








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5.3	Legal Framework and Practice	N/A	

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Indicator	Score
4.1.1	Context
4.1.1	Context

4.1.1.050: Has the government created a special fund or natural resource fund that concentrates revenue directly from oil, gas or mineral extraction?

Score: A B C

Comments:

As the Iraqi hydrocarbon law has not been passed yet, there is no special fund for natural resources revenues. The government provides annual budget for the oil ministry, ministry of industry and minerals.

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

4.1.1.051: What authority is responsible for the natural resource fund?

Score: A B C D E

References:

N/A

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Indicator		Score
4.2.1	Comprehensive reports	N/A
4.2.2.056	Audited reports	N/A

4.2.1 Comprehensive reports

4.2.1.052: Are the rules for the fund's deposits and withdrawals published, including the formula(s) for deposits and withdrawals?

Score: A B **C**

References:

N/A

4.2.1.053: Does the fund management or authority in charge of the fund publish comprehensive information on its assets, transactions and investments?

Score: A B C D **E**

References:

N/A

4.2.1.054: Are the reports containing information on the fund's assets and transactions understandable?

Score: A B C D **E**

References:

N/A

4.2.1.055: How often are financial reports published by the fund management or authority in charge?

Score: A B C D **E**

References:

N/A

4.2.2.056 Audited reports

4.2.2.056a: Are the fund s financial reports audited?

Score: A B C D **E**

References:
N/A

4.2.2.056b: Are the audited financial reports published?

Score: A B **C**

References:
N/A

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Indicator	Score
4.3.1 Legal Framework and Practice	N/A

4.3.1 Legal Framework and Practice

4.3.1.057: Are the rules governing deposits into the fund defined by legislation?

Score: A B **C**

Comments:

-The Iraqi hydrocarbon law not available yet.

References:

Interview:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

4.3.1.058: In practice, does the government follow the rules governing deposits to the natural resource fund?

Score: A B C D **E**

References:

N/A

4.3.1.059: Are the rules governing withdrawal or disbursement from the fund defined by legislation?

Score: A B **C**

References:

N/A

4.3.1.060: In practice, does the government follow the rules governing withdrawal or spending from natural resource fund?

Score: A B C D **E**

References:

N/A

4.3.1.061: Are withdrawals or spending from the fund reserves approved by the legislature as part of the budget process?

Score: A B **C**

Comments:

-Iraqi Hydrocarbon law not passed yet.

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

4.3.1.062: Are officials of the natural resource fund required to disclose information about their financial interest in any oil, gas or mining projects?

Score: A B **C**

References:

N/A

Peer Review Comments:

When/if the fund is established, it would be expected that officials would have to disclose their financial interests, in line with existing legislation.

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Indicator	Score
5.1.1	Context
5.1.1 Context	

5.1.1.063: Do central governments transfer resources to subnational authorities based on extraction of mineral resources?

Score: A B C D E

Comments:

The Iraqi central government allocates budget according to the number of people in Iraqi provinces, except for the KRG region (which includes 3 provinces and according to agreement with Baghdad KRG get 17% from annual revenues).

Also now there is a plan to transfer resource revenues to provinces that extract oil and gas (this process called 'Petro dollar' is being implemented in Kirkuk. The province gets 1 dollar per barrel.)

If Iraq earns more money from oil revenue than initially estimated, then the government can allocate development budget for all Iraqi provinces in addition to revenues it already transfers.

References:

Interview:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

5.1.1.064: Are conditions imposed on subnational government as part of revenue sharing regime?

Score: A B C

Comments:

Revenue sharing is conditional for all regions and provinces. However, most of them do not usually follow these rules. Even if they do not spend the budget assigned to them, the money will likely not return to the central government.

References:

Ministry of finance:

<http://mof.gov.iq/PageViewer.aspx?id=71>

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Indicator		Score
5.2.1	Disclosure	73 

5.2.1 Disclosure

5.2.1.065: Are the rules for revenue transfers from central to sub national governments published, including the formula(s) for revenue sharing?

Score: A B C

References:

Iraqi budget law 2012

<http://www.mof.gov.iq/uploads/moazna%20athadya/taalemat2012.pdf>

5.2.1.066: Does the central government publish comprehensive information on transfers of resource related revenues to sub-national governments?

Score: A B C D E

Comments:

Finance ministry every year publishes the budget law and there are certain info (but not all necessary details) on transfers.

-Also the provincial councils publish info on the development provincial councils budget.

References:

<http://www.mof.gov.iq/uploads/moazna%20athadya/taalemat2012.pdf>

5.2.1.067: Are the reports containing information on transfers of resource related revenues to sub-national governments understandable?

Score: A B C D E

References:

Ministry of finance budget report:

<http://mof.gov.iq/PageViewer.aspx?id=71>

5.2.1.068: How often does the central government publish information on transfers of resource related revenues to sub-national governments?

Score: A B C D E

References:

Ministry of finance:

<http://mof.gov.iq/PageViewer.aspx?id=16>

5.2.1.069: Do sub-national governments publish information on transfers received from central governments?

Score: (A) B C

Comments:

-KRG publishes information on the 17% of revenues that it receives annually from Baghdad, and provincial councils publish the development budget.

References:

-Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

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Indicator	Score
5.3.1 Legal Framework and Practice	N/A

5.3.1 Legal Framework and Practice

5.3.1.070: Are arrangements (including formulas and responsible institutions) for resource revenue sharing between central and sub-national governments defined by legislation?

Score: A B **C**

Comments:

As there is no hydrocarbon law yet, the revenue sharing definition is not available. However, KRG's 17% rate was a political agreement in 2007 between KRG and Baghdad.

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

5.3.1.071: In practice, does the government follow the rules established by resource revenue sharing legislation?

Score: A B C D **E**

References:

N/A

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Indicator	Score
1.1	Context
1.1	Context

1.1.001: Does the country have a clear legal definition of ownership of mineral resources?

Score: A B C D E

Comments:

According to the Iraqi permanent constitution, article 111, oil and gas belong to the people of Iraq (Article 111: Oil and gas are owned by all the people of Iraq in all the regions and governorates.)

