revenues

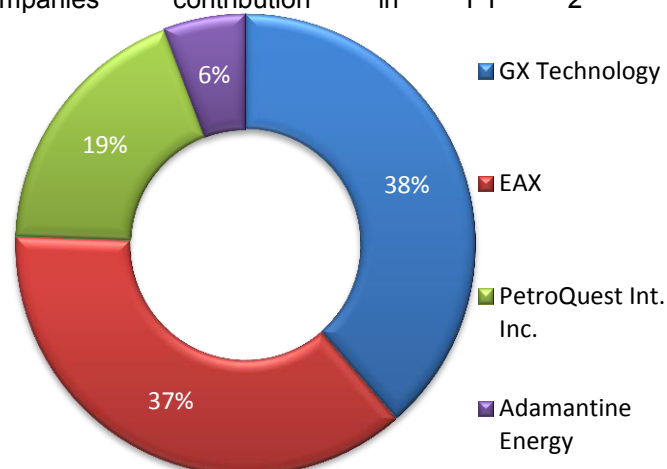
The reconciled Government revenues are the sum of receipts declared by PetroSeychelles only.

#### 6.1.1. Analyses of payments by companies' contribution

The analysis of Government revenues by companies' contribution in FY 2013 was:

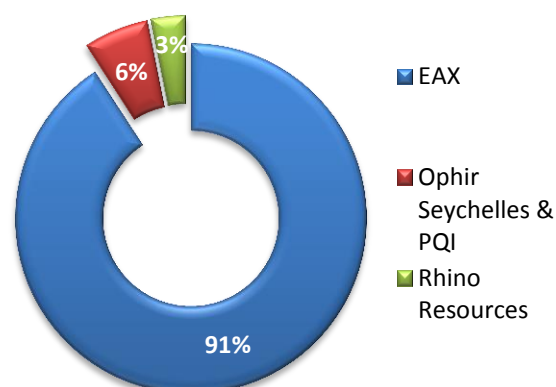
Company	Government receipts	% of total payment
GX Technology	1,588,448	38%
EAX	1,519,217	37%
PetroQuest Int. Inc.	769,127	19%
Adamantine Energy	236,633	6%
<b>Total</b>	<b>4,113,425</b>	

The analysis of Government revenues by companies' contribution in FY 2013 was:



014 was:

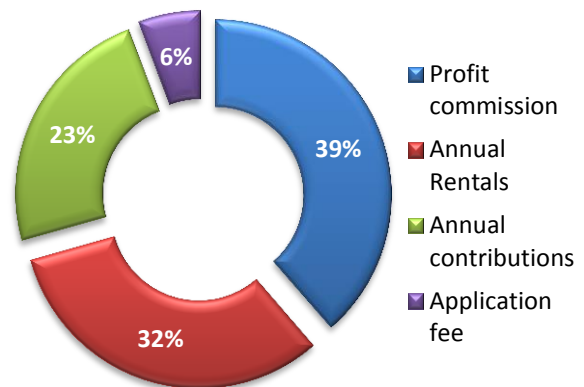
Company	Government receipts (SCR)	% of total payment
EAX	3,650,643	91%
Ophir Seychelles & PQI	241,400	6%
Rhino Resources	127,778	3%
<b>Total</b>	<b>4,019,821</b>	



## 6.2.2 Analysis of payments by contribution flows

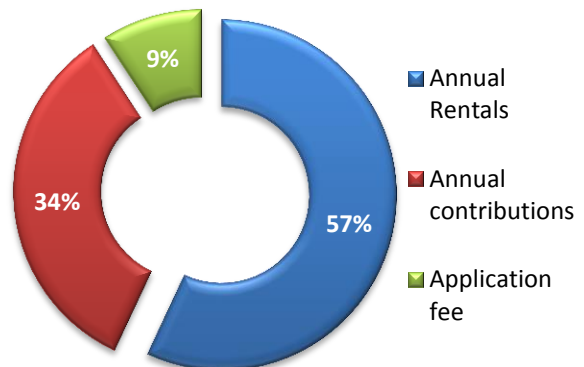
The analysis of Government revenues by tax contribution in FY 2013 was:

Taxes	Government receipts (SCR)	% of total payment
Profit commission	1,588,448	39%
Annual Rentals	1,317,295	32%
Annual contributions	971,049	23%
Application fee	236,633	6%
<b>Total</b>	<b>4,113,425</b>	



The analysis of Government revenues by tax contribution in FY 2014 was:

Taxes	Government receipts (SCR)	% of total payment
Annual Rentals	2,289,955	57%
Annual contributions	1,360,688	34%
Application fee	369,178	9%
<b>Total</b>	<b>4,019,821</b>	



## 6.2. Transfers from SOEs to the Government

The receipts and transfers made by SOEs to SRC and to the MFTBE are summarised as follows:

Transfers paid by	Transfers received by (in SCR)			
	SRC	MFTBE	PetroSeychelles Ltd	SSI
PetroSeychelles Ltd	408,625	3,000,000		-
Seychelles Petroleum Company Ltd (SEYPEC)			3,600,000	-
Societe Seychelloise D'Investissement Ltd (SSI)				-
<b>Total</b>	<b>408,625</b>	<b>3,000,000</b>	<b>3,600,000</b>	<b>-</b>

Transfers paid by	Transfers received by (in SCR)			
	SRC	MFTBE	RG	PetroSeychelles Ltd
PetroSeychelles Ltd	454,207	-	-	
Seychelles Petroleum Company Ltd (SEYPEC)		-	-	8,000,000
Societe Seychelloise D'Investissement Ltd (SSI)		-	-	
<b>Total</b>	<b>454,207</b>	<b>-</b>	<b>-</b>	<b>8,000,000</b>

The rules and regulations governing the transfers from SOEs to SRC are detailed in Section 4.1.3 and 3.2.9 of this report. The amounts paid by SOEs to SRC are detailed in Annex 3 and 4 of this report.

The transfers between SOEs and MFTBE summarised above are governed by the Agreement signed between the Government, SEYPEC and PetroSeychelles in order to assign to PetroSeychelles the relevant resources required to exercise its mandate. In accordance with the terms of this Agreement, the transfers are detailed below:

- (1) SEYPEC credited PetroSeychelles with the following amounts:
  - SCR 6,300,000 from the balance owned to PetroSeychelles from SEYPEC; and
  - £ 306,000 equivalent to SCR 5,300,000 (which represents payments of the licensing rounds).

The payment dates were:

Date	Amount (in SCR)
16 December 2013	3,600,000
20 January 2014	2,000,000
23 April 2014	2,000,000
2 July 2014	2,000,000
2 October 2014	2,000,000

The Ministry of Finance, Trade and Blue Economy granted an interest free loan amounting to SCR 3,000,000 to PetroSeychelles in April 2013. The latter reimbursed the loan before the end of 2013.

## 6.3. Agreements with extractive companies

In accordance with EITI Requirement 4.2 (d) "Infrastructure provisions and barter arrangements. The multi-stakeholder group and the Independent Administrator are required to consider whether

there are any agreements, or sets of agreements, involving the provision of goods and services, including loans, grants and infrastructure works, in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities.”

#### Agreement between JOGMEC and the Government:

The Government of Seychelles signed an agreement with JOGMEC for the joint survey programme offshore Seychelles on 30 August 2013.

The government through PetroSeychelles provided assistance, as necessary, to JOGMEC and Contractors in obtaining authorisations and exemptions for the smooth running of the Survey, including:

- obtaining exemptions from customs duties and taxes in respect of personal effects brought into the Republic of Seychelles for reasonable use by the personnel of JOGMEC and Contractors; and
- obtaining exemption from any duties, taxes and/or levies, which might be imposed by any governmental authority in the Republic of Seychelles on JOGMEC or Contractors or their personnel for carrying out the Survey.

