

TOR (Term of Reference)

Extractive Industries Transparency Implementation Team Indonesia

I. The purpose and objective of the EITI in Indonesia

Purpose of EITI implementation in Indonesia

Indonesia has a wealth of natural resources extractive (oil and gas and coal) were abundant scattered throughout the territory. In line with efforts to improve the quality of the management and utilization of natural resources shall be conducted in accordance with the principles of good governance (good governance), and the principles of sustainable development (sustainable development), need to apply the principles of transparency as part of the management accountability and utilization of natural resources.

Objective Implementation of EITI in Indonesia

- a. Promote transparency in the extractive industries governance for all activities in the value chain (value chain) extractive industries;
- b. Increasing community participation monitor, provide us with feedback and correct management of extractive industries;
- c. Encourage improvement ongoing basis with policies, regulations, and practices of management of extractive industries;
- d. Assist the government's efforts in improving the effectiveness of state revenues from extractive industries; and
- e. Help prevent corruption by improving transparency, accountability, efficiency and effectiveness of the management of extractive industries.

II. Roles and Responsibilities of Executive Team

Implementation Team was instrumental in implementing the transparency of governance of state revenues and local revenues derived from extractive industries. Executive Team is also authorized to request information, data, input and / or consultation with central government agencies, local governments, extractive industry companies, and others as deemed necessary.

2.1 The role of the Implementation Team:

- a. Assigning Work Plan Transparency Team;
- b. TOR approve the report on extractive industry transparency;
- c. Approved the establishment of an independent agency to draw up a report on extractive industry transparency;
- d. Disseminate the results of the report on extractive industry transparency;
- e. Establish a Technical Team;
- f. Prepare reports to the President of the Steering Committee; and
- g. Perform other matters assigned by the Steering Committee.

2.2 Executive Team Member Responsibilities:

- a. Attending meetings Executive Team to discuss policies and programs related to the activities of the extractive industry transparency;
- b. Attending the activities undertaken in the framework of the Implementation Team socialization, focused discussions, seminars, and other activities;
- c. Playing an active role in all the meetings, discussions and activities undertaken by the Executive Team to provide feedback, opinions, and advice in the decision-making Executive Team;
- d. Communicate results to the Executive Team decision Stakeholders;
- e. Implement a discussion of issues of growing importance in the sectors / communities that are represented as well as receiving input from stakeholders to be communicated in the meetings of the Implementation Team;
- f. Team work plan Transparency refers Standard EITI;
- g. Develop and agree on the scope (scoping) EITI reports, the threshold (materiality threshold) reporting and reporting templates that will be used as a reference in the preparation of EITI report;
- h. Build and enhance the capacity of all members of the Executive Team;
- i. Develop and approve the Annual Activity Report (Annual Progress Reports)
- j. An active role in the implementation of the EITI validation process; and
- k. Carry out other tasks necessary to support the Executive Team.

2.3 Member Responsibility Representative Government:

- a. Executive Team assist in the effort to open the data and information governance in their respective sectors;
- b. Encouraging participation in the implementation of the transparency of extractive industries; and
- c. Communicate and provide inputs to the K / L represented concerning information transparency standards to be considered in the preparation and improvement of regulations per-Law's.

2.4 Responsibilities of Local Government Representatives Members:

- a. Executive Team assist in encouraging the participation of the company in the implementation of the transparency of extractive industries in the region;
- b. Communicate the policy development of the extractive industry transparency to stakeholders;
- c. Delivering regional aspirations related to the implementation of extractive industry transparency in the meetings of the Implementation Team; and
- d. Encourage the development of a system disclosure of data and information in the area of extractive industries.

2.5 Member Responsibility Representative / Eksrtaktif Industry Association:

- a. Encourage the participation of its members in the extractive industry companies to submit data and information related to the preparation of reports and the extractive industry transparency in the activities of other Indonesian EITI;
- b. Express their aspirations related to the implementation of extractive industries transparency in the extractive industry Executive Team meetings;
- c. Communicate the policy development of the extractive industry transparency to stakeholders.

2.6 Member Responsibility Representatives of Civil Society Organizations (CSO):

- a. Implement communication and consultation with relevant stakeholders on the policy and programs of the extractive industry transparency and its impact on society;
- b. Convey the aspirations of the people regarding the conduct of the extractive industry in the meetings of the Implementation Team; and
- c. Executive Team helps stimulate public participation in the implementation of the transparency of extractive indutsri and particularly in the implementation of social responsibility extractive industry companies to the public.

2.7 EITI Secretariat

The role and function of the EITI Secretariat:

- a. EITI secretariat established to provide administrative and technical support to the Transparency Team;
- b. EITI Secretariat led by the Head of the Secretariat which is held by the Secretary of Transparency Team, assisted by experts and supporting staff; and
- c. EITI Secretariat is responsible to the Chairman of the Executive Team.