Kurdistan regional government in the north of Iraq has its own oil and gas law and for ownership of oil and gas relies on the Iraqi constitution article 111 (Petroleum in the Region is owned in a manner consistent with Article 111 of the Federal Constitution. The Regional Government is entitled to a share from the revenues from producing fields, consistent with the share of all Iraqi people, in accordance with this law and Article 112 of the Federal Constitution)

KRG oil and gas law (Chapter 3, article 3).

References:

Link to Iraqi Constitution:

<http://www.krg.org/articles/detail.asp?lngnr=12&smap=04030000&rnr=107&anr=12329>

Peer Review Comments:

The constitution is clear that oil and gas in the ground belong to the Iraqi people (i.e. the state). The dispute with the Kurdistan region is over oil management and revenues.

1.1.002: Who has authority to grant hydrocarbon and mineral rights or licenses?

Score: A B C D E

Comments:

The Iraqi oil ministry has authority to license oil and gas contracts, and the ministry of industry and minerals has authority to license mineral contracts.

In Kurdistan region the ministry of natural resources has authority to license oil and gas, and minerals contracts.

References:

Interview with Ben Lando, editor of Iraq oil report.

1.1.003: What licensing practices does the government commonly follow?

Score: A B C D E

Comments:

-The Iraqi oil ministry provides data on the oil blocks for the oil companies and then companies submit required papers and later during the bidding process whoever proposes lower price for extraction and exploitation will win the contract.

-The Kurdistan Regional Government Ministry of Natural Resources follows direct negotiations with the oil companies.

References:

-Interview with Dr.Bayazid Hassan MP on the oil and gas committee. (5 May 2012)

-IEITI report year (2011)

Peer Review Comments:

The contracts issued by the central government have essentially come under open auctions, but in many cases the exact terms have been modified by direct negotiation before signature.

1.1.004: What is the fiscal system for mineral resources?

Score: A B C D E

References:

Iraqi ministry of industry and minerals website:

<http://www.industry.gov.iq/engl/index.php?name=Pages&op=page&pid=62>

Peer Review Comments:

Iraq outside the Kurdistan region uses service contracts (answer C), with a fee per barrel of oil produced, plus recovery of costs, and other details such as bonuses, tax, etc.

The Kurdistan region uses production-sharing contracts (answer B).

1.1.005: What agency has authority to regulate the hydrocarbon and mineral sector?

Score: A B C D E

Comments:

- Iraqi Ministry of Oil regulates the oil sector.

- Iraqi ministry of industry and minerals has authority to regulate the minerals sector.

-In KRG, ministry of natural resources has authority to regulate hydrocarbons and minerals sector.

References:

Ministry of oil:

<http://www.oil.gov.iq/moo/index.php?lang=en>

Ministry of industry and minerals:

<http://www.industry.gov.iq/engl/index.php>

Peer Review Comments:

In Iraq outside the Kurdistan region, the Ministry of Oil regulates the petroleum sector.

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Indicator	Score
1.2.006 Information on licensing process	84 
1.2 Contract transparency	33 
1.2.008 Environmental and social impact assessments	50 
1.2 Access to information and legislation	0 

1.2.006 Information on licensing process

1.2.006.a: What information does the government publish on the licensing process before negotiations?

Score: A B C D E

Comments:

-The Iraqi oil ministry publishes info before negotiations for many contracts but for some contracts, the information is only published after negotiations.

-The KRG ministry of natural resources usually does not publish info on the licensing process for any contracts. It is only when a contract is signed, that the KRG government announces the contracted company.

References:

Interviews:

Ben Lando (Iraq oil report) 2 May 2012

Dr.Bayazid Hassan MP and member of oil and gas committee in Iraqi parliament, 5 May 2012

1.2.006.b: What information does the government publish on the licensing process after negotiations?

Score: A B C D E

References:

Ben Lando editor of Iraq oil report (2 May 2012)

Peer Review Comments:

In the service contracts, the bid in \$ per barrel is the key parameter, and that is disclosed. The other details on the block, tax levels, etc, has already been disclosed before the licensing round. Key information that may not be disclosed are negotiated changes to the contractual terms.

Most of the Kurdistan production-sharing contracts have been disclosed in their entirety, though they may omit some key information, such as signature bonuses and side-letters.

1.2 Contract transparency

1.2.007: Are all contracts, agreements or negotiated terms for exploration and production, regardless of the way they are granted, disclosed to the public?

Score: A B **C** D E

Comments:

-The Iraqi oil ministry does not publish oil contracts. It only sends a copy of all contracts to the Iraqi parliament.

-The KRG MNR published some contracts for the public but not all of them (see the link above).

References:

Interviews:

Ben Lando editor of Iraq oil report (2 May 2012)

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Web links:

(KRG ministry of natural resources contracts):

<http://www.krg.org/p/p.aspx?l=12&r=296&p=1>

Peer Review Comments:

Some Kurdistan contracts have been published, as noted. Iraq model oil service contracts have also been released though these do not necessarily represent the final agreements.

1.2.008 Environmental and social impact assessments

1.2.008.a: Does legislation require that mining, gas and oil development projects prepare an environmental impact assessment prior to the award of any mineral rights or project implementation?

Score: **A** B C

Comments:

-In all Iraqi oil contracts there is a section on environmental rules which the oil companies should follow.

(The Iraqi ministry of oil has a department of environment and there is a ministry of environment in Baghdad which makes assessment on impact of refineries and extracting natural resources on Iraqi environment).

-According to media reports in KRG many refineries does not have environmental licenses.

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

-Iraqi Ministry of Environment website

<http://www.moen.gov.iq/lastest-stadies.html>

Peer Review Comments:

The model service contract contains a requirement for an environmental impact assessment prior to implementation (Article 41).

1.2.008.b: Are environmental impact assessments for oil, gas and mining projects published by the authority in charge of regulating the sector and is there a consultation process?

Score: A B C D E

References:

-Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Ministry of Environment web link (ministry reports and studies in Arabic):
<http://www.moen.gov.iq/lastest-stadies.html>

1.2.008.c: Does legislation require that mining, gas and oil development projects prepare a social impact assessment?