#### Agreement between GXT and the Government:

The Government through SEYPEC signed an agreement with GXT on 6 September 2008 in order to work together on a joint project to conduct that part of the East Africa SPAN seismic programme in the waters of Seychelles.

SEYPEC approved the project and grant exclusive rights to GXT to licence non-exclusive, perpetual licences to use the seismic data to licensees in consideration of payments as specified. This exclusive right, which shall not be assigned to any third party, was granted for a period of 10 years from the above date. At the expiry of the exclusivity period, the data recorded, in compliance with all applicable laws and regulations of Seychelles, shall become the property of SEYPEC.

## 6.4. Government Participation in the extractive industry

In accordance with the data collected, SEYPEC declared the following full paid equity holdings:

Extractive Company /Joint Venture	Level of ownership at 01/01/2013	Level of ownership at 01/01/2014	Level of ownership at 31/12/2014	Nature of the transaction	In case of change in the % interest	
					Value of the transaction in (SCR) during both reporting periods 2013 and 2014	Beneficiary of the transaction (counterparty)
Afren PLC	0.3349%	0.332%	0.332%	Share Acquisition	24,309,508.43	Black marlin Energy Holding Ltd
WHL Energy LTD	3.00%	3.0%	3.9%	Share Acquisition	38,376,509.31	WHL Energy LTD

Further detail on the state participation in the extractive industries is presented in Section 3.2.8 of this report.

## 7. RECOMMENDATIONS

### 7.1. Oil and Gas Contract Disclosure

The Petroleum Mining Act 1976 in paragraph 6 of Schedule (Section 5) states that: “Every application, and any information furnished therewith, shall be submitted by the Minister to the Government for final decision and all such information shall be treated as confidential”. Moreover, some of the existing Oil and Gas contracts contain a confidentiality provision which prevents the public disclosure of contractual information by both SOEs and the operators as follows:

- Article 6, paragraph 5 of GXT Agreement states:” *Unless otherwise agreed or required by the terms of this Agreement, Parties to the Agreement shall keep all matter pertaining to it confidential.*”
- Article 7, paragraph 2 of Ophir Petroleum Agreement states:” *Unless otherwise agreed or required by the term\* of this Agreement, Parties to the Agreement shall keep all matters pertaining to it confidential.*”

*Disclosure of petroleum contracts would be relevant for EITI when it involves payments or benefits to the Government or involves the State’s participation. The Government may encounter this issue in seeking waivers of the confidentiality provisions in the petroleum contracts and would need to consult with the operators to clarify their disclosure obligations with respect to such information.*

*Since the Government has started the implementation of the EITI process, an important follow-up step would be to introduce contract waivers to these agreements in order to address the confidentiality restrictions in the petroleum agreements and to seek participation of Oil and Gas companies as part of MSG.*

### 7.2. Comprehensiveness of EITI Scope

EITI Requirement 4 provides for the production of a comprehensive EITI report that includes full government disclosure of extractive industries revenues, and disclosure of all material payments to government by oil, gas and mining companies. Both ToR of the MSG and of the Independent Administrator have limited the scope of the Seychelles EITI to include the petroleum sector only.

*To ensure compliance with EITI Requirement 4, we recommend that the EITI process includes all extractive industries as defined by the Standard, this should include the mining sector and mineral water extracted from boreholes, in the scope of future EITI reports.*

*MSG should also endeavour to improve MSG’s ToR as well as that of the Independent Administrator by altering its name from “Petroleum MSG” to “MSG” and by widening the workplan and the EITI activities to include all extractive sectors and by removing any limitations of information access to the oil and gas sector.*

The EITI standard encourages innovations and actions by MSG which exceed the basic EITI requirements, notably actions which seek to deepen and widen the EITI scope in the country.

*In this respect, we propose considering the possibility of extending the scope to primary sectors such as the fisheries sector, given its importance to the economy.*

### 7.3. Fiscal regime for State Owned Enterprises

The Business Tax Act 2009 is applicable to taxable income of a business which is defined in Section 2 of the Act 2009 to include any commercial or profit making venture, or any venture in the nature of trade carried on by a person but does not include an occupation as an employee.

PetroSeychelles is a company incorporated under the Companies Act 1972 and is collecting part of its revenues from sales of data package to exploration companies and profit commission on sale of data by exploration companies. The scope of the Business Tax Act 2009 covers therefore, if not all, part of the activity of PetroSeychelles.

In the course of our review of the audited financial statements of PetroSeychelles, we note that reference is made to schedule II of the Business Tax Act 2009 exempting PetroSeychelles from business tax. The Act 2009 only confers exemption to Seychelles National Oil Company (SNOC), from paying business taxes. We further note that SNOC has been liquidated. As schedule II of the Business Tax Act makes no explicit mention of PetroSeychelles as being exempted, the latter is still liable to pay business taxes.

*We recommend that the legislation governing the tax regime for State Owned Enterprises is updated to leave no ambiguity with regards to the taxes applicable and exemptions to newly created entities.*

#### 7.4. Lack of formalisation with regards to governance and management

In accordance with Recommendation 10 of the International Advisory Group report, the EITI should establish a multi-stakeholder Board, supported by a Secretariat, to manage EITI at the international level and the paragraph 4.28 states that the Chair should, with the support as appropriate of Board members and other relevant parties, be responsible for the appointment and supervision of Head of the Secretariat, including operational guidance and performance review. However, we note that the Seychelles MSG has yet to formalise the following: Moreover, the Article 2.4 of the ToR of the MSG states that the “National EITI Secretariat office falls under the Division of External Finance and Management at the Ministry of Finance Trade and Blue Economy”. However, MSG has yet to nominate the Head of Secretariat, who is responsible for the day-to-day management of EITI activities.

In addition, MSG meetings are not systematically documented by minutes detailing the agenda, decisions and action plans decided.

*We recommend that all decisions of the Seychelles MSG are made official and are systematically documented in the minutes. These minutes should be signed by all members in order to endorse those decisions.*

*MSG should also appoint a Head of Secretariat officially.*

#### 7.5. Lack of standard financial reporting framework

Our review of the financial statements of the SOEs proposed in the reconciliation scope indicates that SOEs do not follow standard framework for the preparation of financial reports.

While PetroSeychelles and SEYPEC prepared their 2013 and 2014 financial statements in compliance with the Companies Act 1972 and IFRS, SSI prepared its financial statements following the provisions of Companies Act 1972 only.

*In order to improve comparability and usefulness of information, we recommend that financial statements are made to follow a standard framework. This can only be achieved if the Ministry of Finance imposes such rules to SOEs.*

#### 7.6. Regulation and engagement of stakeholders with EITI Seychelles

The existing legal framework governing the extractive sector in Seychelles reveals the lack of any regulations compelling companies to comply with the reporting requirements of the EITI process.

*We recommend that Seychelles EITI Secretariat puts in place the legal framework enforcing sanctions against parties which fail to cooperate with the EITI reconciliation process requirements. This measure would encourage more participants to assist and work alongside the Seychelles EITI Secretariat's endeavours in raising awareness regarding the importance of the reconciliation process.*

*This legal framework may include setting up an EITI Act or signing a memorandum of understanding with a view of obtaining firm commitments from extractive companies to disclose information required for the EITI process in Seychelles.*



### 7.7. Lack of revenue flows to the environmental fund from extractive companies

The Constitution of the Republic of Seychelles 1993, stipulates that the State owns all underground water or not extracted oil or minerals of any kind or description.

