



Information sharing in Extractive Industries – Report

Annual WGEI SC Meeting 2020

Federal Board of Supreme Audit

Iraq


Introduction

Chairman of the Working Group, Dear members of the Steering Committee of the Extractive Industries Working Group, please accept our best Greetings, we would like to express our happiness to meet you today, hoping to see all in good health and safe

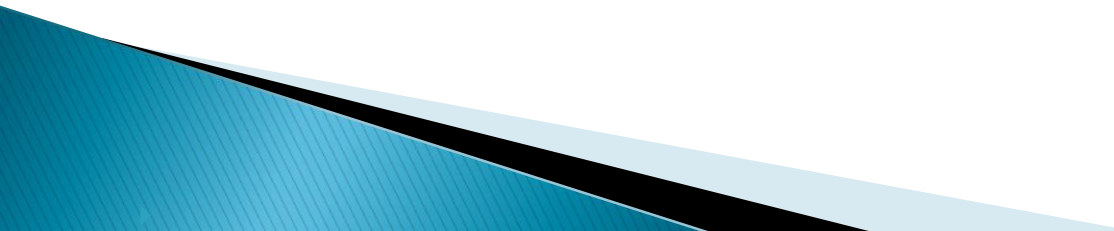
We apologize for not being able to attend the last meetings of the Steering Committee for reasons beyond the team's control.

We would like to convey you the greetings of His Excellency the President of the FBSA , Mr. Ravel Yassin Khudair, and he always keen to follow-up of the team's work.

We would like to inform the presidency of the steering committee and members that the former team leader, Dr. Nidal Abdul Zahra and Mr. Ishaia were referred to retirement at the beginning of the current year, and the team was reformed accordingly in February and because of the current events caused by the Covid-19 pandemic and the consequent of social distancing and quarantine we couldn't complete the previous work.



The PROPOSED FRAMEWORK OF GOVERNMENT AUDITING STANDARDS FOR OIL COMPANIES UNDER SERVICE CONTRACTS

- ▶ The team started not to long reviewing "the proposed framework", and we had some observations and comments in addition to the work done by the previous team that could be addressed in a more focused manner and could enrich the proposed framework in order to rise to the level of INTOSAI's works and products.
 - ▶ Since work within our group is a cooperative and joint work between the SAls member and which mainly aim at exchanging experiences and knowledge between our SAls as it's the aim of Activity 2, the team in Iraq hopes to obtain the experiences of the SAls members ,regarding the topic of "the proposed framework and what related to services contracts ,to benefit from these experience and include it within the" framework "so the experiences will be comprehensive and common and is not limited to Iraq only, also to make comparisons and determine the positive and negative points, so if you can provide us with copies of contracts (if they are not confidential), research or studies that can serve this subject.
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The PROPOSED FRAMEWORK OF GOVERNMENT AUDITING STANDARDS FOR OIL COMPANIES UNDER SERVICE CONTRACTS

- ▶ the team intended to expand in the framework after we communicated with the previous team to study the proposed framework, we generated new ideas to insert some paragraphs, for example (feasibility study, concluding contracts, identifying and managing risks, dealing with legal aspects, etc.) to ensure greater support for the economy under service contracts.
- ▶ The WGEI general secretariat had previously circulated the framework to the SAIs member and determine a deadline to receive answers . We also, in our role as a member and former president of the ARABOSAI (now senior vice president), sent the proposed framework to the SAIs member.
- ▶ Unfortunately we received only 6 posts from the SAIs In (Philippines, Qatar, Jordan, Norway, , Algeria and Ecuador), that is, 14% of all SAI members in the working group.
- ▶ We would like to put up the "framework" again for comments and remarks and obtain greater support from the member bodies, and at the same time we express our thanks and gratitude to The members who have share their valuable comments with us, which will be taken into consideration and included within the" proposed framework. “

- ▶ At the present time, we are unable to give a specific date to complete work on the "proposed framework" because the matter requires field work and visits to specialized bodies such as the Ministry of Oil and call the assistance of our Audit teams working in the extractive companies under service contracts as well as to get the help of auditors within the oil production areas in the south and north Iraq.

As a control and audit party, our SAI has observations and notes and has monitored weaknesses on the licensing contracts, which have been worked on to avoid them.

Translations

With regard to translation, materials related to the working group and audit reports, the team continues to translate and send what is translated to the WG secretariat for the purpose of publication as follows:

- 1 – Training framework for the Extractive Industries Audit Working Group (into Arabic)
- 2– Results of monitoring and specialized auditing work on the state’s policy in exploiting and investing natural resources to support the national economy (in Arabic and English).
- 3 – Report of the comptroller and Auditor General of India /2013–into Arabic
- 4– Specialized Performance Audit "The policy of Ministry of Oil For development of storage, transport And pumping system of crude oil and gas of Basra oil Company for the period (2015– August2018)– Arabic/E
- 5–Specialized Performance Audit on the policy of Ministry of Oil for development and enlargement the production facilities of crude oil and gas at Midland oil Company (National Efforts) for the period (2011– 2016)Arabic/E