Score: A B C

Comments:

The hydrocarbon law has not been passed yet, but the ministry of oil requires oil and gas companies to commit to environmental rules.

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

Although Article 41.5 in the model service contract might be construed as covering social aspects of the EIA.

1.2.008.d: Are social impact assessments for oil, gas and mining projects published and is there a consultation process?

Score: A B C D E

References:

Not required/published.

1.2 Access to information and legislation

1.2.009: Does the government publish detailed mineral/hydrocarbon resource legislation?

Score: A B C D E

Comments:

-The Iraqi Hydrocarbon law has not been passed yet by parliament (there are some drafts to be discussed and a final agreement on the law). Given the current political tensions in Iraq, the passing of the law is likely to be even further delayed (<http://www.iraq-businessnews.com/tag/hydrocarbon-law/>), especially as Kurdistan just started exporting crude oil, breaching Baghdad's claim of sole authority over oil exports (<http://www.iraqoilreport.com/politics/oil-policy/cabinet-targets-kurdistan-budget-8329/>)

-Two versions of the Iraq oil and gas law were published by the Iraqi energy institute (see attached).

-The Kurdistan regional government issued the KRG oil and gas law in 2007 and according to this law

KRG signed 48 contracts with International oil companies (see a copy of the law as attached).

But so far Iraqi ministry of oil does not recognize these contracts and consider them as illegal and even blacklisted several international companies due to signing contracts with KRG.

Note: KRG and Baghdad had a political agreement before 2007 mentioning that if the Iraqi hydrocarbon law did not pass before 2007 then KRG could unilaterally sign contracts without Baghdad.

References:

-Iraqi Energy Institute website

-Kurdistan regional government website

-Dr. Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The legislation will be published (and the Kurdistan legislation has been published) but, as noted, the legislation has not been passed yet.

1.2.010: This country has adopted a rule or legislation that provides for disclosure of information in the oil, gas and mineral sectors.

Score: A B C **D** E

References:


Dr. Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

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Legal Framework and Practices

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Indicator	Score
1.3 Legal Framework and Practices	73 

1.3 Legal Framework and Practices

1.3.011: The authority in charge of awarding licenses or contracts for mineral or hydrocarbon production is independent of the state owned company (SOC) or other operating companies.

Score: A B C

Comments:

-The Iraqi SOCs officially belong to the Iraqi ministry of oil, and ministry of industry and minerals.

References:

-Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

-Iraqi ministry of oil (<http://www.oil.gov.iq/moo/index.php?lang=en>)

-Iraqi ministry of industry and minerals (<http://www.industry.gov.iq/arab/index.php>)

Peer Review Comments:

The authority to award contracts is vested in the Ministry of Oil. The state-owned companies are subordinate to the Ministry; therefore the Ministry is independent of the SOC.

1.3.012: Is the licensing process intended to be open and competitive to all qualified companies?

Score: A B C D E

Comments:

-Although the Iraqi government intended to be open, it has not been for some big contracts, for example the gas deal with Shell was not published.

-The KRG ministry of natural resources did not have open licensing process. It signed contracts with any foreign companies that were willing to invest in the oil and gas sector. The KRG was giving contracts to small companies at first but now for the political and long-term economic interests intends to give contracts to the big oil and gas companies.

References:

-Iraq oil report (23 Sep 2011)

<http://www.iraqoilreport.com/energy/natural-gas/the-secret-history-of-the-shell-gas-deal-6221/>

Peer Review Comments:

The central government's qualification procedure is usually clear (with some exceptions, such as the Shell gas deal). There is however some discretion which may not appear in the formal procedures.

The Kurdistan region's qualification procedure is not clear (Answer D).

1.3.013: Does the licensing process or legislation impose limits to discretionary powers of the authority in charge of awarding licenses or contracts?

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

1.3.014: Does the legislative branch have any oversight role regarding contracts and licenses in the oil, gas and mining sector?

Score: A B C D E

Comments:

-The Iraqi oil ministry submits a copy of oil contracts to parliament. One of the tasks of the oil and gas committee in Iraqi parliament is to monitor the oil ministry work. But no evidence that the committee actually oversees the Ministry's work in practice.

-The KRG ministry of natural resources does not provide reports or information to the parliament. It only submits a copy of the contracts to the natural resources committee in KRG parliament. Although one of KRG Parliament's main tasks is to monitor the MoNR's work it does not happen in practice.

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012).

Peer Review Comments:

The Oil & Gas Committee of the Iraqi Parliament has been attempting to oversee the work of the oil ministry but has not succeeded in having much impact, in practice.

1.3.015: Is there a due process to appeal licensing decisions?

Score: A B C

References:

The process is too new.

Peer Review Comments:

There is no known procedure for appealing licensing decisions, and the process is too new for it to have been tested. There are no known examples of licensing decisions being challenged or overturned by companies, though in some cases blocks not awarded initially have been awarded after some negotiation of terms (e.g. Block 12 in the 4th licensing round).

There is also no known procedure for challenging licensing decisions in the Kurdistan region, since the contracts are awarded by confidential bilateral negotiations.

1.3.016: Is there a legal or regulatory requirement to disclose all beneficial ownership in oil, gas and mining companies or projects?

Score: A B C

References:

-

Peer Review Comments:

The government does require disclosure of financial interests, bank accounts, assets, etc, of oil officials. In practice, this seems to be widely evaded.

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Context

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Indicator	Score
2.1	Context
2.1	Context

2.1.017: Does the government receive in-kind payments instead of financial payments from resource companies?

Score: A B C

Comments:

-The Iraqi government receives bonuses and income taxes from IOCs. No in-kind payments.

-The KRG ministry of natural resources also receives bonuses from IOCs.

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The companies invest and receive a fee for their work (or, in the Kurdistan region, receive a share of production). They do not give any in-kind payments to the government.

2.1.018: If the government or state owned companies sell physical commodities (oil, gas or minerals) from in-kind payments or own production, is there information about how these commodities are marketed?

Score: A B C D E

References:

-

Peer Review Comments:

SOMO, the State Oil Marketing Organisation, is responsible for all oil exports, which are primarily through contracts with end-users (refineries). This includes official exports from the Kurdistan region, though there are reports that some oil is smuggled out of the Kurdistan region.

