

Extractive Industries  
Transparency Initiative  
Reconciliation of cash flows  
from the petroleum  
industry in Norway 2011





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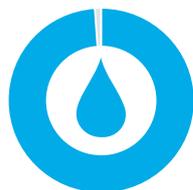
# Executive summary



This is the fourth year that licensees and governmental bodies in Norway report payments from the petroleum activities, based on the EITI principles.



About 32 % of the entities reported after the deadline which according to the regulations has been set to 1st of August.



Cash flows from petroleum tax and Petoro/SDFI accounted for approximately 99 % of total reported cash flows in 2011.

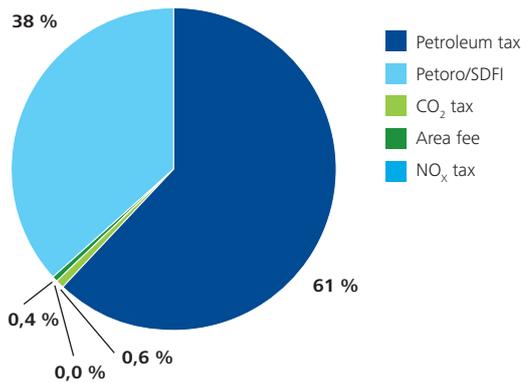


As in the prior years, a number of discrepancies were identified in the reconciliation for 2011. Discrepancies were identified in the reporting from about 50 % of the entities.



After clarification of discrepancies and adjustments the total cash flow reported from licensees and operators is in agreement with the reporting from the Governmental bodies.

**Figure 1: Relative size of revenue stream**

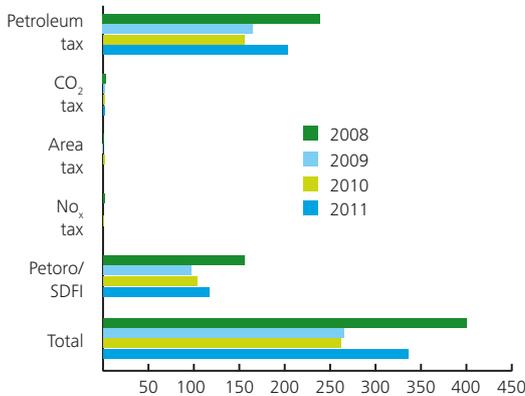


This report summarizes the result of the reconciliation of cash flows from the petroleum activities as part of the implementation of Extractive Industries Transparency Initiative (EITI) in Norway. The reporting was completed in the autumn of 2012 and includes payments made in 2011. The first report was completed in 2009, regarding payments made in 2008, thus making this the fourth year that licensees and governmental bodies in Norway report payments from the petroleum activities, based on the EITI principle.

The EITI reporting includes petroleum tax, CO<sub>2</sub> tax, NO<sub>x</sub> tax, area fee and other payments. The reporting also includes Petoro's reporting of cash flows associated to the State's Direct Financial Interest (SDFI), including Statoil's reporting of cash flows in the role of marketing and selling the Norwegian State's share of petroleum production from the Norwegian Continental Shelf.

Figure 1 illustrates the relative size of the various revenue streams in 2011.

**Figure 2: Comparison between 2008, 2009, 2010 and 2011 cash flows (billion NOK)**



Cash flows from petroleum tax and Petoro/SDFI accounted for approximately 99 % of total reported cash flows in 2011. Figure 2 illustrates the cash flows of the four reported years.

Deloitte has been engaged to reconcile the reporting from the licensees and the governmental bodies in order to identify and clarify any potential discrepancies in the reporting. The Norwegian EITI regulation provides no materiality for explanation of discrepancies. Consequently; to the extent possible; all deviations should be explained independently of materiality.

We received reporting from 68 licensees and governmental bodies.

All governmental bodies reported before the deadline. Like the previous year, several companies did not report in time, and some companies also asked for an extension. About 32 % of the entities reported after the deadline which according to the regulations has been set to 1st of August. The latest report was received on September 25, 2012. We received reporting from all entities by the completion of this report.

As in the prior years, a number of discrepancies were identified in the reconciliation for 2011. Discrepancies were identified in the reporting from about 50% of the entities. Most of the discrepancies were due to amounts initially left out from the reporting, or errors in the reporting. The entities have been very cooperative in contributing to solving the discrepancies. However, the number of discrepancies indicates that there is still potential for improvement for some of the entities regarding quality assurance of the reporting with respect to completeness and accuracy. Section 3 presents the reconciliation on an aggregated level. Company- by company reporting is presented in the appendices to the report.

The table below shows a net discrepancy for 2011 of TNOK 10 939 between the licensees and the governmental bodies' initial reporting. Discrepancies of TNOK 8 878 and TNOK 7 055 concerning the licensees and the Government respectively, have been explained through the reconciliation. TNOK 4 994 is related to amounts reported by either the Government or the licensees, but not by both (one-sided data related to entities not subject to EITI reporting).

The discrepancies are mainly due to:

- Companies have omitted interest on taxes
- Government has omitted interest on fees
- Government has omitted NO<sub>x</sub> fees
- Companies have reported wrong amounts
- Companies have included taxes other than petroleum taxes and thus not part of EITI
- Companies have reported based on the accrual principle rather than cash principle
- Companies and the Government have included fees related to counterparties which are not subject to the reporting requirement

**Table 1: Aggregated cash flows from the petroleum industry**

Aggregated payments	Initial reporting TNOK	Resolved discrepancies TNOK		Without reporting from counterparty TNOK	Adjusted reporting TNOK
		Licensees	Government		
Licensees	337 752 963	8 878	-	-4 450	337 757 391
Government	337 763 902	-	-7 055	544	337 757 391
Discrepancy	-10 939	8 878	7 055	-4 994	-

After clarification of discrepancies and adjustments for figures reported by only one of the parties, the total cash flow reported from licensees and operators are TNOK 337 757 391 which is in agreement with the reporting from the Governmental bodies.

See <http://www.regjeringen.no/nb/sub/eiti> and <http://www.eiti.no> for more information about EITI in Norway.





Translation from the original Norwegian version

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## Report on actual findings - assembly and reconciliation of cash flows

This report summarizes the result of the reconciliation of cash flows from the petroleum activities as part of the implementation of Extractive Industries Transparency Initiative (EITI) in Norway.

The report consists of five chapters. Chapter 1 describes the background and objective of the reporting. The reporting, compilation, and reconciliation processes are presented in chapter 2. In chapter 3, the compilation and reconciliation of payments is presented on an aggregated level. Lessons learned during this year's reconciliation are summarized in chapter 4, and a short summary is presented in chapter 5. Reported figures, disaggregated on a company-by-company level, are included as appendices to the report. The amounts in this report are stated in thousand Norwegian kroner (TNOK), unless otherwise stated. Amounts stated in minus (-) imply payments made from governmental bodies to the licensees.

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). Our procedures are listed in section 2.4.

Our findings are presented in chapter 3 of this report and in the appendices.

Because the agreed procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements we do not express any assurance on the payments reported by the companies. The information presented in our report, or information provided by licensees or governmental agencies, has not been subject to control or verification procedures unless otherwise stated in the report. By performing additional procedures, a limited or full audit in accordance with auditing standards, other issues may have been detected and reported.

The objective of this report is to enhance transparency within the petroleum industry. Our procedures are not designed to identify fraud or misstatements made by licensees and government bodies. The report includes only those items specified and do not include financial statements of the entities as a whole.

Oslo, 30 November 2012  
Deloitte AS

Mette Herdlevær  
State authorized auditor

# 1. Introduction

## 1.1 Background

Extractive Industries Transparency Initiative (EITI) has issued a global standard for transparency in the oil, gas and mining industries. Through the principles and criteria within EITI, the objective is a standard for publishing cash flows between companies in the extraction industry and the government.

Norway has, as the 1st OECD country, decided to implement the EITI criteria, and as of February 2009, Norway was accepted as a candidate. This meant that Norway was required to establish an organizational structure for the reporting and reconciliation of the revenue streams in line with the guidelines applicable for EITI. EITI aims to promote transparency in order to prevent corruption as well as provide citizens with a basis for demanding fair use of revenue. Transparency is also expected to enhance investments.

The implementation of the EITI criteria in Norway is passed through a separate regulation for the reporting and reconciliation of cash flows from the petroleum industry (from now on referred to as "the NEITI"). The regulation came into effect as of July 1st, 2009, and instructs licensees on the Norwegian Continental Shelf to report all payments made to the state. Additionally, certain governmental bodies are required to report revenues received. These payments and revenues shall be reconciled by an independent administrator. According to the regulation the implementation of the EITI should be overseen by a group of stakeholders. The stakeholder group presently consists of 21 persons including deputy members, and is led by a representative from the Ministry of Energy and Petroleum (MPE). MPE appointed Deloitte AS (Deloitte) as administrator according to a contract dated July 15th, 2009.

The administrator's role is to:

- Receive reporting from licensees and governmental agencies
- Compile the reporting and seek to resolve discrepancies to the extent possible
- Prepare and publish a report comprising the reconciled payments and revenues, any discrepancies and other issues of relevance, to understand the payments and revenues from the petroleum activity.

Reporting must occur according to the deadlines defined by the NEITI regulation.

The first EITI reporting in Norway was completed in 2009 for cash flows in 2008. Subsequently a validation process, according to EITI criteria was conducted, and in March 2011, Norway became the first OECD country to be accepted as a full member of EITI.

## 1.2 The Government's petroleum revenue

The Norwegian state receives their share of the value created from the petroleum resources through:

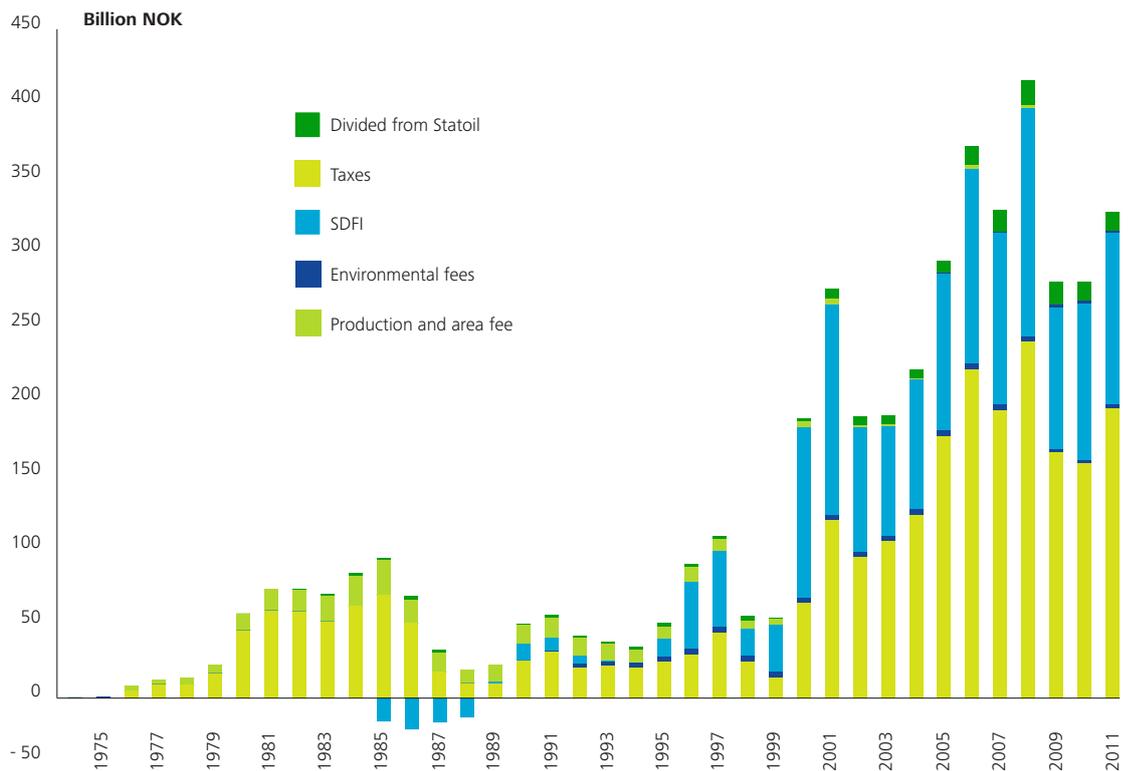
- Taxation of oil and gas activities
- Charges/ fees
- Direct ownership of the fields on the Norwegian Continental Shelf (SDFI)
- Dividends from ownership in Statoil ASA

Based on data from the Central Bureau of Statistics, the petroleum sector comprised approximately 23 % of gross domestic product (GDP) in 2011.