In view of the above, the principal sources of income generated for local communities are from employment in fisheries, agriculture sectors and related activities. All these key sectors in Seychelles are critically dependent on a healthy ecological environment. Although the Model Petroleum Agreement includes health, safety and environmental regulations, revenues collected from the extractive industry do not include any contribution to the administrative costs incurred by the Ministry of Environment or any contribution to any environmental fund that may be of benefit to ecological projects around the areas covered by Petroleum Agreements and licenses.

*An environmental fund may enable the Authority responsible for the environment to follow the activities of extractive companies in order to ensure that safety standards and procedures are properly implemented within the exploration and exploitation areas. Such fund may also be used to recover the administrative costs of the Environmental Impact Assessments and to develop methods and projects to protect living resources of the sea, prevent pollution, water contamination; provide for safe disposal of waste, especially of drill cuttings and mud.*

### 7.8. MSG communication

In accordance with Requirement 1.3 g), ‘The multi-stakeholder group should undertake effective outreach activities with civil society groups and companies, through media such as websites and letters, informing stakeholders of the government’s commitment to implement the EITI programme in the country, the central role of companies and civil society organisations, as well as the wide dissemination to the public of information which results from the EITI process, including the EITI Report.’

*We recommend that the MSG workplan includes a proven and practical action plan in order to create awareness about the EITI Programme in Seychelles.*

### 7.9. Lack of skilled resources at government level

Government Entities responsible for collecting tax and non-tax revenues from the extractive sector currently lack the necessary skills to conduct proper follow up and verification of the companies’ tax liabilities for any possible reassessment.

We also note a current lack of funding to cover the cost of conducting fieldwork verification of amounts of non-tax revenues collected by PetroSeychelles relating to the agreements signed with companies, in order to ensure full compliance and fulfilment of their entire financial obligations as set out in the Terms of Agreement.

*SRC and PetroSeychelles should ensure that both technical and financial capacities exist in order to be able to implement spot-checks and verification of companies. Part of their respective revenues may be allocated to assessment purposes as well as a capacity building program and training on tax verification for key officials shall be planned.*

### 7.10. Incomplete EITI Database

During the reconciliation exercise, we found that the database of extractive companies maintained by the Seychelles EITI Secretariat is incomplete and misses information such as contact details, addresses and TIN Numbers. We also note that the contact details of several focal points are missing.

This is due to the lack of formal communication between Government Entities with regards to the extractive companies operating in the oil and gas sector. In some cases contacting extractive companies can be a real challenge as they are not based in Seychelles and no contact details are available.

*We recommend that, in the first instance, the Secretariat should update its database following this reconciliation exercise. The Secretariat should then liaise with all relevant Government Entities to ensure it obtains relevant information regularly and updates its database accordingly. To this end, we believe it is vital that any new entrants to the Oil and gas sector are registered with the EITI Secretariat as part of the process as they obtain their licence or agreement. A review with PetroSeychelles of the list of extractive is also recommended.*

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

#### **7.11. Government Audit**

We held a meeting with the Auditor General and discussed the possibility of certifying government figures to be submitted on the EITI reporting templates. The latter confirmed that it would be possible to give the necessary form of assurance, provided he is granted adequate time.

However, as the audit report of the 2014 financial statements of Government Entities are not yet finalised, the certification of the reporting templates for the year 2014 would not be possible before the end of the year 2015.

*We recommend that MSG arranges for a timely request to be made to OAG in order that the latter is in a position to plan and to give its opinion on the reporting template for the 2013/2014 reconciliation.*

*We also recommend for the future that OAG should be invited to the workshop during which the templates and the reporting guidelines are presented.*

*We further recommend that OAG provides a letter of confirmation on the accuracy of the EITI declarations with audited government accounts.*

#### **7.12. Private and State Owned Enterprises Audit**

In order to ensure the credibility of data that will be reported by extractive companies, we recommend the following procedures;

##### Management representation

Companies should be asked to provide a letter from a designated management team member to make representations about the accuracy of the figures provided for the EITI reconciliation. This would ensure that the information may be relied upon.

##### Audit confirmation

The credibility of the Seychelles EITI process would be enhanced by improving the evidence of audit of the figures submitted by companies for reconciliation. It is common practice in a number of countries for the EITI reporting templates for companies to be signed off by the company's auditor.

Currently such practices are not in place and MSG has not foreseen any such practice.

*We therefore recommend that all extractive companies comply with this practice and ensure that their auditors submit an opinion on the data provided in the reporting templates.*

*Prior to the start of the reconciliation phase, MSG should inform these companies of this practice and encourage that their auditors make the necessary certification, despite the additional costs that it may bear.*

### 7.13. Licenses register

The EITI Standard requires implementing countries to maintain a publicly available register or cadastre system(s) with up to date and comprehensive information regarding each of the licenses granted to extractive companies. This information includes:

- i. name of license holder(s);
- ii. coordinates of the license 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.

We note that the licences register made available on the website of PetroSeychelles<sup>8</sup> did not include the dates of application.

*We recommend that all information stipulated by the EITI Standard is included in the Licenses register in order to ensure that all records are kept up to date. This would then allow reports of all licensed operators, with relevant details, to be easily generated for EITI and other purposes. An online cadastral system should also be made available to the public, which should include information on coordinates of concessions as well as fees paid.*

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<sup>8</sup> <http://www.petroseychelles.com/index.php/blocks-licensing/currently-active-licenses>

## ANNEXES

## Annex 1: Reporting templates



This Template is addressed only to extractive companies

### 1. Identification sheet

Full legal name of the company

Legal status

Date of company incorporation

Tax Identification Number (TIN)

Company's Share Capital (in SCR/USD/other currency)

Business Address

Company activity	Activity	Activity type	% of the turnover
	Extractive activity		
	Other activity		
	Other activity		
Total			0% <i>Total should be 100%</i>

Employment during the year	Average number of direct domestic employees	
	Average number of direct domestic employees (Non	
	Average number of direct foreign employees	
	Number of employees	0

Licence details	Licence number or Blocks awarded	Type	Commodity extracted/Explored in Seychelles	Issue date	Duration	Status	Region

Reporting template prepared by

Email address

Position

Tel.

Please state if the last financial statements have been

Name of the last financial statements Auditor

#### Management sign-off

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity/s is true and fair to the best of my knowledge.

Name

Position

Signature



This Template is addressed to extractive companies and government entities

## 2. Summary Reporting Template

Name of the Entity	0		
Tax Identification Number (TIN)	0		
Reporting template prepared by	0	Position	0
Email address	0	Tel.	0

Ref.	Type of payment/Revenue	Amount Paid to/Received (SCR)	Comments
<b>Payment/revenues in kind</b>			
<b>Payments to State Owned Companies (SOC)/Ministry</b>			
1.1	Royalties		
1.2	Other payments out of production		
<b>Payment/revenues in cash</b>			
<b>Payments to PetroSeychelles</b>			
2.1	Royalties paid		
2.2	License Fees		
2.3	Application fee		
2.4	Annual Rentals		
2.5	Annual contributions		
2.6	Profit commission on sale of data by exploration companies		
2.7	Sale of Data Package		
2.8	Other material payments to PetroSeychelles		
<b>Payments to Seychelles Revenue Commission (SRC)</b>			
3.1	Petroleum Income Tax		
3.2	Petroleum Additional Profits Tax		
3.3	Business tax		
3.4	Corporate Social Responsibility Tax (CSR)		
3.5	Withholding tax on payments		
3.6	Dividend Tax		
3.7	Value Added Tax (VAT)		
3.8	Penalties		
3.9	Income & Non-Monetary Benefits Tax		
3.10	Custom duties		
3.11	Excise duties		
3.12	Other material payments to SRC		
<b>Payments to Registrar General (RG)</b>			
4.1	Stamp duties		
4.2	Other material payments to RG		
<b>Payments to Ministry of Finance (MoF)</b>			
5.1	Dividends from State Owned Companies		
5.2	Exploration fees		
5.3	Other material payments to MoF		
<b>Social Payments</b>			
6.1	Voluntary Social Responsibility		
6.2	Mandatory Corporate Social Responsibility		
<b>Infrastructure provisions and barter arrangements</b>			
7.1	Total budget of the Engagement/Project		
7.2	Value of engagements/project incurred during the year		
7.3	Cumulated value of engagements/project incurred until the end of the year		
<b>Payment to State Owned Companies (SOC)</b>			
8.1	Dividends from Petroleum Companies		
8.2	Other payments to SOC		