Domestic consumption is refined at domestic refineries, currently all state-owned (there are some small private refineries in the Kurdistan region).

2.1.019: What authority actually collects payments from resource companies?

Score: A B C D E

Comments:

-According to the law of income taxation on foreign oil companies working in Iraq the ministry of oil will collect taxes and then transfer them to the state commission of taxes.

-In KRG, the MoNR collects bonuses from IOCs and is supposed to transfer the money to the KRG ministry of finance. However, there is a lack of transparency. First there is no information on how much KRG collects from IOCs and second, the MoNR does not send all the money to the finance ministry, only a small amount of KRG oil income.

References:

Ministry of oil website:

http://www.oil.gov.iq/moo/feeds.php?lang=en&page_name=rules&id=250

Peer Review Comments:














The procedure in Iraq is somewhat different in that all oil exports are handled by SOMO (State Oil Marketing Organisation), a unit of the ministry of oil, and contractors under oil service contracts are then paid their fee, i.e. the contractor resource companies do not receive oil revenues directly.

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Indicator		Score	
2.2A.020	Does the Ministry of Finance publish periodical information on revenue generation?	19	
2.2A.020.j	Does the Ministry of Finance publish information on disaggregated revenue streams?	0	
2.2A	Quality of reports	67	
2.2B.020	Does the Ministry of the extractive sector publish information on revenue generation?	56	
2.2B.020.j	Does the Ministry of the extractive sector publish information on disaggregated revenue streams?	25	
2.2B	Quality of reports	84	
2.2C.020	Does a Regulatory Agency publish information on revenue generation?	N/A	
2.2C.020.j	Does a Regulatory Agency publish information on disaggregated revenue streams?	N/A	
2.2C	Quality of reports	N/A	
2.2D.020	Does the Central Bank publish information on revenue generation?	11	
2.2D.020.j	Does the Central Bank publish information on disaggregated revenue streams?	0	
2.2D	Quality of reports	33	
2.2E.020	Does any other government agency or entity publish information on revenue generation?	45	
2.2E.020.j	Does any other government agency or entity publish information on disaggregated revenue streams?	17	
2.2E	Quality of reports	100	
2.2	Public sector balance	100	

2.2A.020 Does the Ministry of Finance publish periodical information on revenue generation?

2.2A.020.a: Reserves

Score: A B C **(D)** E

References:

-Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

2.2A.020.b: Production volumes

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

2.2A.020.c: Information on prices

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The Ministry of Finance's publications (eg <http://www.mof.gov.iq/uploads/others/moazna2011/july.pdf>) mention oil prices, but not systematically.

2.2A.020.d: Value of resource exports

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The Ministry of Finance gives monthly reports indicating oil revenues (eg <http://www.mof.gov.iq/uploads/others/moazna2011/july.pdf>). However reports from 2012 do not appear to have been published.

2.2A.020.e: Estimates of investment in exploration and development

Score: A B C D E

References:

Not available

Peer Review Comments:

The monthly budget reports give the total budget and spending by the oil ministry, but do not disaggregate it.

2.2A.020.f: Production costs

Score: A B C D E

References:

Not available

Peer Review Comments:

The monthly budget reports give the total budget and spending by the oil ministry, but do not disaggregate it.

2.2A.020.g: Names of companies operating in country

Score: A B C **(D)** E

References:

Not available

2.2A.020.h: Production data by company and/or block

Score: A B C **(D)** E

References:

Not available

2.2A.020.i: Cost of subsidies or social investments paid by mineral revenue

Score: A B C **(D)** E

References:

Not available

Peer Review Comments:

Since 98% of the Iraqi government budget comes from oil, it could be argued that nearly all social investments are paid by oil revenues. However this is not reported explicitly.

2.2A.020.j Does the Ministry of Finance publish information on disaggregated revenue streams?

2.2A.020.j1: Production streams value

Score: A B C **(D)** E

References:

Not available

2.2A.020.j2: Government s share in PSC

Score: A B C D **(E)**

References:

N/A

Peer Review Comments:

Iraq does not use PSCs, so the question is not applicable. (The Kurdistan region does use PSCs, of course).

2.2A.020.j3: Royalties**Score:** A B C D E**References:**

N/A

Peer Review Comments:

The Iraqi petroleum fiscal system does not make use of royalties, so the question is not applicable.

2.2A.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)**Score:** A B C D E**References:**

Not available

2.2A.020.j5: Dividends**Score:** A B C D E**References:**

Not available

2.2A.020.j6: Bonuses**Score:** A B C D E**References:**

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

2.2A.020.j7: License fees**Score:** A B C D E**References:**

N/A

Peer Review Comments:

The Iraqi service contract structure does not make use of licence fees.

2.2A.020.j8: Acreage fees**Score:** A B C D E**References:**

N/A

Peer Review Comments:

The Iraqi service contract structure does not make use of acreage fees.

2.2A.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:

Not available

2.2A Quality of reports

2.2A.021: Are periodical reports containing information on revenue generation published by the Ministry of Finance understandable?

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The Ministry of Finance's monthly reports do have a total for oil revenue, without much detail. It is not clear whether they have been published since mid-2011.

2.2A.022: How often are the periodical reports containing information on revenue generation published by the Ministry of Finance?

Score: A B C D E

References:

-

Peer Review Comments:

The Ministry of Finance has published monthly budget reports; however, it is not clear if they have been issued since mid-2011.

2.2B.020 Does the Ministry of the extractive sector publish information on revenue generation?

2.2B.020.a: Reserves

Score: A B C D E

References:

Ministry of oil website:
<http://www.oil.gov.iq/moo/index.php?lang=en>

2.2B.020.b: Production volumes

Score: A B C D E

Comments:

-Ministry of oil publishes monthly reports on oil production, export and domestic consumption.

References:

Ministry of oil web:

http://www.oil.gov.iq/moo/page.php?lang=en&page_name=export

http://www.oil.gov.iq/moo/domestic.php?lang=en&page_name=domestic

-Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

2.2B.020.c: Information on prices

Score: (A) B C D E

Comments:

-Ministry of oil publishes info on oil prices monthly.

