

Minute of COFE meeting held on March 03, 2011

COFE held its third regular meeting in 2011 on Tuesday March 3, 2011 and considered the following subjects:

1. COFE report to IAMB on its activities for on Jan. and Feb, 2011, which included the regular and sub meetings held by COFE during the above – mentioned period.
2. The results of follow up of clearing the auditors' observations for 2007 and 2008 on DFI audit. The results are the following:

<u>The year</u>	<u>Observation under clearance</u>	<u>Still valid observation</u>	<u>Total</u>
2007	12	8	20
2008	42	8	50
	54	16	70

3. The results of addressing the observations stated in KPMG's report on DFI audit for 2009 and addressing the observations related to Kurdistan Region for 2007, 2008 and 2009.
4. The tables concerning the implementation of the oil metering system as of Dec.31, 2010 and agreed to post the table sent by the Ministry of Oil for the aforementioned period on COFE's website.
5. The status of the progress concerning DFI audit 2010 sent by PWC.
6. The letter sent by COFE during the period related to different issues:
 - a. The letter on Feb.6, 2011 to GS of the Council of Ministers concerning the opening of DFI successor account.
 - b. The letter on Feb.6, 2011 to GS of the Council of Ministers concerning COFE's point of view on in kind payments for oil and gas services contracts.
 - c. The letter on Feb.6, 2011 to US Under Secretary of Defense responding his letter on Dec.28, 2010

- d. The letter on Feb.6, 2011 to GS of the Council of Ministers concerning fuel oil export.
 - e. The letter on March1, 2011 to GS of the Council of Ministers concerning providing the necessary allocations for oil metering plan
 - f. The letter on Marc3, 2011 to GS of the Council of Ministers on addressing the DFI audit observation for 2007 and 2008.
7. The letters received by COFE:
- a. The letter sent by MoO on Feb.21, 2011 to the CBI related to the successor DFI account.
 - b. The invitation extended by the president of the IAMB to US Under Secretary of Defense to attend the IAMB next meeting.
 - c. The letter sent by GS of the Council of Ministers on Feb.27, 2011 related the announcement for all creditors.