### Management sign-off

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity's is true and fair to the best of my knowledge

Name \_\_\_\_\_

Position \_\_\_\_\_

Signature \_\_\_\_\_



This Template is addressed to extractive companies and government entities

### 3. Payment flow details (by receipt number)

Name of the company	
---------------------	--

Payment description / tax name	Date	Receipt No.	Amount in (SCR)	Name of the Government Agency receiving the payment	Comments if any
<b>Total</b>			<b>0</b>		

Please feel free to add more lines to this table

**Management sign-off**

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity/s is true and fair to the best of my knowledge.

**Name** \_\_\_\_\_

**Position** \_\_\_\_\_

**Signature** \_\_\_\_\_



This Template is addressed only to extractive companies

## 4. Details of social payments

### A. Social contributions mandated by law or the contract

Name and position of beneficiary	Payments in cash		Payments in kind (Project)		Reference of Law or contract
	Amount (SCR)	Date	Description of the contribution in kind	Cost incurred during the year	
<b>Total</b>	<b>0</b>			<b>0</b>	

### B. Voluntary social contributions

Beneficiary	Payments in cash		Payment in kind	
	Amount (SCR)	Date	Description of the contribution in kind	Cost incurred during the year
<b>Total</b>	<b>0</b>			<b>0</b>

#### Management sign-off

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity/s is true and fair to the best of my knowledge.

Name \_\_\_\_\_

Position \_\_\_\_\_

Signature \_\_\_\_\_





This Template is addressed only to extractive companies

## 5. Production details

Month	Mineral Type	Royalty (SCR)	Quantity (Amount)	Quantity (Unit)	Value of the production (in SCR)	License Number/Bloc	Comment
<b>Total</b>			<b>0</b>		<b>0</b>		

Please feel free to add more lines to this table

### Management sign-off

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity's is true and fair to the best of my knowledge.

Name

Position

Signature



This Template is addressed to extractive companies and SRC

## 6. Details of export

Month	Mineral Type	Quantity (Tons)	FOB Value (SCR)	Country of destination
<b>Total</b>		-	-	

Please feel free to add more lines to this table

Management sign-off

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity/s is true and fair to the best of my knowledge.

Name

Position

Signature



This Template is addressed only to extractive companies

## 7. Beneficial ownership

Ownership as at 31 December 2014	N°	Name/Entity	% Interest	Nationality of the owner	Stock exchange Listed entity (yes/no)	Stock exchange (if the company's shares are quoted)	Owner (if the company's shares are not quoted)
State Owned	1						
% of private ownership	1						
	2						
	3						
				0%	The total should be 100%		

\* The declaration below is intended only for the Private Shareholders not listed

Private stackholder (1) :

Identity of the beneficial owner	Information about how ownership is held or control over the company is exercised					Date when beneficial interest was acquired	Means of contact
	By shares		By % of voting rights		Other		
1						[date]	[residential/service address]
[Full name as it appears on national identify card]							[other contact details]
[Date of birth and/or national identify number]							
[Nationality]							
[Country of residence]	[number of shares]	[% of shares]	[% of direct voting rights]	[% of indirect voting rights]	[Where control over the company is exercised through other means, details should be provided here.]		

Are any of the beneficial owners a Politically Exposed Person (PEP)\*\* ?

Yes. Name: \_\_\_\_\_ Public office position and role: \_\_\_\_\_ Date when office was assumed: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Date when office was left, if

No.

### Management sign-off

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity's is true and fair to the best of my knowledge.

Name

Position

Signature



This Template is addressed only to the Ministry of Finance and State Owned Companies having beneficial ownership in extractive companies

## 8. Public Interest

Extractive Company /Joint Venture	% Interest beginning of the year	% Interest at the end of the year	In case of change in the % interest				Engagements attached	
			Nature of the transaction	Value of the transaction in (SCR)	Terms of transaction (cash payments or loan ..)	Beneficiary of the transaction (counterparty)	State if there is responsibility to cover the project expenses ?	Terms attached

**Management sign-off**  
I acknowledge that all the information disclosed in this reporting template with regards to the above Entity's is true and fair to the best of my knowledge.

**Name** \_\_\_\_\_  
**Position** \_\_\_\_\_  
  
**Signature** \_\_\_\_\_



This Template is addressed to all Reporting Entities

## 9. Infra prov & Barter arrange

Description of the project	Location of the project	Terms of the Transaction			Terms of Transaction and legal basis (Ref of the Agreement, date of signature, etc.)
		Total budget of the Engagement/Project	Value of engagements/project incurred From the beginning of the year to the end of the year	Cumulated value of engagements/project incurred until end of the year	
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	

**Management sign-off**

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity's is true and fair to the best of my knowledge.

Name \_\_\_\_\_

Position \_\_\_\_\_

Signature \_\_\_\_\_



This Template is addressed only to State owned enterprises

## 10. Quasi-fiscal expenditures

Beneficiary Identity	Beneficiary Location	Cash Payments		In Kind payments (Projects)		Purpose of payment ("Resettlement" or "Sustainability")
		Amount (SCR)	Date	Description (activities undertaken, beneficiaries, objectives, outcomes ..)	#REF!	
<b>Total</b>		<b>0</b>			<b>0</b>	

According to EITI requirement 3.6 b) the multi-stakeholder group is required to develop a reporting process to disclose quasi-fiscal expenditures from State owned enterprises such as payments for social services, public infrastructure and national debt servicing. We propose to include these payments through unilateral reporting from State owned companies.

**Management sign-off**

I acknowledge that all the information disclosed in this reporting template with regards to the above Entity's is true and fair to the best of my knowledge.