References:

http://www.oil.gov.iq/moo/domestic.php?lang=en&page_name=domestic

2.2B.020.d: Value of resource exports

Score: (A) B C D E

Comments:

-Ministry of oil publishes monthly reports on value of resource exports.

References:

http://www.oil.gov.iq/moo/page.php?lang=en&page_name=export

2.2B.020.e: Estimates of investment in exploration and development

Score: A B C (D) E

References:

Not published

2.2B.020.f: Production costs

Score: A B C (D) E

References:

Not available

2.2B.020.g: Names of companies operating in country

Score: (A) B C D E

References:

Oil ministry website:
<http://www.oil.gov.iq/moo/index.php?lang=en>

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

2.2B.020.h: Production data by company and/or block

Score: A B C **(D)** E

Comments:

Iraqi state owned companies publish production data on their oilfields.

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

Peer Review Comments:

Iraqi state companies produce production data by major export stream, but not per field. Production data is not systematically released per company/block, though it is often reported by officials to the media.

2.2B.020.i: Cost of subsidies or social investments paid by mineral revenue

Score: A B C **(D)** E

References:

Not available

2.2B.020.j Does the Ministry of the extractive sector publish information on disaggregated revenue streams?

2.2B.020.j1: Production streams value

Score: **(A)** B C D E

References:

Ministry of oil
http://www.oil.gov.iq/moo/page.php?lang=en&page_name=export

2.2B.020.j2: Government s share in PSC

Score: A B C D **(E)**

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The Iraq central government does not use production-sharing contracts, hence the question is not applicable.

2.2B.020.j3: Royalties

Score: A B C D E

References:

N/A

Peer Review Comments:

The Iraqi petroleum fiscal system does not use royalties, hence the question is not applicable.

2.2B.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)

Score: A B C D E

Comments:

-According to the law of income taxation on foreign oil companies, each company should pay 35% of income earned from the contracts.

References:

http://www.oil.gov.iq/moo/feeds.php?lang=en&page_name=rules&id=250

2.2B.020.j5: Dividends

Score: A B C D E

References:

Not available

2.2B.020.j6: Bonuses

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The bonuses are specified in the contracts, hence it can be assumed that if a given contract has been signed, the specified bonus should be paid.

2.2B.020.j7: License fees

Score: A B C D E

References:

N/A

Peer Review Comments:

The Iraqi petroleum fiscal system does not make use of licensing fees.

2.2B.020.j8: Acreage fees

Score: A B C D E

References:

N/A

Peer Review Comments:

The Iraqi petroleum fiscal system does not make use of acreage fees.

2.2B.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:

N/A

2.2B Quality of reports

2.2B.021: Are periodical reports containing information on revenue generation published by the Ministry of the extractive sector understandable?

Score: A B C D E

References:

<http://www.oil.gov.iq/moo/index.php?lang=en>

2.2B.022: How often are the periodical reports containing information on revenue generation published by the Ministry of the extractive sector?

Score: A B C D E

References:

<http://www.oil.gov.iq/moo/index.php?lang=en>

Peer Review Comments:

Data on production, exports and revenues is published monthly.

2.2C.020 Does a Regulatory Agency publish information on revenue generation?

2.2C.020.a: Reserves

Score: A B C D E

Comments:

There is no regulatory agency. The Ministry of Oil has oversight of the oil sector.

References:

Not available

Peer Review Comments:

The State Oil Marketing Organisation (SOMO) could be considered as a regulatory agency for oil sales, though it is not independent of the ministry, and it publishes data on oil exports and prices.

2.2C.020.b: Production volumesScore: A B C D E**References:**

Not available

Peer Review Comments:

The State Oil Marketing Organisation (SOMO) could be considered as a regulatory agency for oil sales, though it is not independent of the ministry, and it publishes data on oil exports and prices.

2.2C.020.c: Information on pricesScore: A B C D E**References:**

Not available

Peer Review Comments:

The State Oil Marketing Organisation (SOMO) could be considered as a regulatory agency for oil sales, though it is not independent of the ministry, and it publishes data on oil exports and prices.

2.2C.020.d: Value of resource exportsScore: A B C D E**References:**

Not available

Peer Review Comments:

The State Oil Marketing Organisation (SOMO) could be considered as a regulatory agency for oil sales, though it is not independent of the ministry, and it publishes data on oil exports and prices.

2.2C.020.e: Estimates of investment in exploration and developmentScore: A B C D E**References:**

Not available

2.2C.020.f: Production costsScore: A B C D E

References:

Not available

2.2C.020.g: Names of companies operating in countryScore: A B C D E**References:**

Not available

2.2C.020.h: Production data by company and/or blockScore: A B C D E**References:**

Not available

2.2C.020.i: Cost of subsidies or social investments paid by mineral revenueScore: A B C D E**References:**

Not available

2.2C.020.j Does a Regulatory Agency publish information on disaggregated revenue streams?

2.2C.020.j1: Production streams valueScore: A B C D E**References:**

Not available

Peer Review Comments:

The State Oil Marketing Organisation (SOMO) could be considered as a regulatory agency for oil sales, though it is not independent of the ministry, and it publishes data on oil exports and prices.

2.2C.020.j2: Government s share in PSCScore: A B C D E**References:**

Not available

2.2C.020.j3: RoyaltiesScore: A B C D E

References:

Not available

Peer Review Comments:

The Iraqi petroleum fiscal system does not make use of royalties.

2.2C.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)Score: A B C D E**References:**

Not available

2.2C.020.j5: DividendsScore: A B C D E**References:**

Not available

2.2C.020.j6: BonusesScore: A B C D E**References:**

Not available

2.2C.020.j7: License feesScore: A B C D E**References:**

Not available

Peer Review Comments:

The Iraqi petroleum fiscal system does not make use of licence fees.

2.2C.020.j8: Acreage feesScore: A B C D E**References:**

Not available

Peer Review Comments:

The Iraqi petroleum fiscal system does not make use of acreage fees.

2.2C.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

References:

Not available

2.2C Quality of reports

2.2C.021: Are periodical reports containing information on revenue generation published by the Regulatory Agency understandable?