### Operating income (norm price)

- Operating expenses
- Linear depreciation for investments (6 years)
- Exploration expenses, R&D and decommissioning
- CO<sub>2</sub> tax, NO<sub>x</sub> tax and area fee
- Net financial costs
- = Corporation tax base (tax rate: 28 %)
- Uplift (7,5 % of investment for 4 years)
- = Special tax base (tax rate: 50 %)

The graph below is based on data from MPE showing the advancement in net cash flow to the state from petroleum activity during the period 1973-2011:



Source: Facts 2012, <http://www.npd.no/en/Publications/Facts/Facts-2012>, figure 3.4

**Figure 3: Net cash flows to the state from the petroleum activity**

The taxation of oil and gas activities in Norway is levied on each company based on the company's total operating income from the oil and gas activities less the total expenses. As a result, payments of tax are not split according to payments related to oil production and payments related to gas production. A further overview of the Norwegian Petroleum industry, including a description of the Norwegian petroleum taxes and fees, can be found in the publication "Facts - The Norwegian petroleum sector", which is published annually by The Ministry of Petroleum and Energy together with the Norwegian Petroleum Directorate (see <http://www.npd.no/en/Publications/Facts/Facts-2012>).

### 1.3 Which payments are included by the NEITI regulation?

Based on the substantial revenue that flows to the state from the petroleum industry, the NEITI regulation defines the payments to be included in the reporting. Each year the licensees shall report all payments made in the previous calendar year in relation to the petroleum industry, based on the following legislation:

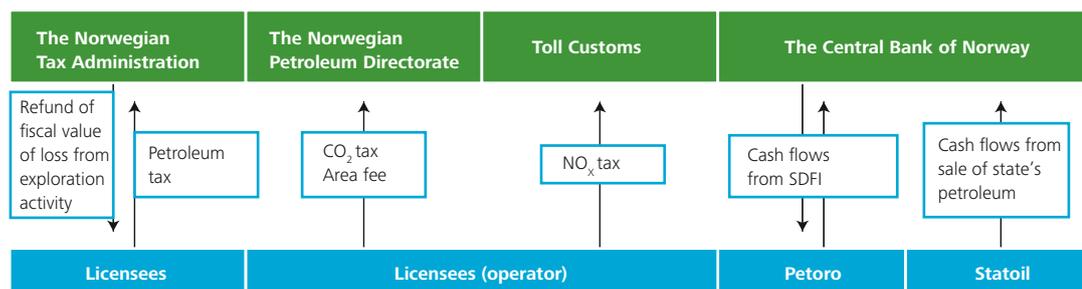
- The Petroleum Taxation Act of June 13th, 1975 no. 35 (Petroleum tax)
- The Act of December 21st, 1990 no. 72 relating to CO<sub>2</sub> tax on the petroleum activity on the continental shelf (CO<sub>2</sub> tax)
- The Regulation of December 11th, 2001 no. 1451 relating to special duties chapter 3-19 regarding emission of NO<sub>x</sub> (NO<sub>x</sub> tax)
- The Petroleum Act § 4-10 (Area fee)

As the manager of the State's Direct Financial Interest (SDFI), Petoro AS (Petoro) shall report all payments made in the previous calendar year to the state in relation to SDFI. Statoil ASA (Statoil) shall report all payments made to the state as a result of their role relating to the sale and marketing of the state's share of oil and gas production.

The Norwegian Tax Administration, the Norwegian Petroleum Directorate, the Toll Customs, Petoro and the Central Bank of Norway are required to report to the administrator the revenue received on the basis of the payments that the licensees are required to make.

The NEITI regulation also states that the reporting entities should report all other payments made to the government or government officials in the previous calendar year, resulting from petroleum activity. This is included in order to capture payments that are not necessarily required by law.

The reporting can be illustrated as follows:



**Figure 4: Reporting entities and specified revenue streams**

The EITI guidelines provide some flexibility in determining which revenue streams to include in the reporting, depending on the materiality of the payments in question. In Norway established guidelines have exempted certain payments based on materiality:

- The licensees are not required to report administration fees paid to the Norwegian Petroleum Directorate for processing of applications regarding seismic surveys, exploration permits, and extraction permits. The fees amount to NOK 33 000, 65 000 and 109 000 respectively, and are paid in accordance with the regulation to the Petroleum Act §§ 5 and 9. Deloitte has been informed by MPD that the fees amounted to approximately MNOK 18 in 2011 (2010: MNOK 24).
- The same applies to the licensee's refund of expenses for supervision of security, work environment, and resource administration in the petroleum industry. Deloitte has been informed by MPD that the refunds in 2011 amounted to approximately MNOK 92 (2010: MNOK 78).

The reporting also excludes payments that are not directly related to upstream petroleum activity or that are not made to the state. This implies that:

- Indirect fees such as VAT or import duties are not required to be reported. VAT is a general consumer tax and applies to a wide variety of goods and services. Similarly, the import duties are general in nature and apply to all industries.
- Since the NEITI relates to payments to the state only, municipal taxes, property taxes etc have been exempted. Such fees and taxes are similar for all industries and no special rates apply for oil and gas companies.
- Also, the guidelines to NEITI state that environmental fees levied on products sold from petrol stations are not included. Such fees are levied on the consumption of petroleum and not on the extraction.

- Furthermore, Statoil is not required to report payments of dividend to the state as a shareholder. Based on the state's account, the dividend amounted to MNOK 13 352 during the 2011 fiscal year (2010: MNOK 12 818). The state wholly or partially owns several companies in Norway and it was decided that the dividend from Statoil should not have different treatment from other dividends.

The Norwegian EITI regulation provides no materiality for explanation of discrepancies. Consequently; to the extent possible; all deviations should be explained independently of materiality.

The extent and content of the EITI reporting in Norway may be subject to change from year to year based on evaluations made by the stakeholder group.

#### **1.4 Audit requirements in Norway**

In 2011 all companies subject to EITI reporting were subject to statutory audit requirements. The annual accounts are audited based on international audit standards and are made public through the central register (Brønnøysundregisteret).

The Office of the Auditor General of Norway audits the State's accounts and all annual accounts by State organizations and other Governmental bodies which have to present annual accounts. The audit is performed in accordance with law and regulations for the Office of the Auditor General, and by the standards and guidelines of the Office of the Auditor General.

No special audit requirements have been imposed in regards to the EITI reporting.

## 2. Process

### 2.1 Reporting templates

The Ministry of Petroleum and Energy has developed standard reporting templates to facilitate the reporting from the licensees and governmental agencies. The templates have been tailored to include the most relevant cash flows. These cash flows are assumed to include petroleum tax, CO<sub>2</sub> tax, NO<sub>x</sub> tax and area fees. Other payments are required to be specified separately.

The assignment of license permits on the Norwegian continental shelf is given to a group of companies, rather than to one single company. One of the companies is thereby appointed as operator of the license. Payments of CO<sub>2</sub> taxes, NO<sub>x</sub> taxes and area fees are made from the operator to the government on behalf of all the companies sharing the license permit. The licensees are charged for their portion of such taxes and fees through cash calls from the operators. The NEITI guidelines clearly state that the operator is responsible for reporting payments made by the operator to the government on behalf of all the licensees sharing the license permit. In the EITI reporting these payments appear as payment from the operator and not from each of the licensees. Therefore, the EITI reporting should not be seen as a complete picture of the contribution from each licensee with respect to payments.

For further details on reporting templates see Appendix 9.

Licensees	The Norwegian Tax Administration	Toll Customs, The Norwegian Petroleum Directorate	The Central Bank of Norway
Contents: <ul style="list-style-type: none"> <li>• Petroleum tax</li> <li>• CO<sub>2</sub> tax</li> <li>• NO<sub>x</sub> tax</li> <li>• Area fee</li> <li>• Other payments</li> <li>• Statoil ASA</li> <li>• Petoro</li> </ul>	Contents: <ul style="list-style-type: none"> <li>• Petroleum tax</li> </ul>	Contents: <ul style="list-style-type: none"> <li>• CO<sub>2</sub> tax</li> <li>• NO<sub>x</sub> tax</li> <li>• Area fee</li> </ul>	Contents: <ul style="list-style-type: none"> <li>• Movements related to SDFI</li> </ul>
	Appendix: <ul style="list-style-type: none"> <li>• Payments/disbursements of petroleum tax per licensee</li> </ul>	Appendix: <ul style="list-style-type: none"> <li>• CO<sub>2</sub> tax, NO<sub>x</sub> tax and area fee per field/license</li> </ul>	
Appendix: <ul style="list-style-type: none"> <li>• CO<sub>2</sub> tax, NO<sub>x</sub> tax and area fee per field/license</li> </ul>			

Figure 5: Overview of contents of reporting templates

### 2.2 Data collection

On July 4th 2012, the Ministry of Petroleum and Energy issued instructions, requesting licensees and governmental agencies to report according to the NEITI regulation. The reporting templates were made electronically available via the MPE website. The entities were required to report directly to the administrator, Deloitte, and also direct any questions regarding the reporting templates to Deloitte.

According to the NEITI regulation, August 1st is the deadline for reporting each year.

As of August 1st, 2012, 46 licensees and governmental agencies had reported their cash flows. Deloitte notified MPE of the entities that had not yet reported. The entities were contacted and reminded of the reporting requirement. The last entity reported on September 25th, 2012.

The Toll Customs included one company in the reporting which is not considered a licensee and therefore not included by the regulation. Therefore, reporting from this company was not collected. We have included this company in our reconciliation in "Other companies – not licensees" in this report.

We expected in total 68 licensees and governmental agencies to report. All entities had reported by the time this report was completed. See Appendix 8 for a complete overview of entities.

### 2.3 The reporting of cash flows to the state from Petoro and Statoil

The State's Direct Financial Interest (SDFI) is an arrangement where the state owns a share of the oil and gas fields, pipelines and onshore constructions. The share is determined by the issuing of the license permit, and the size varies from field to field. As an owner, the state covers its part of the investments and expenses, and receives a share of the revenue from the license permits. The management of the SDFI portfolio is provided by the state owned company Petoro.