Executive Team as directed apat, EITI Secretariat in charge:

- a. Setting up a work plan Extractive Industries Transparency Team;
- b. Preparing (scoping) EITI report, prepare a form (template) reporting and disseminating and collecting reporting forms from related parties;
- c. Facilitating the process of establishing an independent agency to draw up a report on extractive industry transparency;
- d. Disseminate the Extractive Industries Transparency Report;
- e. Preparing materials Extractive Industries Transparency Team report to the President;
- f. Setting up communication and outreach materials in order to achieve transparency and public accountability of extractive industry operations; and
- g. Communicating with stakeholders EITI.

III. Membership Executive Team

The composition of the membership of the Executive Team

- a. The members of the Executive Team consists of representatives from the government, elements of state enterprises, representatives of extractive industries producing local governments, representatives of extractive industry companies, representatives of civil society organizations concerned with the implementation of EITI in Indonesia;
- b. Number of members of the Executive Team totaled six representatives from the government agencies, state-owned enterprises represented by PT. Pertamina, from local government amounted to three (3) representatives of local government, association extractive industry companies amounted to three (3) representatives from civil society organizations amounted to three (3) representatives;
- c. Members of the government and state-owned companies established by the Chairman of the Extractive Industries Transparency refers to the duties K / L that support governance and transparency related to extractive industries;
- d. Members of district administrations established by the Chairman of the Extractive Industries Transparency through the proposal of the Ministry of Interior .;
- e. Members of the association of extractive industry companies established by the Chairman of the Extractive Industries Transparency through the proposal of the Association of Extractive Industries;
- f. Members of civil society organizations designated by the Chairman of the Extractive Industries Transparency based on the proposed coalition of civil society related extractive industry transparency of governance;
- g. Each element of executive team members from government, local governments and state-owned companies may appoint representatives to attend the meetings of the Executive Team;
- h. The composition of the Executive Team representative elements extractive industry associations and representatives of civil society organizations proposed by the representatives of their respective organizations;
- i. In the case of the Ministry of Interior did not propose the membership of the Regional Government Representative, a meeting can nominate Deputy Executive Team in the Local Government Transparency Team;
- j. In the case of representatives of member associations of companies already active in the Implementation Team, Executive Board meeting to ask the association to propose a substitute, conversely Association representatives companies may submit the resignation to be replaced by representatives of other members;
- k. In the event that the company does not propose association membership, meetings Executive Team can propose representatives of other companies in the Transparency Team;
- l. In the case of representatives of members of civil society organizations has been inactive in the Implementation Team, Executive Team Meeting may request the

- civil society organizations to propose alternate members, otherwise members of civil society organizations may submit resignation to be replaced by representatives of other members;
- m. In the case of representatives of civil society organizations do not propose membership, meetings Executive Team can propose representatives of civil society organizations Transparency Team; and
 - n. The tenure of the extractive industry association representatives and civil society organizations is three years and can be renewed for another three years. Decision tenure esktraktif representatives of industry associations and representatives of civil society organizations is done through the mechanism of internal meetings conducted by the extractive industry associations and representatives of civil society organizations.

IV. Procedures and Processes

4.1 Frequency, Invitations and Meeting Notifications

- a. Frequency of Meetings: Meetings Executive Team do at least 1 (one) time in two months. Technical Team Meeting can be held at any time as needed.
- b. Leadership Meeting: Meetings chaired by the Chairman of the Executive Team or its representative.
- c. Participants Meetings and Quorum
 - (1) Implementation Team Meeting participants are members of the Executive Team, or a member of alternative, or its representative.
 - (2) Quorum of meeting participants Executive Team is if attendees must constitute at least 50% (fifty percent) of the membership of the executive team, or any other agreed number of members present, a minimum of 2 elements consist of members of the Executive Team.
- d. Inclusive meeting and each member of the Executive Team can propose meeting agenda.
- e. Meeting Place: The meeting held in accordance with law.
- f. Invitation and Materials / Materials Meeting: Invitation and material sent no later than seven (7) days prior to the meeting held by the Secretariat or the agreed time member of the implementation team.
- g. Notification Meeting: Meeting invitations and materials can be sent via email, fax or other media.

4.2 Decision-making

- a. Decision-making is based on consensus prioritizing consensus. If consensus is not reached, the Technical Meeting may be held to be discussed further. If consensus can not be achieved in the technical meeting, the voting can be done in a meeting Executive Team. Each representative member of the Executive Team have 1 (one) vote in the voting.
- b. Each participant who attended both the Executive Team members, alternate members, or that represent acts as the legitimate representative

of each constituent and every decision is considered to represent the institution in question.

4.3 Financing

- a. All the necessary financing for the implementation of the Executive Team duty imposed on the State Budget and other lawful sources of financing in accordance with the provisions of the legislation; and
- b. Provisions on the financing / honoraria for members of the Executive Team in the availability of EITI Indonesia Secretariat budget to finance part of the financing for the members of the Executive Team on a limited basis.

4.4 Minutes of meetings

- a. Each meeting is documented through photographs and recorded using a voice-recorder to be kept by the Secretariat.
- b. Minutes of the Meeting prepared by the Secretariat and published at least 14 (fourteen) days after the meeting through the website of EITI Indonesia.

Ratified in Jakarta

Date August 2018

Chairman of the Executive Team
The Extractive Industries Transparency
Indonesia

Montty Girianna
Deputy Energy Management, Natural
Resources and Environment