Name \_\_\_\_\_

Position \_\_\_\_\_

## Annex 2: Taxes description

Ref	Payment flows	Description
<b>Payment/revenues in kind</b>		
<b>Payments to SRC/SOEs/Ministry</b>		
1.1	Royalties	The Government shall have the right to direct the Company to discharge its obligation to pay royalty to the Government by requiring it to deliver in kind to the Government a proportion of the Crude Oil, Natural Gas or Condensate won and saved equivalent to the amount of royalty due.
1.2	Other payments out of production	Any other payment made in kind to SOEs or to the Government
<b>Payment/revenues in cash</b>		
<b>Payments to PetroSeychelles</b>		
2.1	Sale of Data Package	Payment made by extractive company to the PetroSeychelles in exchange with data package that PetroSeychelles will share with the extractive company.
2.2	License Fees	This payment is made for the issuance, renewal and transfer of licenses.
2.3	Application fee	A processing fee paid when applying for a license
2.4	Annual Rentals	These are US\$10 during the first period; US\$15 during the second period; and US\$20 in the third period for each square kilometre of the Contract Area adjusted for the U.S. Industrial Goods Producer Price Index. The Rental during the Development Phase shall be US\$1000 for each square kilometre of the Development Area adjusted for the said index.
2.5	Annual contributions	These contributions include training fees and all contributions set in the Petroleum Agreement to be paid during the exploration period as well as during the development phase. These contributions are paid for the purpose of: (i) training of nationals in colleges and universities; (ii) purchasing of professional publications, scientific instruments and other equipment required by PetroSeychelles to implement the Agreement; and (iii) monitoring of Petroleum Operations.
2.6	Profit Commission on Sale of Data by Exploration Companies	Once Multi-client data have been acquired, the service company is given a fixed period within which it can commercially sell the data which it has gathered during the survey, The service company must remit specific commission on future sales of these data. The factors considered to arrive at the profit commission are detailed per individual contracts. Once the fixed period is over the service company can no longer market the data.
2.7	Other material payments to PetroSeychelles	Any other payment made to PetroSeychelles and that exceeds USD 10,000.
<b>Payments to Seychelles Revenue Commission (SRC)</b>		
3.1	Petroleum Income Tax (PIT)	In accordance with the Petroleum Taxation Act, the PIT rate is 35% on profits, which will be calculated for the purposes of the petroleum agreements according to the schedule of Allowed and Disallowed Petroleum Costs given in the Accounting Procedures attached to the Petroleum Agreement and consistent with the Petroleum Tax Act.
3.2	Petroleum Additional Profits Tax (PAPT)	This tax is paid on each separate Petroleum Field, on the basis of the rate of return (ROR) that the Company achieves. PAPT consists of a two-tier tax imposed at different rates and triggered by distinct ROR Thresholds. The liability is joint and several in the case of a Company consisting of more than one company. The tax is determined for each Field (ring fenced). The Company's ROR is calculated on the basis of Net Cash Receipts (NCR) of the company. The PAPT is a resource rent tax levied on cash flows.
3.3	Business tax	Business tax paid on the basis of the annual profit
3.4	Corporate Social Responsibility Tax (CSR)	The CSR is widely understood to entail compliance with ethical and regulatory standards, promoting accountability for businesses' actions that can lead to a positive impact on the communities and markets in which it operates. As per SI 16 of 2013, the CSR is payable at 0.5% of monthly turnover



Ref	Payment flows	Description
3.5	Withholding tax on payments	At a rate of 7% on the gross amount of fees payable in respect of services performed in Seychelles or overseas by a non-resident contractor or subcontractor in connection with petroleum operations related to a petroleum agreement. The tax is payable to the Controller by an operator, who must retain the tax from the services provided. Where the withholding tax has been paid, the non-resident contractor or sub-contractor shall not be liable for any other withholding tax or business tax in Seychelles
3.6	Dividend Tax	These payments are relating to taxes on dividends and that are paid by the State Owned Enterprises to the SRC in accordance with the Business Income (Taxation) Act.
3.7	Value Added Tax (VAT)	Payments made in accordance with the Value Added Tax Act, 2010. The VAT is charged on the supply of goods and services by registered persons.
3.8	Penalties	This payment is made by any companies that contravene or fail to comply with any provision or conditions of the tax regulation
3.9	Income & Non-Monetary Benefits Tax	These payments are made by the companies based on the emoluments paid to their employees and in accordance with the Income & Non-Monetary Benefits Tax Act, 2010.
3.10	Custom duties	Customs are paid on importations
3.11	Excise duties	Excise tax are paid on importations
3.12	Royalty	A royalty of 10% is levied on the market value of oil produced and stored each month. In the event of a discovery of a marginal field, the royalty may be reduced to 5%. The Royalty for Gas is 5%. Where the Company is constituted by more than one company, the liability for the payment is joint and several. The Government may choose to accept payment of the Royalty in kind (including Natural Gas Liquids or Condensate).
3.13	Other material payments to SRC	Any other payment made to SRC and that exceeds USD 10,000.
<b>Payments to Registrar General (RG)</b>		
4.1	Stamp duties	This payment is levied on documents to denote that stamp duty has been paid before the document is legally effective in accordance with the Stamp Duty Act.
4.2	Other material payments to RG	Any other payment made to RG and that exceeds USD 10,000.
<b>Payments to Ministry of Finance Trade and Blue Economy (MFTBE)</b>		
5.1	Dividends from State Owned Enterprises	These are the proceeds of various investments of the Ministry in the State Owned Enterprises (SOEs). The amount received by the Ministry of Finance is dependent on its shareholding in the paying entity
5.2	Exploration fees	Fees that are paid to the Ministry when applying for Exploration right
5.3	Other material payments to MFTBE	Any other payment made to the MFTBE and that exceeds USD 10,000.
<b>Social Payments</b>		
6.1	Voluntary Social Responsibility	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
6.2	Mandatory Corporate Social Responsibility	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 promotion of the agriculture and the grants provided to the population
<b>Infrastructure provisions and barter arrangements</b>		

Ref	Payment flows	Description
7.1	Total budget of the Engagement/Project	Total budgeted amount of the entire project within the infrastructure provisions and barter arrangements. 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
7.2	Value of engagements/project incurred during the year	Total amount of all costs incurred for all Project under any infrastructure provisions or barter arrangements during the reconciliation period
7.3	Cumulated value of engagements/project incurred until the end of 2013	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 the end of the reconciliation period
<b>Payment to State Owned Enterprises (SOEs)</b>		
8.1	Dividends from Extractive Companies	These are the proceeds of various investments of the State Owned Enterprises (SOEs) in the extractive companies. The amount received by SOE is dependent on its shareholding in the paying entity.
8.2	Other payments to SOEs	Any other payment made to the SOEs and that exceeds USD 10,000.

## Annex 3: Reconciliation sheets for FY 2013

Company name: East African Exploration Seychelles Limited and AVANA Petroleum Limited

Reporting period: 2013

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
	<b>Payment/revenues in kind</b>	-	-	-	1,519,217	-	1,519,217	(1,519,217)	
	<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
	<b>Payment/revenues in cash</b>								
	<b>2-Payments to PetroSeychelles</b>	-	-	-	1,519,217	-	1,519,217	(1,519,217)	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	656,867	-	656,867	(656,867)	Reporting template not submitted by the extractive company
2.5	Annual contributions	-	-	-	-	862,350	862,350	(862,350)	Reporting template not submitted by the extractive company
2.6	Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	862,350	(862,350)	-	-	
	<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
	<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
	<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
	<b>6- Social payments</b>	-	-	-	-	-	-	-	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
	<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
	<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
8.1	Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
	<b>Total payments</b>	-	-	-	1,519,217	-	1,519,217	(1,519,217)	

Company name: Adamantine Energy Limited

Reporting period: 2013

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	-	-	-	236,633	-	236,633	(236,633)	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>								
<b>2- Payments to PetroSeychelles</b>	-	-	-	236,633	-	236,633	(236,633)	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	236,633	-	236,633	(236,633)	Reporting template not submitted by the extractive company
2.4 Annual Rentals	-	-	-	-	-	-	-	
2.5 Annual contributions	-	-	-	-	-	-	-	
2.6 Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5 Withholding tax on payments	-	-	-	-	-	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10 Custom duties	-	-	-	-	-	-	-	
3.11 Excise duties	-	-	-	-	-	-	-	
3.12 Royalties	-	-	-	-	-	-	-	
3.13 Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>	-	-	-	-	-	-	-	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
8.1 Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	-	-	-	236,633	-	236,633	(236,633)	

Company name: GX Technology

Reporting period: 2013

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>		-	-	-	1,588,448	-	1,588,448	(1,588,448)	
<b>1- Payments to SRC/SOEs/Ministry</b>		-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>		-	-	-	1,588,448	-	1,588,448	(1,588,448)	
<b>2-Payments to PetroSeychelles</b>		-	-	-	1,588,448	-	1,588,448	(1,588,448)	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Profit commission on sale of data by exploration companies	-	-	-	1,588,448	-	1,588,448	(1,588,448)	Reporting template not submitted by the extractive company
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>		-	-	-	-	-	-	-	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>		-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>		-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>		-	-	-	-	-	-	-	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>		-	-	-	-	-	-	-	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>		-	-	-	-	-	-	-	
8.1	Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>		-	-	-	1,588,448	-	1,588,448	(1,588,448)	