Statoil markets and sells the Norwegian state's oil and gas production from the Norwegian Continental Shelf and is also responsible for the delivery of the state's petroleum to the buyer, including transportation, processing and storage. Statoil receives no payment for the services.

The Central Bank of Norway receives, on behalf of the state, all cash flows from SDFI including cash flows generated from the sales and marketing of the state's share of oil and gas production managed by Statoil.

Separate cash accounts are prepared by Petoro for SDFI, which are subject to audit by the Office of the Auditor General of Norway. These cash accounts include all of SDFI cash flows, including cash flows from Statoil for the Norwegian state's oil and gas production.

Figure 6 below illustrates the flow of transactions between Petoro/SDFI, Statoil and the Central Bank of Norway:

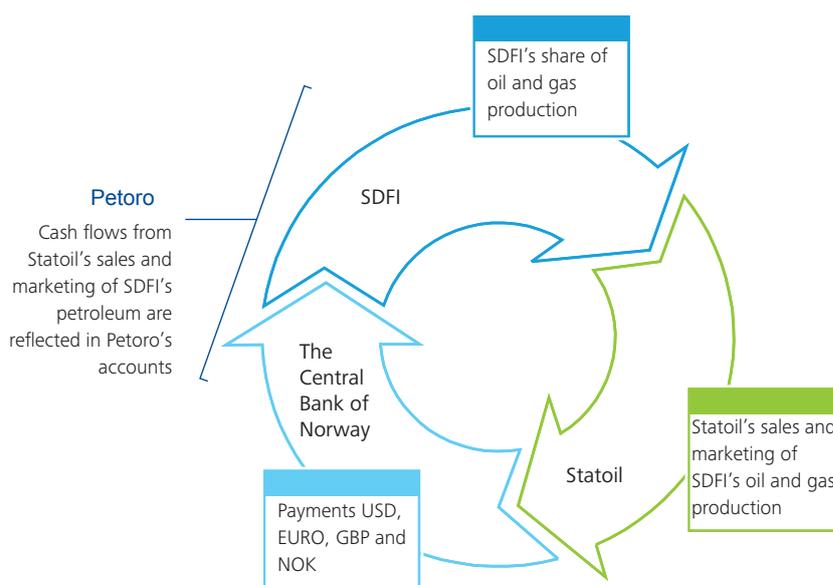


Figure 6: Illustration of cash flows between Petoro/SDFI, Statoil, and the Central Bank of Norway

During the EITI implementation some uncertainties arose as to how to report cash flows from SDFI, and what to include in the reporting from the Central Bank of Norway and from Statoil relating to the sale of the state's petroleum. The following was decided:

- Petoro reports the movements on the SDFI cash accounts. These cash flows represent a net amount, meaning cash inflows from marketing and sale of petroleum, tariff revenues and other revenues minus cash outflows from operating costs and capital expenditures. The cash flows reported in the cash accounts from SDFI comprise the total activity reflected in the SDFI accounts, including Statoil's payments arising from marketing and selling the state's petroleum.
- The Central Bank of Norway reports the movements on the state's bank accounts for SDFI.
- The administrator reconciles the cash account movements reported from Petoro for SDFI against the movements reported from the Central Bank of Norway. The reconciliation is performed in Norwegian Kroner.
- In addition to this, the administrator prepares a separate sub-reconciliation of gross payments in foreign currencies and NOK from Statoil and Petoro to the Central Bank of Norway. These payments are generated from Statoil's marketing and sale of the state's petroleum together with other payments from Petoro (mainly cash flows from tariff revenues, dividends and net profit interest).
- The State also conducts payments to Statoil in connection with the sales and marketing, mainly related to tariff costs and purchase of gas. Such payments are not included in the reconciliation between Statoil and the Central Bank of Norway, but are included in the reconciliation of the cash account between Petoro and Norges Bank.

The same procedures were applied for 2011.

#### **2.4 Compilation of data and resolving discrepancies**

The process of compiling the reporting and resolving discrepancies has been performed by Deloitte in the period from August to September 2012.

Deloitte has performed the following procedures on the reported figures:

- Reported figures per licensee have been compiled item by item against reported figures from government. Based on this compilation, discrepancies have been specified item by item for each licensee.
- If the reporting from governmental agencies agreed with the licensee's reporting, the government figures were considered to be confirmed by the licensee's reporting, and no further follow-up was necessary.
- In those cases where discrepancies appeared, licensees were contacted by phone or e-mail. Deloitte gave information of whether discrepancies were related to taxes or fees. Amounts from the other party were not disclosed.
- The licensees were asked to provide details of the amounts (dates and figures). In most cases this enabled us to explain discrepancies.
- To the extent that we did not succeed in finding the reason for the discrepancy through contact with the licensees, we contacted the governmental agency and asked for details of the cash flows.
- Furthermore, we prepared for information purposes a reconciliation of reported cash flows under EITI to cash flows from the petroleum industry as presented in the state accounts of 2011, made publicly available through Meld. St. nr 3 (2011-2012).
- In addition, we have compared the reporting based on EITI from Petoro and from the Central Bank of Norway to the published financial statements from Petoro and the Central Bank of Norway, see Appendix 7.

This process does not confirm that there were no other payments made to the government other than those that were reported, as such amounts may have been omitted in the reporting from licensees or governmental agencies. The current regulations do not require us to perform detailed testing in order to uncover such omissions; and to uncover such omissions would be difficult even through detailed testing of all licensees.

The result of our procedures is presented in chapter 3.

# 3. Reconciliation of reported payments

## 3.1 Reconciliation of totals

We received reporting from 68 licensees and governmental agencies. Out of these, three of the licensees did not have any amounts to report, 61 licensees reported on petroleum tax, 9 reported on CO<sub>2</sub> tax, 13 reported on NO<sub>x</sub> tax, and 22 reported on area fee. Table 2 presents aggregated cash flows as reported. A disaggregated overview company-by-company is presented in Appendix 1.

**Table 2: Aggregated cash flows from the petroleum industry**

Aggregated payments	Initial reporting TNOK	Resolved discrepancies TNOK		Without reporting from counterparty TNOK	Adjusted reporting TNOK
		Licensees	Government		
Licensees	337 752 963	8 878	-	-4 450	337 757 391
Government	337 763 902	-	-7 055	544	337 757 391
Discrepancy	-10 939	8 878	7 055	-4 994	-

- The licensees initially reported payments of TNOK 337 752 963 to the Government. The payments reported by the licensees were TNOK 10 939 below the payments reported by the Government.
- Out of the discrepancy of TNOK 10 939, TNOK 8 878 concerns licensees and TNOK 7 055 concerns the Government. These discrepancies have been explained through the reconciliation work.
- The column “without reporting from counterparty” includes amounts reported by licensees or Government, however, no reporting from the counterparty has been obtained. The amount of TNOK 4 994 includes:
  - o TNOK 4 450 of “Other payments” reported by four licensees. Reporting from Government has not been obtained as these payments relate to fees and other payments that are exempted from EITI reporting.
  - o TNOK 544 reported by the Government relating to a NO<sub>x</sub> tax refund paid from the Government to a company that is not subject to EITI reporting.

**Figure 7: Compilation of number of reporting entities and number of entities with discrepancies**

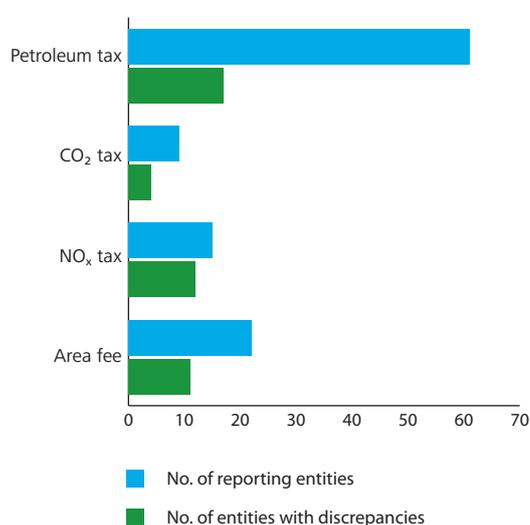
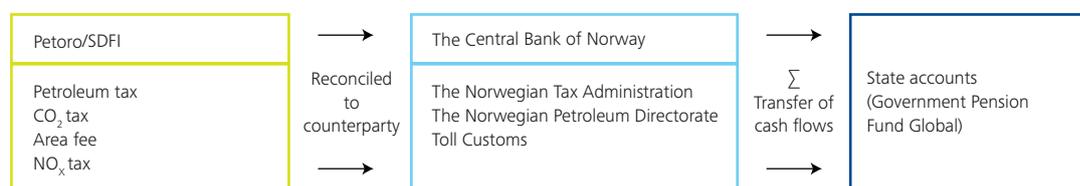


Figure 7 summarizes the number of companies with various cash flows to report, and the number of companies which reported with discrepancies. The original reporting showed discrepancies in one or more cash flows in the reporting from 33 entities. For a detailed overview of discrepancies per company refer to appendices 2-7. The discrepancies will be more closely examined in section 3.3.

### 3.2 Transfer of payments to the Government Pension Fund Global

Net cash flow from the petroleum industry is transferred to the Government Pension Fund Global (the Pension Fund). This fund is managed by the Central Bank of Norway on behalf of the Ministry of Finance. The purpose of the Government Pension Fund Global is to support government savings to finance future pension expenditure and underpin long-term considerations in the use of Norway's petroleum revenue. The figure below shows the relation between reported cash flows in accordance to NEITI and cash flows transferred to the Pension fund.



**Figure 8: The relation between reported cash flows in accordance to NEITI and cash flows transferred to the Pension fund**

For information purposes we have included a reconciliation of the total reported cash flows according to EITI against the cash flows to be transferred to the Pension Fund, as presented in "Meld St. nr 3 (2011-2012) Statsrekningskapen for 2011", published on April 27th 2012. The transfers to the Government Pension Fund Global appear in the state accounts of 2011 table 3.2 "Resultatrekningskap for Statens pensjonsfond utland". Note that the figures in table 3 below are in million NOK.

**Table 3: Reconciliation between the EITI reporting and the state accounts**

Reconciliation to state accounts of 2011	MNOK
Net cash flows transferred to the Government Pension Fund Global according to state accounts table 3.2 <sup>1)</sup>	350 804
Reported EITI cash flows according to table 2 above	337 757
Discrepancy	13 047
Reported in the state accounts, but not part of NEITI regulation	
- Dividends from Statoil	-13 047
- Special operating expenses	2
Movements in outstanding accounts between the state and Petoro, see table 11	308
NO <sub>x</sub> tax discrepancy in EITI reporting compared to the state accounts, see table 8 <sup>2)</sup>	-15
Interest and omitted NO <sub>x</sub> tax, see table 8 <sup>2)</sup>	8
Area fee, corrected in EITI reporting, included in the State's accounts, see table 9	1
Amount without counterparty, corrected in EITI reporting. See table 2	1
Unsolved discrepancy	-

Source: <http://www.regjeringen.no/nn/dep/fin/Dokument/proposisjonar-og-meldingar/stortingsmeldingar/2011-2012/meld-st-3-20112012>

<sup>1)</sup> See Appendix 7 for additional reconciliation.

<sup>2)</sup> Discrepancies in reported NO<sub>x</sub> tax is caused by different timing of reporting in Government accounts and EITI (MNOK -15). Also, EITI reporting includes interest and NO<sub>x</sub> tax NX 400 while interest related to NO<sub>x</sub> (MNOK 1) and NO<sub>x</sub> tax NX 400 (MNOK 7) have not been included in the record for NO<sub>x</sub> tax in the Government accounts.