Score: A B C D E

References:

Not available

2.2C.022: How often are the periodical reports containing information on revenue generation published by the Regulatory Agency?

Score: A B C D E

References:

Not available

2.2D.020 Does the Central Bank publish information on revenue generation?

2.2D.020.a: Reserves

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not cover oil reserves.

2.2D.020.b: Production volumes

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not cover production volumes.

2.2D.020.c: Information on prices

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain information on oil prices.

2.2D.020.d: Value of resource exports

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The annual CBI reports contain information on the value of oil exports.

2.2D.020.e: Estimates of investment in exploration and development

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports contain the budget of the oil ministry, but not details of investment in exploration and production.

2.2D.020.f: Production costs

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports contain the budget of the oil ministry, but not details of production costs.

2.2D.020.g: Names of companies operating in country

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain this information.

2.2D.020.h: Production data by company and/or block

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain this information.

2.2D.020.i: Cost of subsidies or social investments paid by mineral revenue

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain this information.

2.2D.020.j Does the Central Bank publish information on disaggregated revenue streams?

2.2D.020.j1: Production streams value

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain this information.

2.2D.020.j2: Government s share in PSC

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The Iraq petroleum fiscal system does not make use of PSCs. The Kurdistan region does use PSCs, but it is not covered by the CBI reports.

2.2D.020.j3: Royalties

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The Iraq petroleum fiscal system does not make use of royalties.

2.2D.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain this information.

2.2D.020.j5: Dividends

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain this information.

2.2D.020.j6: Bonuses

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The CBI reports do not contain this information.

2.2D.020.j7: License fees

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The Iraq petroleum fiscal system does not make use of licence fees.

2.2D.020.j8: Acreage fees

Score: A B C D E

References:

<http://www.cbi.iq/>

Peer Review Comments:

The Iraq petroleum fiscal system does not make use of acreage fees.

2.2D.020.j9: Other (Explain in 'comments' box.)

Score: A B C D E

Comments:

The Iraqi Central Bank, beside the oil ministry, ministry of finance and SOMO, was one of the Iraqi government agencies that provided data for IEITI report about Iraq revenues. However, it does not publish information on revenue collection/generation by itself.

References:

<http://ieiti.org.iq/ArticleShow.aspx?ID=38>

2.2D Quality of reports

2.2D.021: Are periodical reports containing information on revenue generation published by the Central Bank understandable?

Score: A B C D E

References:

Ben Lando editor of Iraq oil report (2 May 2012)

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The CBI reports give oil export revenues by year, without further explanation.

2.2D.022: How often are the periodical reports containing information on revenue generation published by the Central Bank?

Score: A B C D E

References:

Ben Lando editor of Iraq oil report (2 May 2012)

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

The reports are published annually but the last available report is from 2010.

2.2E.020 Does any other government agency or entity publish information on revenue generation?

2.2E.020.a: Reserves

Score: A B C D E

Comments:

The EITI report published in December 2011 is being assessed in that section.

'Iraq had about 143 billions barrels of proven oil reserves in 2010...' p. 9

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.b: Production volumes

Score: A B C D E

Comments:

Production volumes by NOC for 2009 and projections for 2012 (p.35, for example)

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.c: Information on prices

Score: A B C D E

Comments:

p.39 for example

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.d: Value of resource exports

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.e: Estimates of investment in exploration and development

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.f: Production costs

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.g: Names of companies operating in country

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.h: Production data by company and/or block

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.i: Cost of subsidies or social investments paid by mineral revenue

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.j Does any other government agency or entity publish information on disaggregated revenue streams?

2.2E.020.j1: Production streams value

Score: A B C D E

Comments:

p.42

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.j2: Government s share in PSC

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

Peer Review Comments:

The Iraq petroleum fiscal system does not make use of PSCs, hence the question is not applicable.

2.2E.020.j3: Royalties

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

Peer Review Comments:

The Iraq petroleum fiscal system does not make use of royalties.

2.2E.020.j4: Special taxes (e.g. withholding taxes, excise taxes, excess earning taxes, charged on extractive companies)Score: A B C **(D)** E**References:**<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.j5: DividendsScore: A B C **(D)** E**References:**<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.020.j6: BonusesScore: A B C **(D)** E**References:**<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>**Peer Review Comments:**

The scope of Iraq's EITI compliance is planned to expand to include signature bonuses in future.

2.2E.020.j7: License feesScore: A B C D **(E)****References:**<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>**Peer Review Comments:**

The Iraq petroleum fiscal system does not make use of license fees.

2.2E.020.j8: Acreage feesScore: A B C D **(E)****References:**<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>**Peer Review Comments:**

The Iraq petroleum fiscal system does not make use of acreage fees.

2.2E.020.j9: Other (Explain in 'comments' box.)Score: A B C D **(E)****References:**

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E Quality of reports

2.2E.021: Are periodical reports containing information on revenue generation published by any other government agency or entity understandable?

Score: A B C D E

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2E.022: How often are the periodical reports containing information on revenue generation published by the any other governmental agency or entity?

Score: A B C D E

Comments:

Last report published in December 2011, assessing data from 2009.

References:

<http://ieiti.org.iq/uploads/English%20IEITI%20Report%2020%20Dec.%202011.pdf>

2.2 Public sector balance

2.2.023: Does the government include the SOC financial balance (its assets and liabilities) within the public sector balance or overall balance of general government in reports to the legislature?

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Iraqi ministry of finance:

<http://www.mof.gov.iq/>

2.2.024: Does the government include projections of transactions, accounts of actual spending by the natural resource funds, and their assets and liabilities, within the public sector balance or overall balance of general government in reports to the legislature?

Score: A B C D E

Comments:

No special fund yet.

References:

Ministry of finance:


<http://mof.gov.iq/PageViewer.aspx?id=71>

2.2.025: Does the government provide information on the non resource fiscal balance in its budget proposal?**Score:** A B C**References:**<http://www.mof.gov.iq/uploads/moazna%20athadya/low%202012.pdf>[Download PDF](#)

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Legal Framework and Practices

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Indicator	Score
2.3 Legal Framework and Practices	78 

2.3 Legal Framework and Practices

2.3.026: In the legal framework, what government agencies have authority to collect taxes and payments from resource companies?