Company name: PetroQuest International Incorporated

Reporting period: 2013

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
	<b>Payment/revenues in kind</b>	-	-	-	754,842	14,285	769,127	(769,127)	
	<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
	<b>Payment/revenues in cash</b>								
	<b>2-Payments to PetroSeychelles</b>	-	-	-	754,842	14,285	769,127	(769,127)	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	649,925	10,503	660,428	(660,428)	Reporting template not submitted by the extractive company
2.5	Annual contributions	-	-	-	-	108,699	108,699	(108,699)	Reporting template not submitted by the extractive company
2.6	Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	104,917	(104,917)	-	-	
	<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
	<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
	<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
	<b>Total payments</b>	-	-	-	754,842	14,285	769,127	(769,127)	

Company name: Japan Oil, Gas and Metals National Corporation

Reporting period: 2013

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>		-	-	-	-	-	-	-	
<b>1- Payments to SRC/SOEs/Ministry</b>		-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>									
<b>2-Payments to PetroSeychelles</b>		-	-	-	-	-	-	-	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>		-	-	-	-	-	-	-	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>		-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>		-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>		-	-	-	-	-	-	-	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>		-	-	-	-	-	-	-	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>		-	-	-	-	-	-	-	
8.1	Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>		-	-	-	-	-	-	-	

Company name: Rhino Resources

Reporting period: 2013

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
	<b>Payment/revenues in kind</b>	-	-	-	-	-	-	-	
	<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
	<b>Payment/revenues in cash</b>								
	<b>2-Payments to PetroSeychelles</b>	-	-	-	-	-	-	-	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
	<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
	<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
	<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
	<b>6- Social payments</b>	-	-	-	-	-	-	-	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
	<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
	<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
8.1	Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
	<b>Total payments</b>	-	-	-	-	-	-	-	



Company name: PetroSeychelles Ltd

Reporting period: 2013

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	<b>3,507,239</b>	<b>(98,660)</b>	<b>3,408,579</b>	<b>3,408,625</b>	<b>-</b>	<b>3,408,625</b>	<b>(46)</b>	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>								
<b>2-Payments to PetroSeychelles</b>	-	-	-	-	-	-	-	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	-	-	-	-	
2.4 Annual Rentals	-	-	-	-	-	-	-	
2.5 Annual contributions	-	-	-	-	-	-	-	
2.6 Front commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	<b>507,239</b>	<b>(98,660)</b>	<b>408,579</b>	<b>408,625</b>	<b>-</b>	<b>408,625</b>	<b>(46)</b>	
3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5 Withholding tax on payments	-	-	-	-	-	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	-	-	-	83,815	-	83,815	(83,815)	Tax not reported by the extractive company
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	423,470	(98,660)	324,810	324,810	-	324,810	-	
3.10 Custom duties	-	-	-	-	-	-	-	
3.11 Excise duties	-	-	-	-	-	-	-	
3.12 Royalties	-	-	-	-	-	-	-	
3.13 Other material payments to SRC	83,769	-	83,769	-	-	-	83,769	Tax not reported by the Govt Body
<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	<b>3,000,000</b>	<b>-</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>-</b>	<b>3,000,000</b>	<b>-</b>	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	3,000,000	-	3,000,000	3,000,000	-	3,000,000	-	
<b>6- Social payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
8.1 Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	<b>3,507,239</b>	<b>(98,660)</b>	<b>3,408,579</b>	<b>3,408,625</b>	<b>-</b>	<b>3,408,625</b>	<b>(46)</b>	

Company name: Seychelles Petroleum Company Ltd (SEYPEC)

Reporting period: 2013

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	<b>572,140,919</b>	<b>(568,540,919)</b>	<b>3,600,000</b>	<b>502,922,625</b>	<b>(499,322,625)</b>	<b>3,600,000</b>	-	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>								
<b>2-Payments to PetroSeychelles</b>	<b>4,800,000</b>	<b>(1,200,000)</b>	<b>3,600,000</b>	<b>-</b>	<b>3,600,000</b>	<b>3,600,000</b>	-	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	-	-	-	-	
2.4 Annual Rentals	1,200,000	(1,200,000)	-	-	-	-	-	
2.5 Annual contributions	-	-	-	-	-	-	-	
2.6 Front commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	3,600,000	-	3,600,000	-	3,600,000	3,600,000	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	<b>557,419,733</b>	<b>(557,419,733)</b>	<b>-</b>	<b>502,922,625</b>	<b>(502,922,625)</b>	<b>-</b>	-	
3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	9,921,186	(9,921,186)	-	-	-	-	-	
3.5 Withholding tax on payments	34,419	(34,419)	-	327,741	(327,741)	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	6,565,842	(6,565,842)	-	6,861,350	(6,861,350)	-	-	
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	475,747	(475,747)	-	4,528,416	(4,528,416)	-	-	
3.10 Custom duties	-	-	-	226,161,062	(226,161,062)	-	-	
3.11 Excise duties	540,422,539	(540,422,539)	-	265,044,056	(265,044,056)	-	-	
3.12 Royalties	-	-	-	-	-	-	-	
3.13 Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>	<b>9,921,186</b>	<b>(9,921,186)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	9,921,186	(9,921,186)	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
8.1 Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	<b>572,140,919</b>	<b>(568,540,919)</b>	<b>3,600,000</b>	<b>502,922,625</b>	<b>(499,322,625)</b>	<b>3,600,000</b>	<b>-</b>	

Company name: Societe Seychelloise  
D'Investissement Ltd (SSI) Reporting period: 2013

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	<b>130,806</b>	<b>(130,806)</b>	<b>-</b>	<b>129,006</b>	<b>(129,006)</b>	<b>-</b>	<b>-</b>	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>								
<b>2-Payments to PetroSeychelles</b>	-	-	-	-	-	-	-	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	-	-	-	-	
2.4 Annual Rentals	-	-	-	-	-	-	-	
2.5 Annual contributions	-	-	-	-	-	-	-	
2.6 Front commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	<b>130,806</b>	<b>(130,806)</b>	<b>-</b>	<b>129,006</b>	<b>(129,006)</b>	<b>-</b>	<b>-</b>	
3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5 Withholding tax on payments	-	-	-	-	-	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	130,806	(130,806)	-	129,006	(129,006)	-	-	
3.10 Custom duties	-	-	-	-	-	-	-	
3.11 Excise duties	-	-	-	-	-	-	-	
3.12 Royalties	-	-	-	-	-	-	-	
3.13 Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>	-	-	-	-	-	-	-	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
8.1 Dividends from Petroleum Companies	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	<b>130,806</b>	<b>(130,806)</b>	<b>-</b>	<b>129,006</b>	<b>(129,006)</b>	<b>-</b>	<b>-</b>	

## Annex 4: Reconciliation sheets for FY 2014

Company name: East African Exploration Seychelles Limited and AVANA Petroleum LimReporting period: 2014

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	-	-	-	3,650,643	-	3,650,643	(3,650,643)	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>								
<b>2-Payments to PetroSeychelles</b>	-	-	-	3,650,643	-	3,650,643	(3,650,643)	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	-	-	-	-	
2.4 Annual Rentals	-	-	-	2,289,955	-	2,289,955	(2,289,955)	Reporting template not submitted by the extractive company
2.5 Annual contributions	-	-	-	-	1,360,688	1,360,688	(1,360,688)	Reporting template not submitted by the extractive company
2.6 Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	-	-	-	1,360,688	(1,360,688)	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5 Withholding tax on payments	-	-	-	-	-	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10 Custom duties	-	-	-	-	-	-	-	
3.11 Excise duties	-	-	-	-	-	-	-	
3.12 Royalties	-	-	-	-	-	-	-	
3.13 Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>	-	-	-	-	-	-	-	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
8.1 Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	-	-	-	3,650,643	-	3,650,643	(3,650,643)	