There are no unresolved discrepancies between the EITI reporting and the numbers published in the state accounts.

### 3.3 Cash flow per revenue stream

The EITI reporting can be disaggregated into the following cash flows per revenue stream as presented in table 4:

**Table 4: Aggregated cash flow per revenue stream**

TNOK	Licensee	Government	Discrepancy	Resolved discrepancies TNOK		Without reporting from counterparty	Unsolved
				Licensee	Government		
Petroleum Tax	205 937 171	205 936 428	743	-743	-	-	-
CO <sub>2</sub> tax	2 188 166	2 188 599	-433	433	-	-	-
NO <sub>x</sub> tax	47 378	38 887	8 491	-15 722	7 775	-544	-
Areal fee	1 492 384	1 516 574	-24 190	24 910	-720	-	-
Other payments	4 450	-	4 450	-	-	-4 450	-
Petoro/SDFI	128 083 414	128 083 414	-	-	-	-	-
SUM	337 752 963	337 763 902	-10 939	8 910	7 055	4 994	-

The reported cash flows will be more closely examined in the following sections.

#### 3.3.1 Petroleum tax

Petroleum taxation is based on the Norwegian rules for ordinary corporate tax. Due to the extraordinary profitability associated with production of the Norwegian petroleum resources, a special tax is also levied on income from these activities. The petroleum tax system comprises of an ordinary tax of 28 % on the result that is within the scope and extent of the act, in addition to a special tax of 50 %. Companies may under certain circumstances make an application for a refund of the fiscal value of exploration costs in the companies' tax returns. Such refunds from tax authorities are included in the amounts stated below.

Table 5 includes tax payments on an aggregated level. The table shows the original reporting from the licensees and government, resolved discrepancies and compilation after resolved discrepancies. For a disaggregated overview of the reported petroleum tax company-by-company, see Appendix 2.

**Table 5: Aggregated reconciliation of petroleum tax**

Aggregated payments	Initial reporting TNOK	Resolved discrepancies TNOK		Without reporting from counterparty TNOK	Adjusted reporting TNOK
		Licensees	Government		
Licensees	205 937 171	-743	-	-	205 936 428
Government	205 936 428	-	-	-	205 936 428
Discrepancy	743	-743	-	-	-

17 companies reported tax payments that deviated from the reporting from the Norwegian Tax Administration. Resolved discrepancies are presented in the table below, categorized by nature of the discrepancy.

**Table 6: Type of discrepancy – petroleum tax**

	Type of discrepancy	TNOK	Entities with discrepancies
a	Timing differences	60 377	7
b	Interest amounts not included in the initial reporting	-1 188	1
c	Tax related to onshore activity/foreign activity	-899	2
	Combination of a, b and c	-57 546	4
	Rounding	-1	3
	Sum resolved discrepancies	743	17

**Interest amounts not included in the initial reporting**

For seven of the companies, the discrepancies were due to the fact that they failed to report interest on tax in their initial reporting.

**Taxes regarding onshore activity**

One company included taxes regarding its onshore activity.

**Amount excluded in initial reporting**

For two companies, the discrepancies were due to the companies failing to include all amounts in their initial reporting.

**Combination of different types of discrepancies**

Four companies had to adjust their reporting for a combination of omitted interest amounts, inclusion of taxes regarding onshore activities, omitted payments and misstatements of amounts in their original reporting.

The discrepancies for petroleum tax are considered fully resolved.

### 3.3.2 CO<sub>2</sub> tax

CO<sub>2</sub> tax was introduced in 1991 and is an instrument for reducing CO<sub>2</sub> emissions from the petroleum sector. The CO<sub>2</sub> tax is levied at a rate per standard cubic metre (scm) of gas burned or directly released and per litre of petroleum burned. The rate for 2011 is NOK 0.48 per litre of petroleum or scm of gas.

Table 7 below presents reported figures for CO<sub>2</sub> taxes on an aggregated level. A complete disaggregated overview company-by-company is presented in Appendix 3. Discrepancies were noted for four out of nine companies in the initial reporting of CO<sub>2</sub> taxes.

**Table 7: Aggregated reconciliation of CO<sub>2</sub> tax**

Aggregated payments	Initial reporting TNOK	Resolved discrepancies TNOK		Adjusted reporting TNOK
		Licensees	Government	
Licensees	2 188 166	433	-	2 188 599
Government	2 188 599	-	-	2 188 599
Discrepancy	-433	433	-	-

The discrepancies are explained by the following:

- Two companies failed to report interests.
- One company omitted an amount as well as failed to report interest.
- One company reported an incorrect amount in the initial reporting.

The discrepancies for CO<sub>2</sub> tax are considered fully resolved.

### 3.3.3 NO<sub>x</sub> tax

Pursuant to the Gothenburg Protocol of 1999, Norway has an obligation to reduce annual emissions of nitrogen oxides (NO<sub>x</sub>). In order to fulfill this obligation, the NO<sub>x</sub> tax was introduced from 1st January 2007. NO<sub>x</sub> tax for 2011 is NOK 16.43 per kg of NO<sub>x</sub>. The Parliament has decided that companies may be exempted from the NO<sub>x</sub> tax if they are subject to an environmental agreement with the state regarding clear measures designed to reduce emissions. Companies that join the arrangement also commit to contributing to the NHO NO<sub>x</sub> fund. The fund's primary mission is to fund specific NO<sub>x</sub> reducing measures. The tax exemption initially applied for three years 2008, 2009 and 2010 respectively. In December 2010 a new agreement was made applicable until 2017.

The licensees are required to report payments of NO<sub>x</sub> taxes to the state. Payments from the licensees to the NO<sub>x</sub> fund are not reported because the fund is not considered a governmental body. Similarly, the fund is not required to report. Presented below is an aggregated summary of the reported NO<sub>x</sub> payments to the Toll Customs. A disaggregated overview of reported NO<sub>x</sub> taxes on a company-by-company level is presented in Appendix 4.

**Table 8: Aggregated reconciliation of NO<sub>x</sub> taxes**

Aggregated payments	Initial reporting TNOK	Resolved discrepancies TNOK		Without reporting from counterparty TNOK	Adjusted reporting TNOK
		Licensees	Government		
Licensees	47 378	-15 722	-	-	31 656
Government	38 887	-	-7 775	544	31 656
Discrepancy	8 491	-15 722	7 775	-544	-

The discrepancies can be explained by:

- Three companies initially omitted a number of transactions in the reporting of NO<sub>x</sub> tax.
- One company failed to report an amount, and failed to include interest.
- Three companies included amounts paid to the NHO NO<sub>x</sub> fund in their reporting.
- One company failed to include interest.
- The Toll Customs erroneously omitted an amount which is part of NO<sub>x</sub> taxes for four companies in the initial report.
- The Toll Customs included an amount that was paid in 2010
- The Toll Customs have reported NO<sub>x</sub> taxes for one company which is not a licensee on the Norwegian Continental Shelf. The amount has been included in the column "Without reporting from counterparty" in the table above.

The discrepancies for NO<sub>x</sub> tax are considered fully resolved.

### 3.3.4 Area fee

The area fee shall contribute to efficient exploration of the deposits after the initial exploitation period has expired. The initial exploitation period is usually between four and six years. Accordingly, the area fee normally starts to apply from year five to seven, after the initial license was awarded. The area fee is NOK 30.000 per square kilometer the first year, NOK 60.000 per square kilometer the second year, and thereafter NOK 120.000 per square kilometer until submission of the Plan for development and operation.

Aggregated amounts for the area fee are presented in the table below. A disaggregated overview on a company-by-company level is presented in Appendix 5. Discrepancies were identified for 11 out of 22 companies that reported area fees.

**Table 9: Aggregated reconciliation of area fees**

Aggregated payments	Initial reporting TNOK	Resolved discrepancies TNOK		Adjusted reporting TNOK
		Licensees	Government	
Licensees	1 492 384	24 910	-	1 517 294
Government	1 516 574	-	720	1 517 294
Discrepancy	-24 190	24 910	-720	-

Resolved discrepancies can be explained by the following:

- Five companies failed to report area fees in their initial reporting.
- One company omitted interest on overdue payment of area fee, and included an amount of interest that was paid in 2012.
- One company reported amounts for fields in which they are not an operator.
- One company did not include interest payments in initial reporting.
- The Government reported that an amount which a company included as paid in 2011 was received in 2012.
- One company initially reported incorrect amounts.

The discrepancies for area fees are considered fully resolved.

### 3.3.5 Other payments

Four companies reported "Other payments" amounting to TNOK 4 450. For one company the payment related to taxes for onshore operations. One company reported fees regarding a preliminary statement from the Norwegian Tax Administration. Another company reported fees for APA applications. Finally, one company has included payments for "site survey", "force membership", print from the petroleum register and application fee. Reporting from Government has not been requested since the numbers reported as other payments are specifically excluded from the NEITI reporting requirements. We wish to inform that such payments have been reported, however, we have not performed control procedures of compilation and discrepancy follow-up.

### 3.3.6 Petoro and the Central Bank of Norway

Cash flows reported from Petoro are associated with the State's Direct Financial Interest (SDFI) in the petroleum industry on the Norwegian Continental Shelf and other activities in relation to this. The reporting consists of net cash inflows and outflows. See section 2.3 for a more thorough description of these cash flows. The cash flows are deposited in accounts in the Central Bank of Norway. Table 10 shows net cash flows reported from Petoro on behalf of SDFI and the Central Bank of Norway accordingly. There are no unsolved discrepancies in the reporting.

**Table 10: Net cash flow reconciliation between Petoro and the Central Bank of Norway**

Net cash flow		TNOK
Reported from Petoro, net payments to Central Bank of Norway regarding SDFI		128 083 414
Reported from Central Bank of Norway, net received cash inflows regarding SDFI:		
	Movement deposit account foreign currency <sup>1)</sup>	172 382 363
	Movement deposit account in NOK <sup>2)</sup>	24 696 410
	Movement withdrawal account in NOK <sup>3)</sup>	-68 995 359
	Sum movements in Central Bank of Norway	128 083 414
Discrepancy Central Bank of Norway and Petoro		-

<sup>1)</sup> The amount is payments from Statoil from the sales and marketing of the State's petroleum and is reconciled in section 3.3.7.1.

<sup>2)</sup> The amount is a combination of payments in NOK from Statoil (regarding the sales and marketing of the state's petroleum) and payments from Petoro, and is reconciled in section 3.3.7.2.

<sup>3)</sup> Cash outflows are mainly field costs and investment related to SDFI and payments from the state to Statoil for transportation, purchase of gas, etc, related to the sales and marketing of the state's petroleum. A separate reconciliation of these amounts has not been performed, other than making sure that total movements on the accounts in the Central Bank of Norway, TNOK 128 083 414, reconcile to the sum of reported cash flows by Petoro.