Score: A B C D **E**

Comments:

-According to the law of income taxation on foreign oil companies working in Iraq, the ministry of oil will collect the taxes and then transfer it to the state commission of taxes.

-In KRG, the MoNR collects bonuses from IOCs and is supposed to transfer the money to the KRG ministry of finance. However, there is a lack of transparency. First there is no information on how much KRG collects from IOCs and second, the MoNR does not send all the money to the finance ministry, only a small amount of KRG oil income.

References:

http://www.oil.gov.iq/moo/feeds.php?lang=en&page_name=rules&id=250

Peer Review Comments:

The Iraq fiscal system relies on sales of oil by the State Oil Marketing Organisation (SOMO), with oil companies (contractors) then being paid their agreed service fee.

2.3.027: Are all resource related revenues, including those collected by state owned companies, regulatory agencies, ministries, special funds or by the tax authority placed in the national treasury?

Score: **A** B C D E

References:

(<http://www.oil.gov.iq/moo/index.php?lang=en>)

Peer Review Comments:

This is true for the central government, but sales of oil by the Kurdistan region are not necessarily remitted to the central government (though in principle Kurdish oil exports should be done through SOMO).

2.3.028: Are government officials with a role in the oversight of the oil, gas or mining sector required to disclose information about their financial interest in any extractive activity or projects?

Score: A B C

References:

Board of Supreme Audit:
http://bsairaq.net/page/e_about2.htm

Iraqi integrity commission:
http://www.nazaha.iq/news2.asp?page_namper=p11

2.3.029: Is there independent external validation of internal controls of agencies in charge of receiving payments from resource companies with the objective of providing assurances of integrity of public funds and sound financial management?

Score: A B C D E

Comments:

The International Advisory and Monitoring Board (IAMB) was the oversight body over the Development Fund for Iraq (DFI) for eight years. On June 30, 2011, the files of DFI were handed over to the Iraqi committee of financial experts COFE, which is part of Iraq's supreme audit institution. COFE has oversight responsibilities over the DFI successor account, which holds Iraq's oil and oil products exports revenues.

References:

Board of Supreme Audit:
http://bsairaq.net/page/e_about2.htm

Peer Review Comments:

Independent audits of oil revenues have also been conducted, e.g. by KPMG.

2.3.030: Does the national audit office (or similar independent organization) report regularly to the legislature on its findings, including an objective analysis of agencies in charge of managing resource revenues, and are these reports published?

Score: A B C D E

Comments:

The Board of Supreme Audit is Iraqi national audit office. It makes reports but it is not clear how often it does, especially to the legislature. From its website, it seems that the BSA holds regular meetings to discuss audits, but it's not clear whether audits are public.

References:

http://www.d-raqaba-m.iq/pages_en/about_object_e.aspx
http://www.d-raqaba-m.iq/pages_en/default_en.aspx

2.3.031: Does a Parliamentary committee scrutinize reports on resource related revenues and, if so, when does this occur?

Score: A B C D E

References:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

2.3.032: Is this country an EITI candidate or compliant country?

Score: A **B** C D E

References:

-Interview -Ben Lando editor of Iraq oil report (2 May 2012)

-IEITI report year 2011 - <http://eiti.org/Iraq>

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Indicator	Score
3.1.1	Context 67 

3.1.1 Context

3.1.1.033: Is there a state-owned company? If so, what is its role in the extractive sector?

Score: A B C D E

References:

Interview:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

-http://www.oil.gov.iq/moo/pages_list.php?lang=en&page_name=companies

3.1.1.034: How is government ownership of resource companies structured in this country?

Score: A B C D E

Comments:

Main state owned companies in Iraq:

- South Oil Company
- North Oil Company
- Missan Oil Company
- Midland Oil Company

All these SOCs are 100% state-owned.

References:

Interview:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

-IEITI report year 2011

3.1.1.035: Is there more than one state-owned company (SOC) operating in the extractive sector?

Score: A B C

References:

Interview:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

-IEITI report year 2011

Peer Review Comments:

There are several state-owned oil companies (North Oil, South Oil, Midland Oil, Missan Oil) but in practice, they are just operational units of the Ministry of Oil.

3.1.1.036: Do the roles and responsibilities of the SOC include provision of subsidies or social expenditures (quasi-fiscal activities)?

Score: A (B) C

References:






Iraq oil Marketing company
<http://somoil.gov.iq/en/>

-IEITI report year 2011

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Indicator		Score	
3.2.1	Comprehensive reports	33	
3.2.2.038	Does the SOC publish information on revenue generation?	52	
3.2.3.038.j	Disaggregated Revenue Streams	40	
3.2.4	Quality of reports	67	
3.2.5.043	Audited reports	50	

3.2.1 Comprehensive reports

3.2.1.037: Does the SOC publish comprehensive reports with information about its operations and subsidiaries?

Score: A B **C** D E

Comments:

-The Iraqi state owned companies publish info on their operations, activities and on oil exports from their fields but not on taxes and profit and loss statements.

-Iraqi oil marketing company publish info on the sale process, exports, oil prices and on IOCs operating in Iraq.

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

-IEITI report year 2011

3.2.2.038 Does the SOC publish information on revenue generation?

3.2.2.038.a: Reserves

Score: **A** B C D E

References:

SOCs websites:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18

<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

3.2.2.038.b: Production volumes

Score: A B C D E

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

3.2.2.038.c: Information on prices

Score: A B C D E

Comments:

Iraqi marketing oil company publish info on the oil prices.

References:

Iraqi oil marketing company:
http://somoil.gov.iq/en/index.php?option=com_content&view=category&la

3.2.2.038.d: Value of resource exports

Score: A B C D E

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

3.2.2.038.e: Estimates of investment in exploration and development

Score: A B C D E

References:

http://www.oil.gov.iq/moo/feeds.php?lang=en&page_name=inspector
& SOC Data

Peer Review Comments:

The SOC does not give these estimates.