Company name: Ophir Seychelles &amp; PQI

Reporting period: 2014

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
	<b>Payment/revenues in kind</b>	-	-	-	241,400	-	241,400	(241,400)	
	<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
	1.1 Royalties	-	-	-	-	-	-	-	
	1.2 Other payments out of production	-	-	-	-	-	-	-	
	<b>Payment/revenues in cash</b>								
	<b>2- Payments to PetroSeychelles</b>	-	-	-	241,400	-	241,400	(241,400)	
	2.1 Sale of Data Package	-	-	-	-	-	-	-	
	2.2 License Fees	-	-	-	-	-	-	-	
	2.3 Application fee	-	-	-	241,400	-	241,400	(241,400)	Tax not reported by the extractive company
	2.4 Annual Rentals	-	-	-	-	-	-	-	
	2.5 Annual contributions	-	-	-	-	-	-	-	
	2.6 Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
	2.7 Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
	<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
	3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
	3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
	3.3 Business tax	-	-	-	-	-	-	-	
	3.4 Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
	3.5 Withholding tax on payments	-	-	-	-	-	-	-	
	3.6 Dividend Tax	-	-	-	-	-	-	-	
	3.7 Value Added Tax (VAT)	-	-	-	-	-	-	-	
	3.8 Penalties	-	-	-	-	-	-	-	
	3.9 Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
	3.10 Custom duties	-	-	-	-	-	-	-	
	3.11 Excise duties	-	-	-	-	-	-	-	
	3.12 Royalties	-	-	-	-	-	-	-	
	3.13 Other material payments to SRC	-	-	-	-	-	-	-	
	<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
	4.1 Stamp duties	-	-	-	-	-	-	-	
	4.2 Other material payments to RG	-	-	-	-	-	-	-	
	<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
	5.1 Dividends from SOEs	-	-	-	-	-	-	-	
	5.2 Exploration fees	-	-	-	-	-	-	-	
	5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
	<b>6- Social payments</b>	-	-	-	-	-	-	-	
	6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
	6.2 Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
	<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
	7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
	7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
	7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
	<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
	8.1 Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
	8.2 Other payments to SOEs	-	-	-	-	-	-	-	
	<b>Total payments</b>	-	-	-	241,400	-	241,400	(241,400)	

Company name: Adamantine Energy Limited

Reporting period: 2014

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	-	-	-	-	-	-	-	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>								
<b>2-Payments to PetroSeychelles</b>	-	-	-	-	-	-	-	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	-	-	-	-	
2.4 Annual Rentals	-	-	-	-	-	-	-	
2.5 Annual contributions	-	-	-	-	-	-	-	
2.6 Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5 Withholding tax on payments	-	-	-	-	-	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10 Custom duties	-	-	-	-	-	-	-	
3.11 Excise duties	-	-	-	-	-	-	-	
3.12 Royalties	-	-	-	-	-	-	-	
3.13 Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>	-	-	-	-	-	-	-	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
8.1 Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	-	-	-	-	-	-	-	

Company name: GX Technology

Reporting period: 2014

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>		-	-	-	-	-	-	-	
<b>1- Payments to SRC/SOEs/Ministry</b>		-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>		-	-	-	-	-	-	-	
<b>2-Payments to PetroSeychelles</b>		-	-	-	-	-	-	-	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Front commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>		-	-	-	-	-	-	-	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>		-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>		-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>		-	-	-	-	-	-	-	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>		-	-	-	-	-	-	-	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>		-	-	-	-	-	-	-	
8.1	Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>		-	-	-	-	-	-	-	

Company name: PetroQuest International Incorporated

Reporting period: 2014

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>									
		-	-	-	-	-	-	-	
<b>1- Payments to SRC/SOEs/Ministry</b>									
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>									
<b>2-Payments to PetroSeychelles</b>									
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Front commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>									
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>									
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>									
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>Total payments</b>		-	-	-	-	-	-	-	



Company name: Japan Oil, Gas and Metals National Corporation

Reporting period: 2014

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	-	-	-	-	-	-	-	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>	-	-	-	-	-	-	-	
<b>2-Payments to PetroSeychelles</b>	-	-	-	-	-	-	-	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	-	-	-	-	
2.4 Annual Rentals	-	-	-	-	-	-	-	
2.5 Annual contributions	-	-	-	-	-	-	-	
2.6 Profit Commission on Sale of Data by Exploration Companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	-	-	-	-	-	-	-	
3.1 Petroleum Income Tax	-	-	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5 Withholding tax on payments	-	-	-	-	-	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10 Custom duties	-	-	-	-	-	-	-	
3.11 Excise duties	-	-	-	-	-	-	-	
3.12 Royalties	-	-	-	-	-	-	-	
3.13 Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>	-	-	-	-	-	-	-	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	-	-	-	-	-	-	-	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>	-	-	-	-	-	-	-	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	-	-	-	-	-	-	-	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	-	-	-	-	-	-	-	
8.1 Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	-	-	-	-	-	-	-	

Company name: Rhino Resources

Reporting period: 2014

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>		-	-	-	127,778	-	127,778	(127,778)	
<b>1- Payments to SRC/SOEs/Ministry</b>		-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>		-	-	-	127,778	-	127,778	(127,778)	
<b>2-Payments to PetroSeychelles</b>		-	-	-	127,778	-	127,778	(127,778)	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	127,778	-	127,778	(127,778)	Reporting template not submitted by the extractive company
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>		-	-	-	-	-	-	-	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	-	-	-	-	-	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>		-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>		-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>		-	-	-	-	-	-	-	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>		-	-	-	-	-	-	-	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>		-	-	-	-	-	-	-	
8.1	Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>		-	-	-	127,778	-	127,778	(127,778)	

Company name: PetroSeychelles Ltd

Reporting period: 2014

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>		485,437	-	485,437	454,207	-	454,207	31,230	
<b>1- Payments to SRC/SOEs/Ministry</b>		-	-	-	-	-	-	-	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>									
<b>2-Payments to PetroSeychelles</b>		-	-	-	-	-	-	-	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Front commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>		485,437	-	485,437	454,207	-	454,207	31,230	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	57,750	-	57,750	(57,750)	Tax not reported by the extractive company
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	26,534	-	26,534	(26,534)	Tax not reported by the extractive company
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	464,098	-	464,098	369,923	-	369,923	94,175	Tax not reported by the Govt Body
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	21,339	-	21,339	-	-	-	21,339	Tax not reported by the Govt Body
<b>4- Payments to Registrar General (RG)</b>		-	-	-	-	-	-	-	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>		-	-	-	-	-	-	-	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>		-	-	-	-	-	-	-	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>		-	-	-	-	-	-	-	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>		-	-	-	-	-	-	-	
8.1	Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>		485,437	-	485,437	454,207	-	454,207	31,230	

Company name: Seychelles Petroleum Company Ltd (SEYPEC)