Net cash from SDFI is included in the transfer to the Government Pension Fund Global. We have, for information purposes, included a reconciliation of net cash flows according to EITI against net cash flows from SDFI, as presented in "Meld St. nr 3 (2011-20012), Statsrekneskapen for 2011". The transfers to the Pension Fund appear in the state accounts of 2011 table 3.2 "Resultatrekneskap for Statens pensjonsfond utland". Note that the figures in the table below are in millions of NOK:

**Table 11: Reconciliation of EITI reporting to the state's financial statements**

Table and item in the state's accounts 2011			MNOK
		State's Direct Financial Interest	
Table 3.2	Item 24	Operating result	125 802
Table 3.2	Item 30	Depreciation	16 862
Table 3.2	Item 80	Interest on state's capital	6 541
Table 3.2	Item 85	Interest on current accounts	-11
Table 3.2	Item 30	Capital investments	-21 437
	Sum	Entry in state accounts	127 775
Table 5.7		Movement on current account between the state and Petoro	308
		Sum = net received regarding SDFI	128 083
		Net received regarding SDFI according to NEITI, ref table 10 above	128 083
		Discrepancy	-

Source: <http://www.regjeringen.no/nr/dep/fin/Dokument/proposisjoner-og-meldingar/stortingsmeldingar/2011-2012/meld-st-3-20112012.html?id=680054>.

There is no deviation between the reporting based on EITI for SDFI and the cash flows as published in the state accounts. See Appendix 7 for further reconciliation against published financial statements for Petoro.

### 3.3.7 Statoil's reporting on the marketing and sales of the state's petroleum

Statoil markets and sells state-owned oil and gas on behalf of the state. Payments related to this activity are made directly from Statoil to an account in the Central Bank of Norway. Statoil is obliged by the NEITI to report cash flows from this activity. Note that Statoil payments related to this activity are also included in the figures for Petoro/Central Bank of Norway displayed above, as these figures are included in the movements on the cash accounts reported by Petoro on behalf of SDFI.

#### 3.3.7.1 Payments in foreign currency

Payments from Statoil in foreign currency relating to sale of the state's petroleum are made to a foreign exchange account in the Central Bank of Norway. A separate sub-reconciliation of payments in foreign currency from Statoil against payments in foreign currency as reported by the Central Bank of Norway is presented below:

**Table 12: Reconciliation between Statoil and the Central Bank of Norway**

	TUSD	TEUR	TGBP	Sum TNOK see table 10 <sup>1)</sup>
Reported from Statoil	18 712 559	7 282 049	1 690 663	
Reported from the Central Bank of Norway	18 149 457	7 247 199	2 178 033	172 382 363
Discrepancy foreign currency	563 102	34 850	487 370	-
Payments from the State to Statoil, reported net by Statoil	-	164 544	49 238	-
Transactions by Statoil via the operating account at Petoro, and not directly to the Central Bank. Hence deducted from the reporting from Statoil when reconciling the Central Bank's exchange account ref. Table 13	-563 102	-199 394	-196 386	-
Wrong currency number reported by the Central Bank <sup>2)</sup>	-	-	634 818	-
Wrong currency number reported by the Central Bank <sup>2)</sup>	-	-	-300	-
Resolved discrepancy	-563 102	34 850	487 370	-
Unresolved discrepancy	-	-	-	-
Reported from the Central Bank of Norway, translated to NOK	101 629 867	56 679 199	14 073 296	172 382 362
Average exchange rate <sup>1)</sup> NOK	5,6	7,8	9,1	-

<sup>1)</sup> NOK translation is presented based on exchange rates and amounts reported by the Central Bank of Norway.

<sup>2)</sup> The Central Bank informed that there were two typing errors in the report we have received: An amount reported as TGBP 705 353 374 is meant to be TGBP 70 353 374 and an amount reported as TGBP 2 190 is meant to be TGBP 2 490.

### 3.3.7.2 Payments in NOK

Payments in NOK from Statoil relating to sale of the state's petroleum are made to a separate NOK account in the Central Bank of Norway. This account also includes other payments made from Petoro related to SDFI, mainly tariff revenues and cash inflows from net profit interest. We have performed a sub-reconciliation of cash inflows in NOK from Statoil and Petoro against cash movements in NOK as reported by the Central Bank of Norway.

**Table 13: Reconciliation between Statoil, Petoro and the Central Bank of Norway, cash inflows in NOK**

Cash inflows NOK	Currency	TNOK
Petoro NOK payments other than from sale of state's petroleum		15 374 731
Statoil NOK payments from sale of state's petroleum		2 834 188
Sum		18 208 919
Central Bank of Norway (ref. table 10)		24 696 410
Discrepancy		6 487 491

### 3.4 Discrepancies are due to:

Cash inflows NOK	Currency	TNOK
Net profit interest initially not reported by Petoro		264
Cash call, payment to wrong account		3 404
Payments in currency to NOK account, see table 12 <sup>1)</sup> :	TUSD 563 102	3 136 970
	TGBP 196 386	1 810 478
	TEUR 199 394	1 536 375
Resolved discrepancy		6 487 491

<sup>1)</sup> We have been informed that Statoil, in parts of the year, at the request of the Central Bank has made payments of foreign currency to the NOK account rather than to the USD account at the Central Bank. The amounts have been agreed to specifications of the transactions provided by Statoil and Petoro, and explain all material deviation.

There are no remaining unresolved discrepancies relating to payments in NOK.

#### 3.4.1 Licenses with Net Profit Interest

The cash flows reported by Petoro of TNOK 15 374 731 (ref Table 13) include cash flows from licenses in which SDFI has no direct ownership but is entitled to receive a share of the profit. The share of profit is paid to Petoro by the licensees. The licensees that have made such payments have specified this in the reporting template. We have performed a separate sub-reconciliation of the Net Profit Interest cash flows.

**Table 14: Reconciliation of cash flows regarding Net Profit Interest**

Nett share of profit	Reporting TNOK	Reporting TUSD	Discrepancy TNOK	Discrepancy TUSD	Adjusted reporting TNOK	Adjusted reporting TUSD
Petoro	888 185	10 670	-24	3	888 161	10 673
Licensees	862 913	10 673	25 248	-	888 161	10 673
Discrepancy	25 272	-3	-25 272	3	-	-

A company-by-company listing is included in Appendix 6.

The discrepancy of TUSD 3 is due to amounts initially omitted by Petoro. The discrepancy of TNOK 25 272 is due to incorrectly reported amounts by the licensees, and amounts initially omitted by Petoro.

# 4. Lessons learned from this year's reconciliation

The EITI reporting was completed in the autumn of 2012 and includes payments made in 2011. This is the fourth year that licensees and governmental bodies in Norway report payments from the petroleum activities based on the EITI principles. The first reporting was completed in 2009 (the implementation year) for payments made in 2008. Presented below is a summary of experiences from this year, in addition to some recommendations for next year's reporting.

## 4.1 Reporting templates

There were few questions from the reporting entities in advance of this year's reporting. However, it seems that some companies did not study the guidance in sufficient detail, and therefore did not initially report in accordance with the EITI guidelines. Some of the discrepancies are caused by items that have been included in the reporting but are specifically exempted in regulations or guidance, or items that the instructions emphasize that should be included, such as interest amounts.

## 4.2 Reporting deadlines

The reporting deadline for entities and authorities was set to August 1st as the regulation indicates. Approximately two third of the entities reported within the original deadline. This is in line with last year. Some of the entities asked for an extended deadline due to holiday. After the deadline expired, a follow-up regarding the entities that had not yet reported was performed and missing reporting was consequently received. Some companies reported towards the end of September. The final reporting was received on September 25th. As in last year, we received the reporting from all entities before the completion of this report.

Late reporting creates challenges regarding the reconciliation work and follow-up of discrepancies. The late reporting by some companies resulted in unresolved discrepancies at the date were the first draft of the report should be provided to the group of stakeholders (October 1st). It is recommended that the importance of keeping the reporting deadline is again emphasized when issuing next year's reporting forms. The EITI reporting has now been established as a regular reporting requirement with a fixed deadline and the companies should be encouraged to prepare for the reporting on a timely basis. For next year, we also recommend that reporting forms are issued from the Ministry of Energy and Petroleum no later than primo May. This is to ensure that all companies are reminded about the reporting requirements prior to the holiday season.

## 4.3 Sales and marketing of the State's petroleum

It is time consuming to reconcile cash flows related to Statoil's sale and marketing of the State's petroleum. Statoil has initially reported both inflows and outflows, but it is only payments from Statoil that can be reconciled directly to the Central Bank of Norway. These flows have been reconciled by matching payments against deposits. Payments from the State to Statoil are transferred through operating accounts in external banks and not directly from the Central Bank and therefore cannot be reconciled directly.

When the EITI reporting was implemented in Norway it was made a clarification by the Ministry of Energy and Petroleum regarding the interpretation of the regulations with respect to the cash flows from the sales and marketing of the State's petroleum. The regulations were interpreted to comprise only payments from Statoil to the State; see the wording of the Regulations Section 3: "Statoil Hydro ASA shall, by August the 1st each year specifically report all payments in the previous calendar year **to the State** as a result of the company's sales of State's petroleum, see the owner's instruction set out at the general meeting of Statoil ASA the 25th of May 2001 with subsequent amendments" (bolded by us).

To the extent a full reconciliation of both inflows and outflows relating to the sales and marketing would be desirable this must be clarified in terms of regulations and as well be prepared for by the State, Petoro and the Central Bank.

## 4.4 Other payments

NEITI § 3 states that «all reporting entities...should also report all other payments made to the government or government officials". This item is included in order to capture payments that are not necessarily required by law. There were some uncertainties concerning what to include as "Other payments" in the implementation year, and some companies reported amounts that were specifically exempted from the regulation. Additional guidelines were provided for the reporting,

leading to fewer questions from the companies on this item. Nevertheless, four companies have included other payments in their reporting that should not have been included based on the guidelines.

#### **4.5 Signatures**

Based on the guidelines, the reporting templates should be signed by the CFO/head of department. Deloitte has not checked that templates have been signed by the CFO/head of department; however, we have noticed that some of the templates had not been signed.

#### **4.6 Auditor's report**

The companies are requested to attach the auditor's report together with the reporting of cash flows. Some of the companies had neglected to do this and 16 companies (9 in 2010) had to be followed up regarding this matter. For two companies the auditor included an emphasis of matter paragraph in the auditor's report. The emphasis of matter paragraphs related to going concern matters and uncertainty of asset value respectively. There are no discrepancies in the reporting from these companies.

#### **4.7 Appendices to the reporting**

In the guidelines to the reporting the companies are encouraged to attach detailed statements on each reporting item specifying amounts and payment dates, to simplify the reconciliation work. 37 licensees included such detailed statements.

By including detailed statements in the reporting, great value of efficiency is realized in the reconciliation work. The guidelines should continue to encourage the entities to include detailed statements.

#### **4.8 Discrepancies**

In spite of the guidelines providing a detailed description of the main sources of errors based on last year's reporting, there were some repeated misstatements. The discrepancies have been of the same nature as in the reporting in the previous years. The discrepancies can be summarized as follows:

- Companies have omitted interest on taxes.
- Government has omitted interest on fees.
- Government has omitted petroleum related NO<sub>x</sub> tax.
- Companies have reported wrong amounts.
- Companies have included taxes other than petroleum taxes and thus not part of EITI.
- Companies have reported based on the accrual principle rather than cash principle.
- Companies and government have included taxes and fees related to counterparties which are not subject to the reporting requirement.

