



**COORDINATING MINISTRY FOR ECONOMIC AFFAIRS
REPUBLIC OF INDONESIA**

TERMS OF REFERENCE

**Extractive Industries
Revenue Specialist**

**EITI INDONESIA SECRETARIAT
2015**

EITI Indonesia Secretariat

Extractive Industries Revenue Specialist

Background

The Extractive Industries Transparency Initiative (EITI) is a global standard for promoting openness and accountable management of natural resources. Since 2010, the Republic of Indonesia has been voluntarily and actively participating in the EITI, and in 2014 the country was declared "compliant" by the EITI International Secretariat in Oslo, Norway.

Under the EITI in Indonesia, oil, gas, and mining companies are expected to report the total amount of all significant payments to the government, including taxes, royalties, and other related payments. Separately, government agencies responsible for collecting those revenue streams report the amounts received. These two sets of data submissions are cross-checked by an independent reconciler. The results of this reconciliation are then published widely, and a significant effort is made to engage the public and stimulate broader dialogue on how Indonesia's natural resources are being managed.

The benefits of Indonesia's participation in the EITI are wide-ranging, particularly given the significant role that the extractives industry plays in Indonesia's economy.¹ For the government, the EITI can help to identify leakages in revenue collection, and as well as reinforce the government's commitment to anti-corruption efforts and maintaining a stable and transparent environment for future investments in the sector. For companies, participation in the EITI can help improve the often negative public perceptions of the extractives industry, and build trust between companies and the communities in which they operate. For civil society (NGOs, media, academic institutions, etc.), participation in the EITI can help deepen citizens' understanding of the sector, and stimulate meaningful dialogue on how the country's natural resources are being managed for the benefit of all Indonesian people.

The EITI is being implemented in Indonesia by a multi-stakeholder group (MSG) comprised of representatives from the government, companies and civil society. While the MSG is responsible for the overall strategic direction and implementation of the EITI, the day-to-day activities around EITI are managed by a National EITI Secretariat, housed within the Coordinating Ministry for Economic Affairs.

The Revenue Specialist will be a key member of the National Secretariat to provide sector-related expertise and support regarding oil, gas and mining exploration and production processes, fiscal systems, economic analysis, and policy analysis (specifically, the impact of Indonesian government policies on transparency, revenue management, the investment climate and good governance within the extractive sectors). The position will report to the Team Leader/ Deputy Head of Secretariat.

¹ The extractive sector represented 16 percent of GDP (7 percent from mining and 8.5 percent from oil and gas) and more than 40 percent of exports (22 percent from mining and 20 percent from oil and gas) in 2011. Moreover, extractives-related revenues account for approximately one third of Indonesia's national budget.

Duties:

The primary duties of the Revenue Specialist will include, but not be limited to:

- Ensuring relevant information on national extractives policy and economic analysis is readily available and used for the achievement of the Secretariat's overall objectives;
- Analyzing government policy implementation and its impacts on the extractives sector in Indonesia, and presenting these issues for discussion in the MSG as necessary;
- Carrying out follow-up consultations with relevant government entities on previous recommendations made by national EITI reports, i.e. improved data collection/ retention, accounting methods, interpretations of reporting guidelines, etc.;
- Proactively producing policy briefs and participating in capacity-building and outreach activities with various stakeholders in government, academia, CSOs, etc. that could contribute to achieving EITI Indonesia's objectives, i.e. policies impacting transparency, improved revenue management, investment climate improvements and good governance in the extractives sector;
- In collaboration with the Secretariat's Communications & Outreach Specialist, providing technical content for communications/ media materials aimed at promoting public understanding of the EITI process, technical sector issues, and its implications for natural resources governance in Indonesia;
- Carrying out research on possible revenue leakages within extractives sector revenue management systems, and suggesting ways of strengthening these systems;
- Building the capacity of the Secretariat and other relevant stakeholders in performing extractives-related policy analysis and understanding macro- and microeconomic issues pertinent to the sector;
- Commenting on policies that would enhance the levels of revenues conveyed by extractives companies to the state;
- Developing positive and constructive working relationships with policy-oriented and regulatory government and academic entities involved in the extractives sector, as well as extractives companies and civil society organizations;
- Where necessary, assisting the Secretariat and the Independent Reconciler in the execution of national EITI reports and reconciliation activities, i.e. determining the scope of annual EITI reporting, materiality threshold, and addressing questions/comments from participating entities;

- Where necessary, assist in the drafting of templates for the reporting of the sharing of oil, gas, and mineral revenues between central and local government entities.
- Building and maintaining an up-to-date database of relevant government entities, extractives companies, specialist organizations and other key players operating within the Indonesian extractives sector;

Deliverables:

- Regular briefs/analyses on extractives-related topics and policy proposals.
- Up-to-date database of regulators, firms, specialist organizations and other key players operating within the extractives sectors;

Qualifications and Experience:

- The candidate shall have a Masters Degree with at least five years of experience in the extractive industries, or in a field of work focusing on the relationship between the extractive industries and public finance;
- Extensive knowledge of extractives revenues in Indonesia and how they are managed is required;
- The candidate should be highly self-motivated and believe in the mission of EITI Indonesia;
- The candidate should be fluent in spoken and written English and Bahasa;
- The candidate is expected to work for a period until at least December 2015.