Reporting period: 2014

N° Description of Payment	Per Company			Per Government			Final difference	Comment
	Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>	<b>599,639,666</b>	<b>(591,639,666)</b>	<b>8,000,000</b>	<b>584,049,006</b>	<b>(531,101,604)</b>	<b>52,947,402</b>	<b>(44,947,402)</b>	
<b>1- Payments to SRC/SOEs/Ministry</b>	-	-	-	-	-	-	-	
1.1 Royalties	-	-	-	-	-	-	-	
1.2 Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>								
<b>2-Payments to PetroSeychelles</b>	<b>9,200,000</b>	<b>(1,200,000)</b>	<b>8,000,000</b>	<b>8,000,000</b>	<b>-</b>	<b>8,000,000</b>	<b>-</b>	
2.1 Sale of Data Package	-	-	-	-	-	-	-	
2.2 License Fees	-	-	-	-	-	-	-	
2.3 Application fee	-	-	-	-	-	-	-	
2.4 Annual Rentals	1,200,000	(1,200,000)	-	-	-	-	-	
2.5 Annual contributions	-	-	-	-	-	-	-	
2.6 Profit commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7 Other material payments to PetroSeychelles	8,000,000	-	8,000,000	8,000,000	-	8,000,000	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>	<b>578,370,286</b>	<b>(578,370,286)</b>	<b>-</b>	<b>576,049,006</b>	<b>(531,101,604)</b>	<b>44,947,402</b>	<b>(44,947,402)</b>	
3.1 Petroleum Income Tax	-	0	-	-	-	-	-	
3.2 Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3 Business tax	-	-	-	-	-	-	-	
3.4 Corporate Social Responsibility Tax (CSR)	12,069,380	(12,069,380)	-	11,215,062	(11,215,062)	-	-	
3.5 Withholding tax on payments	17,871	(17,871)	-	318,090	(318,090)	-	-	
3.6 Dividend Tax	-	-	-	-	-	-	-	
3.7 Value Added Tax (VAT)	5,808,227	(5,808,227)	-	8,487,462	(8,487,462)	-	-	
3.8 Penalties	-	-	-	-	-	-	-	
3.9 Income & Non-Monetary Benefits Tax	534,628	(534,628)	-	4,676,923	(4,676,923)	-	-	
3.10 Custom duties	-	-	-	44,947,402	(44,947,402)	-	-	
3.11 Excise duties	559,940,180	(559,940,180)	-	461,456,665	(461,456,665)	-	-	
3.12 Royalties	-	-	-	44,947,402	-	44,947,402	(44,947,402)	
3.13 Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
4.1 Stamp duties	-	-	-	-	-	-	-	
4.2 Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
5.1 Dividends from SOEs	-	-	-	-	-	-	-	
5.2 Exploration fees	-	-	-	-	-	-	-	
5.3 Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>	<b>12,069,380</b>	<b>(12,069,380)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
6.1 Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2 Mandatory Corporate Social Responsibility	12,069,380	(12,069,380)	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
7.1 Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2 Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3 Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
8.1 Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2 Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>	<b>599,639,666</b>	<b>(591,639,666)</b>	<b>8,000,000.0</b>	<b>584,049,006</b>	<b>(531,101,604)</b>	<b>52,947,402</b>	<b>(44,947,402)</b>	

Company name: Societe Seychelloise D'Investissement Ltd (SSI) Reporting period: 2014

N°	Description of Payment	Per Company			Per Government			Final difference	Comment
		Original	Adjust	Final	Original	Adjust	Final		
<b>Payment/revenues in kind</b>		<b>94,829</b>	<b>(94,829)</b>	<b>-</b>	<b>88,617</b>	<b>(88,617)</b>	<b>-</b>	<b>-</b>	
<b>1- Payments to SRC/SOEs/Ministry</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
1.1	Royalties	-	-	-	-	-	-	-	
1.2	Other payments out of production	-	-	-	-	-	-	-	
<b>Payment/revenues in cash</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>2-Payments to PetroSeychelles</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
2.1	Sale of Data Package	-	-	-	-	-	-	-	
2.2	License Fees	-	-	-	-	-	-	-	
2.3	Application fee	-	-	-	-	-	-	-	
2.4	Annual Rentals	-	-	-	-	-	-	-	
2.5	Annual contributions	-	-	-	-	-	-	-	
2.6	Front commission on sale of data by exploration companies	-	-	-	-	-	-	-	
2.7	Other material payments to PetroSeychelles	-	-	-	-	-	-	-	
<b>3- Payments to Seychelles Revenue Commission (SRC)</b>		<b>94,829</b>	<b>(94,829)</b>	<b>-</b>	<b>88,617</b>	<b>(88,617)</b>	<b>-</b>	<b>-</b>	
3.1	Petroleum Income Tax	-	-	-	-	-	-	-	
3.2	Petroleum Additional Profits Tax	-	-	-	-	-	-	-	
3.3	Business tax	-	-	-	-	-	-	-	
3.4	Corporate Social Responsibility Tax (CSR)	-	-	-	-	-	-	-	
3.5	Withholding tax on payments	-	-	-	-	-	-	-	
3.6	Dividend Tax	-	-	-	-	-	-	-	
3.7	Value Added Tax (VAT)	-	-	-	-	-	-	-	
3.8	Penalties	-	-	-	-	-	-	-	
3.9	Income & Non-Monetary Benefits Tax	94,829	(94,829)	-	88,617	(88,617)	-	-	
3.10	Custom duties	-	-	-	-	-	-	-	
3.11	Excise duties	-	-	-	-	-	-	-	
3.12	Royalties	-	-	-	-	-	-	-	
3.13	Other material payments to SRC	-	-	-	-	-	-	-	
<b>4- Payments to Registrar General (RG)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
4.1	Stamp duties	-	-	-	-	-	-	-	
4.2	Other material payments to RG	-	-	-	-	-	-	-	
<b>5- Payments to Ministry of Finance (MFTBE)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
5.1	Dividends from SOEs	-	-	-	-	-	-	-	
5.2	Exploration fees	-	-	-	-	-	-	-	
5.3	Other material payments to MFTBE	-	-	-	-	-	-	-	
<b>6- Social payments</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
6.1	Voluntary Social Responsibility	-	-	-	-	-	-	-	
6.2	Mandatory Corporate Social Responsibility	-	-	-	-	-	-	-	
<b>7- Infrastructure provisions and barter arrangements</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
7.1	Total budget of the Engagement/Project	-	-	-	-	-	-	-	
7.2	Value of engagements/project incurred during the year	-	-	-	-	-	-	-	
7.3	Cumulated value of engagements/project incurred until the end of 2013	-	-	-	-	-	-	-	
<b>8- Payment to State Owned Enterprises (SOEs)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
8.1	Dividends from Petroleum Enterprises	-	-	-	-	-	-	-	
8.2	Other payments to SOEs	-	-	-	-	-	-	-	
<b>Total payments</b>		<b>94,829</b>	<b>(94,829)</b>	<b>-</b>	<b>88,617</b>	<b>(88,617)</b>	<b>-</b>	<b>-</b>	

## Annex 5: Persons contacted

### Moore Stephens LLP

Tim Woodward	Partner
Ben Toorabally	Head of office MS IFI Madagascar
Rached Maalej	Supervisor

### MFTBE/ MSG

Jean Paul Adam	Minister of Finance
Patrick Payet	Principal Secretary of Finance and Trade
Elizabeth Agathine	Director General External Finance Management
Fatime Kante	Economist

### PetroSeychelles

Eddy Belle	Chief Executive Officer
Patrick Samson	Senior Geologist
Jean-Luc Mondon	Geologist

### SEYPEC

Conrad Benoiton	Chief Executive Officer
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### National Bureau of Statistics

Laura Ah Time	Chief Executive Officer
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### Seychelles Revenues Commission

Marie-France Fanchette	Assistant Commissioner of Tax
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### Civil Society Organisation

Marie-Thérèse Purvis	Chairperson Sustainability for Seychelles
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### Auditor General

Rajinder Chouhan	Deputy Auditor General
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### Central Bank of Seychelles

Naddy Marie	Economist
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### Public Enterprise Monitoring Commission

Sitna Cesar	Chief Executive Officer
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### Ministry of Environment Energy and Climate Change

Alain De Comarmond	Principal Secretary
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