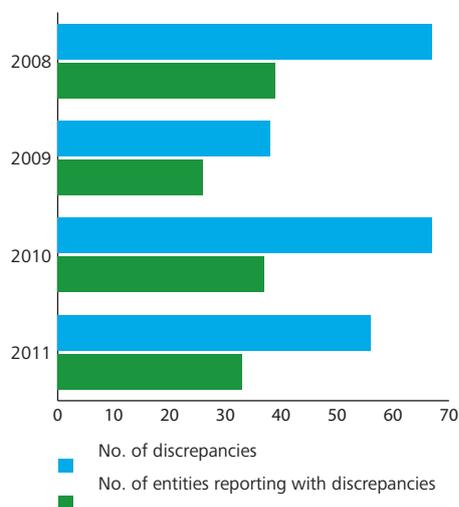
Table 15 shows the net discrepancies compared to the total reported cash flows for each year with EITI reporting:

TNOK	Total cash flows after explanation of discrepancies	Net discrepancy, amount	Number of entities reporting with discrepancies	Number of discrepancies
2008	400 489 701	-1 659 700	39	67
2009	265 957 196	243 693	26	38
2010	262 762 939	1 185 022	37	67
2011	337 750 238	-10 939	33	56

Note that the discrepancies are presented net in the table and that they consist of many discrepancies going in both directions. In addition, there are several discrepancies related to the reconciliation of cash flows from sale and marketing of the State's petroleum which have not been included in the table.

Figure 8 presents the development in terms of discrepancies for the four year period of the EITI reporting. The figure displays the number of companies with one or more discrepancies as well as the total number of discrepancies. Some of the companies have had several discrepancies for the various payments.

Figure 8: Number of entities reporting one or more discrepancies, as well as total number of discrepancies



To a large extent the discrepancies appear to be due to erroneous reporting. We urge the companies to perform a thorough quality review of the reporting with regard to accuracy and completeness prior to filing the reporting form with the administrator.

# 5. Summary

Several discrepancies were identified based on the reconciliation work performed. The discrepancies have been explained without undue difficulty. The reporting entities have been very cooperative contributing in the reconciliation.

The aggregated reporting can be summarized as follows:

**Table 15: Aggregated compilation**

Aggregated payments	Initial reporting TNOK	Resolved discrepancies TNOK		Without reporting counterparty TNOK	Adjusted reporting TNOK
		Licensees	Government		
Licensees	337 752 963	8 878	-	-4 450	337 757 391
Government	337 763 902	-	-7 055	544	337 757 391
Discrepancy	-10 939	8 878	7 055	-4 994	-

The table shows a discrepancy of TNOK 10 939 between the licensees and the Government's initial reporting. Discrepancies of TNOK 8 878 and TNOK 7 055 have been explained through the reconciliation, by the licensees and the Government respectively. TNOK 4 994 is related to amounts reported by the Government or the licensees, without reporting from the counterparty (one-sided data related to entities not subject to EITI reporting).

After clarification of discrepancies and adjustments for figures reported by only one of the parties, the total cash flow reported from licensees and operators are TNOK 337 757 391 which is in agreement with the reporting from the Governmental bodies.



# Glossary and abbreviations

<b>Administrator</b>	Independent company hired to perform the reconciliation of reported payments and revenues from the licensees and the government
<b>Aggregation</b>	Payments are combined so that the figures are showing totals per revenue stream
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>Counterparty</b>	In the report the Government is the counterparty to the licensee and the licensee as the counterparty to the Government
<b>Disaggregation</b>	Payments are detailed per revenue stream and/ or per licensee
<b>DKK</b>	Danish kroner
<b>EITI</b>	Extractive Industry Transparency Initiative
<b>EUR</b>	Euro
<b>GBP</b>	Pound sterling
<b>Government</b>	Used in this report as a collective term comprising the Norwegian Tax Administration, the Norwegian Petroleum Directorate, the Toll Customs and the Central Bank of Norway
<b>Licensee</b>	Company that has been awarded a license interest in a license permit on the Norwegian Continental Shelf
<b>License permits</b>	Permits awarded by MPE to perform exploration drilling and production on the Norwegian Continental Shelf
<b>Meld St.</b>	White paper
<b>MNOK</b>	Million Norwegian Kroner
<b>MPE</b>	Ministry of Petroleum and Energy
<b>NCS</b>	Norwegian Continental Shelf
<b>NEITI</b>	The regulation in Norway for reporting and reconciliation of cash flows from the petroleum industry ("Regulation regarding reporting and reconciliation of cash flow from the petroleum industry", FOR 2009-26-06-856)
<b>Net Profit Interest</b>	Cash flows from licenses in which SDFI has no direct owner share but is entitled to receive a share of the profit. The share of profit is paid to Petoro by the licensees
<b>NHO</b>	Confederation of Norwegian Business and Industry
<b>NOK</b>	Norwegian kroner
<b>NO<sub>x</sub></b>	Nitrogen dioxide
<b>OECD</b>	Organization for Economic Co-operation and Development
<b>Operator</b>	Company (licensee) appointed by MPD to operate the activity in accordance with the license permit
<b>Pension Fund</b>	Government Pension Fund Global
<b>Petoro AS</b>	Company 100% owned by the Norwegian state. Petoro AS is responsible for the management of the SDFI portfolio (the state's ownerships in license permits on the Norwegian Continental Shelf) on behalf of the state.
<b>Petroleum</b>	Collective term meaning oil, gas, ngl and condensate
<b>Reconciliation</b>	The process of comparing reported data from licensees and the Government, and explain any discrepancies
<b>SDFI</b>	State's Direct Financial Interest
<b>Statoil ASA</b>	Company owned 67 % by the Norwegian state (per 15 September 2011)
<b>Tariff revenue</b>	Revenue from transportation and processing of oil and gas from NCS
<b>TDKK</b>	Thousand Danish kroner
<b>TEUR</b>	Thousand Euro
<b>TGBP</b>	Thousand pound sterling
<b>TNOK</b>	Thousand Norwegian Kroner
<b>TUSD</b>	Thousand US dollar
<b>USD</b>	US dollar
<b>Without counterparty</b>	Amount reported by either the Government or licensees but not by both parties

# Appendices



# Appendix 1: Total reported payments per company

Licensee/operator	Sum Licensee/ operator	Sum Government <sup>1)</sup>	Discrepancy		Resolved	Unsolved
			Licensees	Government		
4Sea Energy AS	-3 941	-5 038	1 097	-	1 097	-
A/S Norske Shell	9 448 586	9 444 677	18 836	-14 927	3 909	-
Agora Oil & Gas AS	-32 092	-32 092	-	-	-	-
Altinex Oil Norway AS	105 173	105 173	-	-	-	-
Bayerngas Norge AS	-545 019	-545 019	-	-	-	-
Bayerngas Produksjon Norge AS	-	-	-	-	-	-
BG Norge AS	-1 177 637	-1 167 734	-9 760	-143	-9 903	-
BP Norge AS <sup>2)</sup>	698 209	700 199	-1 990	-	-1 990	-
Bridge Energy Norge AS	-141 395	-141 840	445	0	445	-
Centrica Resources (Norge) AS	353 999	354 000	-1	-	-1	-
Chevron Norge AS	250 282	245 726	4 556	-	4 556	-
Concedo ASA	-82 151	-83 429	1 278	-	1 278	-
ConocoPhillips Skandinavia AS	15 473 593	15 474 759	-1 166	-	-1 166	-
Dana Petroleum Norway AS <sup>2)</sup>	-68 343	-67 292	-1 051	-	-1 051	-
Det norske oljeselskap ASA	-2 180 937	-2 224 829	43 892	-	43 892	-
Det norske oljeselskap AS	-67 427	-68 739	1 312	-	1 312	-
DONG E&P Norge AS	1 760 458	1 758 357	2 101	-	2 101	-
E.ON E&P Norge AS	-242 115	-242 115	-	-	-	-
Edison International Norway Branch	-158 516	-158 298	-218	-	-218	-
Eni Norge AS	9 406 804	9 403 727	-	3 077	3 077	-
E&P Holding AS	-32 906	-32 906	-	-	-	-
Enterprise Oil Norge AS	795 364	795 364	-	-	-	-
ExxonMobil Exploration & Production Norway AS <sup>2)</sup>	33 661 878	33 706 600	-45 442	720	-44 722	-
Faroe Petroleum Norge AS	-255 316	-260 282	4 966	-	4 966	-
Fortis Petroleum Norway AS	-36 135	-36 135	-	-	-	-
Front Exploration AS	-96 879	-98 764	1 885	-	1 885	-
GDF SUEZ E&P Norge AS	702 840	703 034	-194	-	-194	-
Genesis Petroleum Norway AS	-	-	-	-	-	-
Hess Norge AS <sup>2)</sup>	84 551	84 551	-	-	-	-
Idemitsu Petroleum Norge AS	1 345 589	1 345 589	-	-	-	-
Lotos Exploration and Production Norge AS	-50 759	-50 759	-	-	-	-
Lundin Norway AS	859 104	857 796	1 308	-	1 308	-
Maersk Oil Norway AS	-345 054	-345 054	-	-	-	-
Maersk Oil PL 018C Norway AS	-292	516	-808	-	-808	-
Marathon Oil Norge AS	9 118 102	9 118 102	-	-	-	-
Nexen Exploration Norge AS	-286 575	-286 575	-	-	-	-
Njord Gas Infrastructure AS	338 510	338 510	-	-	-	-

Licensee/operator	Sum Licensee/ operator	Sum Government <sup>1)</sup>	Discrepancy		Resolved	Unsolved
			Licensees	Government		
Norpipe Oil AS	103 807	103 807	-	-	-	-
Norsea Gas AS	279 356	279 039	317	-	317	-
Norske AEDC A/S	-61 476	-61 477	1	-	1	-
North Energy ASA	-335 309	-342 576	7 267	-	7 267	-
Norwegian Energy Company ASA	-721 834	-702 772	-19 062	-	-19 062	-
OMV (Norge) AS	-206 632	-206 632	-	-	-	-
Petoro AS	128 083 414	128 083 414	-	-	-	-
PGNiG Norway AS	-416 169	-416 169	-	-	-	-
Premier Oil Norge AS	-169 341	-169 341	-	-	-	-
Repsol Exploration Norge AS	-131 570	-131 570	-	-	-	-
Rocksource ASA	-163 289	-163 044	-245	-	-245	-
RWE Dea Norge AS	337 863	337 862	1	-	1	-
Sagex Petroleum ASA	-27 104	-27 104	-	-	-	-
Skagen44 AS	-37 932	-38 670	738	-	738	-
Skeie Energy AS	-69 759	-69 759	-	-	-	-
Spring Energy Exploration AS	-32 269	-32 269	-	-	-	-
Spring Energy Norway AS	-365 143	-365 143	-	-	-	-
Statoil Petroleum AS	110 102 289	110 102 520	-231	-	-231	-
Suncor Energy Norge AS	-664 183	-664 168	-15	-	-15	-
Svenska Petroleum Exploration AS	-73 788	-73 788	-	-	-	-
Talisman Energy Norge AS	1 557 916	1 569 445	-14 196	2 667	-11 529	-
Total E&P Norge AS	22 872 201	22 870 651	-1	1 551	1 550	-
VNG Norge AS	-136 360	-136 321	-39	-	-39	-
Wintershall Norge AS	-548 623	-548 614	-9	-	-9	-
Wintershall Norge ASA	-22 655	-22 655	-	-	-	-
Wintershall Norge NUF	-	-	-	-	-	-
Shell International Pipelines Inc.	-	-	-	-	-	-
Non licensee – reported by the Directorate of Customs and Excise 3)	-	-544	-	544	544	-
Sum	337 752 963	337 763 902	-4 428	-6 511	-10 939	-

<sup>1)</sup> "Governments" include the Central Bank of Norway, the Norwegian Tax Administration, the Toll Customs and the Norwegian Petroleum Directorate.