3.2.2.038.f: Production costs

Score: A B C D E

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

3.2.2.038.g: Names of companies operating in country

Score: A B C **(D)** E

References:

Not available

3.2.2.038.h: Production data by company and/or block

Score: A **(B)** C D E

References:

SOC Data

Peer Review Comments:

The production is given by major production stream/operating company, not by individual block/company.

3.2.2.038.i: Quasi fiscal activities

Score: A B C **(D)** E

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

Peer Review Comments:

The SOCs are essentially operating divisions of the ministry, and as such would not be expected to engage in quasi-fiscal activities.

3.2.3.038.j Disaggregated Revenue Streams

3.2.3.038.j1: Production streams value

Score: **(A)** B C D E

References:

<http://www.iraqinet.net/iraqiindustry/index-industry.htm>

Peer Review Comments:

e.g. [http://www.soc-basrah.com/pages/oil%20Exp.%20\(e\).htm](http://www.soc-basrah.com/pages/oil%20Exp.%20(e).htm) for South Oil Company.

3.2.3.038.j2: Government s share in PSC**Score:** A B C D **(E)****References:**

Interview:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

Peer Review Comments:

Iraq's petroleum fiscal system does not make use of PSCs.

3.2.3.038.j3: Royalties**Score:** A B C D **(E)****References:**

Not available

Peer Review Comments:

Iraq's petroleum fiscal system does not make use of royalties.

3.2.3.038.j4: Special taxes**Score:** A B C **(D)** E**References:**

Interview:

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

3.2.3.038.j5: Dividends**Score:** A B C **(D)** E**References:**

Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

3.2.3.038.j6: Bonuses**Score:** A B C **(D)** E**Comments:**

-Media sources published info on bonuses but from informal sources.

References:-<http://openoil.net/2012/02/22/the-missing-pieces-in-iraqs-first-eiti-report/>

3.2.3.038.j7: License fees

Score: A B C D **(E)**

References:

Not available

Peer Review Comments:

Iraq's petroleum fiscal system does not make use of licence fees.

3.2.3.038.j8: Acreage fees

Score: A B C D **(E)**

References:

Not available

Peer Review Comments:

Iraq's petroleum fiscal system does not make use of acreage fees.

3.2.3.038.j9: Other (Describe below)

Score: **(A)** B C D E

Comments:

SOCs publish info on tenders and tender results (internal and external tenders).

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

3.2.4 Quality of reports

3.2.4.039: Are the reports published by the state owned company understandable?

Score: A **(B)** C D E

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somoil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

3.2.4.040: How often are the reports or statistical databases containing information on revenue generation published by the state owned company?

Score: **(A)** B C D E

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somooil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

Peer Review Comments:

Information on exports and prices is published monthly.

3.2.4.041: If the SOC is involved with quasi fiscal activities, does it publish information about them?

Score: A (B) C

References:

<http://moc.oil.gov.iq/english/Company%20News.php>
http://somooil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18
<http://www.soc.gov.iq>
<http://mdoc.oil.gov.iq/TENDERS.htm>

3.2.4.042: If there are joint ventures, does the SOC (or government) publish information on its share of costs and revenues deriving from its equity participation in joint ventures?

Score: (A) B C

References:

SOC Data & the EITI 2009 report

3.2.5.043 Audited reports

3.2.5.043.a: Is the SOC subject to annual audits conducted by an independent external auditor to ensure that the financial statements represent the financial position and performance of the company?

Score: (A) B C D E

Comments:

In addition to the inspector general at the ministry of oil who audits the ministry and SOCs, the parliament oil and gas committee monitors the SOCs.

-Also part of the board of supreme audit and integrity commission work is to audit SOCs work and financial statements.

References:

Ministry of oil:
http://www.oil.gov.iq/moo/feeds.php?lang=en&page_name=inspector&id=104

http://www.oil.gov.iq/moo/feeds.php?lang=en&page_name=inspector & EITI 2009 Report

Board of supreme audit:
bsairaq.net/page/e_home.htm

Iraq integrity commission:
<http://www.nazaha.iq/>

3.2.5.043.b: Are SOC audited reports published?

Score: A B C D E


References:

Not available

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Indicator	Score
3.3.1 Legal Framework and Practice	20 

3.3.1 Legal Framework and Practice

3.3.1.044: Does the SOC have a legal obligation to publish financial reports?

Score: A B C

Comments:

The Iraqi oil and gas law was not passed by parliament yet.

References:

-Dr.Bayazid Hassan MP and member of the oil and gas committee in Iraqi parliament (5 May 2012)

3.3.1.045: Does the SOC follow internationally recognized accounting standards?

Score: A B C

Comments:

No reports published so not possible to know whether internationally recognized accounting standards are being followed.

References:

Not available

3.3.1.046: Do SOC audits include consolidated accounts that cover all of the SOC subsidiaries?

Score: A B C

References:

Not available

3.3.1.047: Are officials of the SOC required to disclose information about their financial interest in any oil, gas or mining projects?

Score: A B C

Comments:

-According to integrity commission all Iraqi officials should disclose information about their income and financial interests.

References:

Iraqi integrity commission:

<http://www.nazaha.iq/>

3.3.1.048: Does the SOC publish information on the composition of its Board of Directors?

Score: A B C

Comments:

-They do not publish information on their board of directors, but some SOCs publish information on their General director especially on his activities.

References:

SOCs:

<http://moc.oil.gov.iq/english/Company%20News.php>

[http://somooil.gov.iq/en/index.php?](http://somooil.gov.iq/en/index.php?option=com_content&view=category&layout=blog&id=44&Itemid=18)

[option=com_content&view=category&layout=blog&id=44&Itemid=18](http://www.soc.gov.iq)

<http://www.soc.gov.iq>

Peer Review Comments:

The SOCs are essentially operating divisions of the Ministry of Oil. As such the Minister of Oil, about whom information is published, is the responsible party, not the department directors within the SOCs.

3.3.1.049: Does the SOC publish information about the rules governing decision making by the Board of Directors?

Score: A B C

References:

Not available

Peer Review Comments:

The SOCs are essentially operating divisions of the Ministry of Oil. As such the key decision rules are those applying to the Ministry of Oil (which are also not public).

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