<sup>2)</sup> Reporting from the companies has been adjusted for net profit interest to Petoro to avoid double accounting of these amounts which are also included in the reporting from Petoro. See table 7 for a specification per company of net profit interest paid to Petoro.

<sup>3)</sup> Includes reported NO<sub>x</sub>-fee related to companies that are not required to report based on NEITI.

# Appendix 2: Reported petroleum tax per company

TNOK	Sum Licensee <sup>1)</sup>	Sum Government	Discrepancy		Resolved	Unsolved	Comments
			Licensee	Government			
4Sea Energy AS	-3 941	-5 038	1 097	-	1 097	-	The company initially reported incorrect amounts, and did not include interest
A/S Norske Shell	9 368 192	9 368 192	-	-	-	-	
Agora Oil & Gas AS	-32 092	-32 092	-	-	-	-	
Altinex Oil Norway AS	105 173	105 173	-	-	-	-	
Bayerngas Norge AS	-545 019	-545 019	-	-	-	-	
Bayerngas Produksjon Norge AS	-	-	-	-	-	-	
BG Norge AS	-1 220 538	-1 220 538	-	-	-	-	
BP Norge AS	541 041	541 041	-	-	-	-	
Bridge Energy Norge AS	-141 840	-141 840	-	-	-	-	
Centrica Resources (Norge) AS	353 999	354 000	-1	-	-1	-	Rounding <sup>2)</sup>
Chevron Norge AS	246 081	245 726	355	-	355	-	The company initially reported incorrect amounts, and did not include interest
Concedo ASA	-83 429	-83 429	-	-	-	-	
ConocoPhillips Skandinavia AS	15 157 183	15 158 371	-1 188	-	-1 188	-	The company initially included taxes related to onshore operations
Dana Petroleum Norway AS	-68 343	-67 292	-1 051	-	-1 051	-	The company initially omitted one amount
Det norske oljeselskap ASA	-2 256 144	-2 300 036	43 892	-	43 892	-	The company initially did not include interest
Det norske oljeselskap AS	-67 427	-68 739	1 312	-	1 312	-	The company initially did not include interest
DONG E&P Norge AS	1 743 717	1 743 717	-	-	-	-	
E.ON E&P Norge AS	-242 115	-242 115	-	-	-	-	
Edison International Norway Branch	-158 298	-158 298	-	-	-	-	
Eni Norge AS	9 309 843	9 309 843	-	-	-	-	
E&P Holding AS	-32 906	-32 906	-	-	-	-	
Enterprise Oil Norge AS	795 364	795 364	-	-	-	-	
ExxonMobil Exploration & Production Norway AS	33 610 336	33 655 138	-44 802	-	-44 802	-	The company initially omitted amounts and interests
Faroe Petroleum Norge AS	-255 316	-260 282	4 966	-	4 966	-	The company initially did not include interest
Fortis Petroleum Norway AS	-36 135	-36 135	-	-	-	-	
Front Exploration AS	-96 879	-98 764	1 885	-	1 885	-	The company initially did not include interest
GDF SUEZ E&P Norge AS	677 382	677 382	-	-	-	-	

TNOK	Sum Licensee <sup>1)</sup>	Sum Government	Discrepancy		Resolved	Unsolved	Comments
			Licensee	Government			
Genesis Petroleum Norway AS	-	-	-	-	-	-	
Hess Norge AS	98 482	98 482	-	-	-	-	
Idemitsu Petroleum Norge AS	1 345 589	1 345 589	-	-	-	-	
Lotos Exploration and Production Norge AS	-50 759	-50 759	-	-	-	-	
Lundin Norway AS	833 520	833 520	-	-	-	-	
Maersk Oil Norway AS	-351 294	-351 294	-	-	-	-	
Maersk Oil PL 018C Norway AS	-292	-444	152	-	152	-	The company omitted amount
Marathon Oil Norge AS	9 087 221	9 087 221	-	-	-	-	
Nexen Exploration Norge AS	-287 164	-287 164	-	-	-	-	
Njord Gas Infrastructure AS	338 510	338 510	-	-	-	-	
Norpipe Oil AS	103 807	103 807	-	-	-	-	
Norsea Gas AS	279 356	279 039	317	-	317	-	The company initially did not include interest
Norske AEDC A/S	-61 476	-61 477	1	-	1	-	Rounding <sup>2)</sup>
North Energy ASA	-335 309	-342 576	7 267	-	7 267	-	The company initially did not include interest
Norwegian Energy Company ASA	-722 075	-722 075	-	-	-	-	
OMV (Norge) AS	-207 035	-207 035	-	-	-	-	
Petoro AS	-	-	-	-	-	-	
PGNiG Norway AS	-416 169	-416 169	-	-	-	-	
Premier Oil Norge AS	-169 341	-169 341	-	-	-	-	
Repsol Exploration Norge AS	-131 570	-131 570	-	-	-	-	
Rocksource ASA	-163 289	-163 289	-	-	-	-	
RWE Dea Norge AS	261 151	261 151	-	-	-	-	
Sagex Petroleum ASA	-27 104	-27 104	-	-	-	-	
Skagen44 AS	-37 932	-38 670	738	-	738	-	The company initially did not include interest
Skeie Energy AS	-69 759	-69 759	-	-	-	-	
Spring Energy Exploration AS	-32 269	-32 269	-	-	-	-	
Spring Energy Norway AS	-365 143	-365 143	-	-	-	-	
Statoil Petroleum AS	107 598 744	107 598 744	-	-	-	-	
Suncor Energy Norge AS	-672 656	-672 656	-	-	-	-	
Svenska Petroleum Exploration AS	-73 788	-73 788	-	-	-	-	

TNOK	Sum Licensee <sup>1)</sup>	Sum Government	Discrepancy		Resolved	Unsolved	Comments
			Licensee	Government			
Talisman Energy Norge AS	1 477 262	1 491 458	-14 196	-	-14 196	-	The company initially included taxes related to onshore operations, and omitted interests
Total E&P Norge AS	22 790 130	22 790 131	-1	-	-1	-	Rounding <sup>2)</sup>
VNG Norge AS	-153 940	-153 940	-	-	-	-	
Wintershall Norge AS	-22 655	-22 655	-	-	-	-	
Wintershall Norge ASA	-593 471	-593 471	-	-	-	-	
Wintershall Norge NUF	-	-	-	-	-	-	
Shell International Pipelines Inc.	-	-	-	-	-	-	Reported together with AS Norske Shell
Sum	205 937 171	205 936 428	743	-	743	-	

<sup>1)</sup> Some companies report net negative tax payments, meaning that they have received a refund from the government. This is because under certain circumstances the companies could apply for a refund of the fiscal value of exploration costs.

<sup>2)</sup> Deviation of TNOK 1 is considered rounding and not further investigated

# Appendix 3: Reported CO<sub>2</sub> tax per company

TNOK	Sum Licensee	Sum Government	Discrepancy		Resolved	Unsolved	Comments
			Licensee	Government			
A/S Norske Shell	25 960	25 960	-	-	-	-	
BP Norge AS	88 272	88 324	-52	-	-52	-	The company initially reported incorrect amounts
ConocoPhillips Skandinavia AS	235 148	235 148	-	-	-	-	
ExxonMobil Exploration & Production Norway AS	43 542	43 542	-	-	-	-	
GDF SUEZ E&P Norge AS	16 597	16 791	-194	-	-194	-	The company omitted amount and interests
Marathon Oil Norge AS	30 881	30 881	-	-	-	-	
Statoil Petroleum AS	1 719 974	1 720 152	-178	-	-178	-	The company omitted interests
Talisman Energy Norge AS	22 631	22 631	-	-	-	-	
Wintershall Norge ASA	5 161	5 170	-9	-	-9	-	The company omitted interests
Sum	2 188 166	2 188 599	-433	-	-433	-	

# Appendix 4: Reported NO<sub>x</sub> tax per company

TNOK	Sum Licensee	Sum Government	Discrepancy		Resolved	Unsolved	Comments
			Licensee	Government			
A/S Norske Shell	19 742	18 150	16 519	-14 927	1 592	-	The company included payments to the NO <sub>x</sub> fund, and omitted interests. The Government included one amount which was paid in 2010.
BG Norge AS	3 751	3 889	5	-143	-138	-	The company omitted interests. The Government omitted amounts <sup>2)</sup>
BP Norge AS	-	1 990	-1 990	-	-1 990	-	The company omitted amounts
DONG E&P Norge AS	2 101	-	2 101	-	2 101	-	The company included payments to the NO <sub>x</sub> fund
Eni Norge AS	8 761	5 684	-	3 077	3 077	-	The Government omitted amounts <sup>2)</sup>
ExxonMobil Exploration & Production Norway AS	-	640	-640	-	-640	-	The company omitted amounts
Nexen Exploration Norge AS	589	589	-	-	-	-	
Norwegian Energy Company ASA	241	241	-	-	-	-	
OMV (Norge) AS	403	403	-	-	-	-	
Rocksource ASA	-	245	-245	-	-245	-	The company omitted amounts
Suncor Energy Norge AS	11	-	11	-	11	-	The company included payments to the NO <sub>x</sub> fund
Talisman Energy Norge AS	10 228	7 561	-	2 667	2 667	-	The Government omitted amounts <sup>2)</sup>
Total E&P Norge AS	1 551	-	-	1 551	1 551	-	The Government omitted amounts <sup>2)</sup>
VNG Norge AS	-	39	-39	-	-39	-	The company omitted amounts
Delsum	47 378	39 431	15 722	-7 775	7 947	-	
Other companies – not licensees <sup>1)</sup>	-	-544	-	544	544	-	
Sum	47 378	38 887	15 722	-7 231	8 491	-	

<sup>1)</sup> Based on the Regulation related to special duties § 5-1 g it is the company that owns or manages the NO<sub>x</sub> – liable entity that is required to pay the NO<sub>x</sub> tax. This means that in certain circumstances the NO<sub>x</sub> tax is paid by other companies than the operators (licensees). Such companies are not required to report based on NEITI.

<sup>2)</sup> In the original reporting the Government omitted amounts from the group “NO<sub>x</sub> fee NX400”.

# Appendix 5: Reported area fee per company

TNOK	Sum Licensee	Sum Government	Discrepancy		Resolved	Unsolved	Comments
			Licensee	Government			
A/S Norske Shell	34 692	32 375	2 317	-	2 317	-	The company omitted amounts
BG Norge AS	39 150	48 915	-9 765	-	-9 765	-	
BP Norge AS	68 896	68 844	52	-	52	-	The company initially reported incorrect amounts
Concedo ASA	1 278	-	1 278	-	1 278	-	The company included an amount for a license were they are not the operator
ConocoPhillips Skandinavia AS	81 240	81 240	-	-	-	-	
Det norske oljeselskap ASA	75 207	75 207	-	-	-	-	
DONG E&P Norge AS	14 640	14 640	-	-	-	-	
Eni Norge AS	88 200	88 200	-	-	-	-	
ExxonMobil Exploration & Production Norway AS	8 000	7 280	-	720	720	-	The Government has reported an amount as received in 2012 which the company paid in 2011
GDF SUEZ E&P Norge AS	8 861	8 861	-	-	-	-	
Hess Norge AS	-13 931	-13 931	-	-	-	-	
Lundin Norway AS	25 584	24 276	1 308	-	1 308	-	The company omitted amounts
Maersk Oil Norway AS	6 240	6 240	-	-	-	-	
Maersk Oil PL 018C Norway AS	-	960	-960	-	-960	-	The company omitted amounts
Norwegian Energy Company ASA	-	19 062	-19 062	-	-19 062	-	The company omitted amounts
RWE Dea Norge AS	76 712	76 711	1	-	1	-	Rounding <sup>1)</sup>
Statoil Petroleum AS	783 571	783 624	-53	-	-53	-	The company has omitted interests, and included interests paid in 2012
Suncor Energy Norge AS	8 462	8 488	-26	-	-26	-	The company omitted interests
Talisman Energy Norge AS	47 795	47 795	-	-	-	-	
Total E&P Norge AS	80 520	80 520	-	-	-	-	
VNG Norge AS	17 580	17 580	-	-	-	-	
Wintershall Norge ASA	39 687	39 687	-	-	-	-	
Sum	1 492 384	1 516 574	-24 910	720	-24 190	-	

# Appendix 6: Reported net profit interest per company

Licensees	Petoro		Licensee		Discrepancy		Comments
	TNOK	TUSD	TNOK	TUSD	TNOK	TUSD	
BP Norge AS	-	3 793	-	3 796	-	-3	Petoro omitted interests
Dana Petroleum Norway AS	17 715	-	17 715	-	-	-	
ExxonMobil Exploration & Production Norway AS	870 470	-	845 198	-	25 272	-	The company initially reported incorrect amounts. Petoro omitted interests
Hess Norge AS	-	6 877	-	6 877	-	-	
Sum	888 185	10 670	862 913	10 673	25 272	-3	

# Appendix 7: Financial Statements from the Central Bank of Norway and Petoro; additional reconciliation

## Financial Statements of the Government Pension Fund Global prepared by the Central Bank of Norway

Cash flows from the petroleum activities which are transferred to the Government Pension Fund – Global are shown in the financial statements prepared by the Central Bank of Norway for the pension fund, see <http://www.norges-bank.no/>. Note 8 to the financial statement for the Government Pension Fund Global shows that MNOK 274 155 has been transferred to the fund in 2011. The table below explains the relationship between the EITI reporting (see table 3), the state's financial statements (<http://www.regjeringen.no/nn/dep/fin/Dokument/proposisjonar-og-meldingar/stortingsmeldingar/2011-2012/meld-st-3-20112012.html?id=680054>) and the financial statements of the pension fund. Note that the numbers are in MNOK. For comparative purposes, we have included the amounts from 2010.

MNOK	2011	2010
Cash flows reported under EITI by Government	337 757	262 763
Dividend received from Statoil	13 352	12 818
Transfer to the state's petroleum insurance fund	-	-1 594
Settlement from certificate of warranty	jf EITI tabell 3	875
Special operating expenses	-2	-82
Movements in outstanding accounts between the state and Petoro	-308	1 200
Accrual regarding NO <sub>x</sub> , corrected in NEITI, treated differently in NEITI and state's account	15	-15
Interests regarding NO <sub>x</sub> , corrected in NEITI, treated differently in NEITI and state's account	-1	-2
Omitted NO <sub>x</sub> , Included in the wrong state's account	-7	-
NO <sub>x</sub> reimbursement included in the wrong state's account	-	2
Area fee - treated differently in EITI and state's accounts	-1	-1
Amount without counterparty. Corrected in EITI, included in state's accounts	-1	-7
<b>Net Cash flow from petroleum operations, ref table 3.2 to the state's account</b>	<b>350 804</b>	<b>275 957</b>
Transfer from SPU to the state by resolution of revised Budget, ref table 3.2 to the state's account	-84 158	-109 355
<b>Net to be transferred to SPU</b>	<b>266 646</b>	<b>166 602</b>
Actual transfer of cash to SPU account of NOK in the Central Bank, ref page 48 in the government account. The transfers are based on forecasts and the last transfer will take place in November each year	274 155	185 230
<b>Deviations in the transfer to SPU</b>	<b>-7 509</b>	<b>-18 628</b>
Explanation of deviation:		
Transferred from the State's petroleum insurance fund <sup>2)</sup>	-	19 838
Transfer during the year from previous year <sup>1)</sup>	-6 390	-5 180
Cash recorded as a receivable or provision in the capital account, ref. table 3.3 in Meld. St. 3 (2011-2012) <sup>1)</sup>	-1 119	6 390
<b>Explained deviation</b>	<b>-7 509</b>	<b>-18 628</b>

<sup>1)</sup> Government accounts show that net transfers to the SPU in 2011 were MNOK 1 119 lower than the actual transfers from the state to the fund. The difference constitutes a claim as of 31.12.2011, and will be settled after the end of budget period in the form of a decrease in the transfer to the Fund in 2012. The corresponding figure as of 31.12.2010 was a liability of MNOK 6 390. The amounts also emerge from table 3.3 in the national accounts.

<sup>2)</sup> The state's petroleum insurance fund was discontinued 31.12.2010, and the funds were transferred to SPU.

### Financial Statements of SDFI prepared by Petoro

Cash flows from SDFI are published through the annual report from Petoro from 2011 (see <http://petoro.aarsrapport.destinet.no/forside/>). It can be derived from the annual report note 18 to the Financial Statements of SDFI for 2011 that the transfer to the Central Bank of Norway in 2011 was MNOK 128 083. This is equivalent to the reported amount in the EITI reporting from Petoro on behalf of SDFI:

Note 19 Equity	MNOK	2011	2010
Cash transfers to the state	See note 18	128 083	103 572
Cash transfers according to EITI	See table11	128 083	103 572
Discrepancy		-	-

# Appendix 8: Reporting entities

Original listing of reporting entities received from OED	
1	4Sea Energy AS
2	A/S Norske Shell
3	Agora Oil & Gas AS
4	Altinex Oil Norway AS
5	Bayerngas Norge AS
6	Bayerngas Produksjon Norge AS
7	BG Norge AS
8	BP Norge AS
9	Bridge Energy Norge AS
10	Centrica Resources (Norge) AS
11	Chevron Norge AS
12	Concedo ASA
13	ConocoPhillips Skandinavia AS
14	Dana Petroleum Norway AS
15	Det norske oljeselskap ASA
16	DONG E&P Norge AS
17	E.ON E&P Norge AS
18	Edison International Norway Branch
19	Eni Norge AS
20	E&P Holding AS
21	Enterprise Oil Norge AS
22	ExxonMobil Exploration & Production Norway AS
23	Faroe Petroleum Norge AS
24	Fortis Petroleum Norway AS
25	Front Exploration AS
26	GDF SUEZ E&P Norge AS
27	Genesis Petroleum Norway AS
28	Hess Norge AS
29	Idemitsu Petroleum Norge AS
30	Lotos Exploration and Production Norge AS
31	Lundin Norway AS
32	Maersk Oil Norway AS
33	Maersk Oil PL 018C Norway AS
34	Marathon Oil Norge AS
35	Nexen Exploration Norge AS
36	Norpipe Oil AS
37	Norsea Gas AS
38	Norske AEDC A/S
39	North Energy ASA
40	Norwegian Energy Company ASA
41	OMV (Norge) AS
42	Petoro AS
43	Petrofac Norge AS

Original listing of reporting entities received from OED	
44	PGNiG Norway AS
45	Premier Oil Norge AS
46	Repsol Exploration Norge AS
47	Rocksource ASA
48	RWE Dea Norge AS
49	Sagex Petroleum ASA
50	Skagen44 AS
51	Skeie Energy AS
52	Spring Energy Exploration AS
53	Spring Energy Norway AS
54	Statoil Petroleum AS
55	Suncor Energy Norge AS
56	Svenska Petroleum Exploration AS
57	Talisman Energy Norge AS
58	Total E&P Norge AS
59	VNG Norge AS
60	Wintershall Norge AS
61	Wintershall Norge ASA
62	Wintershall Norge NUF
63	Shell International Pipelines Inc.
64	Norges Bank
65	Oljedirektoratet
66	Skatte- og avgiftsregnskap (Skatteetaten)
67	Toll- og avgiftsdirektoratet
Not included in the original listing of OED	
68	Njord Gas Infrastructure AS
Reported separately from the Norwegian tax administration, reports grouped by the licensee due to changed corporate structure	
69	BG Norge Ltd (BG Norge AS)
70	Centrica Energi NUF (Centrica Resources (Norge) AS)
71	ConocoPhillips Norge (ConocoPhillips Skandinavia AS)
72	Det norske oljeselskap AS (Det norske oljeselskap ASA)
73	E.ON Ruhrgas Norge AS (E.ON E&P Norge AS)
74	ExxonMobil Production Norway Inc. (ExxonMobil Exploration & Production Norway AS)
75	Marathon Petroleum Co (Norway) (Marathon Oil Norge AS)
76	Norske ConocoPhillips (ConocoPhillips Skandinavia AS)
77	Statoil ASA (Statoil Petroleum AS)
78	Talisman Resources Norge AS (Talisman Energy Norge AS)
79	Total Norge AS (Total E&P Norge AS)
80	Valiant Petroleum Norge AS (Sagex Petroleum ASA)
Reported from Toll Customs, not licensees and no reporting requested	
81	Company included by Toll customs, not licensee and not requested to report based on NEITI

# Appendix 9: Reporting templates

SKJEMA FOR INNRAPPORTERING I HENHOLD TIL EITI-FORSKRIFTEN (SKJEMA 1) INN-/ UTBETALINGER I KALENDERÅRET 2011			
(Beløpene rapporteres i hele tusen og spesifikasjon av rapporterte beløp per betalingsdato vedlegges)			
Rapporterende enhet:			
RAPPORTERINGSPOSTER	INNBETALT (+)	UTBETALT (-)	SUM
1. SKATTEBETALING			
<b>1.1 Selskapsskatt/særskatt</b> (jf. petroleumsskatteloven)			
2. AVGIFTSBETALING			
<b>2.1 CO2- avgift</b> (jf. CO2-avgiftsloven)			
<b>2.2 Nox-avgift</b> (jf. forskrift 11. desember 2001 nr. 1451 om særavgifter kapittel 3-19 om avgift på utslipp av Nox)			
<b>2.3 Arealavgift</b> (jf. petroleumsløven § 4-10)			
3. SPESIFISERING AV EVENTUELLE ANDRE STATLIGE INNBETALINGER (jf. EITI-forskriften § 3 fjerde ledd)			
<b>3.1</b>			
<b>3.2</b>			
<b>3.3</b>			
4. KUN FOR STATOIL ASA: (Betaling i forbindelse med avsetningsinstruksen jf. EITI-forskriften § 3 tredje ledd)			
5. KUN FOR PETORO AS (Betaling i forbindelse med SDØE, jf forskriftens § 3 andre ledd)			
6. KUN FOR NORGES BANK (Betaling knyttet til statens deltakerandeler / Petoro)			
SUM AV RAPPORTERINGSPLIKTIGE BETALINGER TIL (FRA) STATEN			
Navn på kontaktperson:			
Telefonnummer:			
E-post adresse:			
Vi bekrefter at ovenstående informasjon reflekterer de betalinger som skal innrapporteres i henhold til forskrift om rapportering og avstemming av pengestrømmer fra petroleumsvirksomheten.			
STED	DATO		
Underskrift CFO			







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