

## **Minute of COFE meeting held on October 18, 2012**

COFE held its fourth regular meeting in 2012 on Thursday October 18, 2012 and considered the following subjects:

1. The draft financial statements of cash receipts and payments for the first six months ended on June 30, 2012, the following two items of basis of qualifications were considered:

### Item 1

This item has mentioned that Ministry of Oil does not operate a full operational loading and metering system for export sales of petroleum and petroleum products at extraction and loading points, it has stated the absence of an overall comprehensive system of control over petroleum and petroleum products. It was decided to address the audit firm in this sense to rephrase the item to expose correctly that the Ministry has achieved a major part of the system.

### Item 3

It was decided to address the audit firm to add explanation that stated the fact that the CBI for requested these confirmation from the FRBNY as of June 30, 2012 but the FRBNY did not respond to date.

2. The status of the clearance of the observation of international audit firms on DFI for the years 2007 - 2011, the report prepared by the BSA follow up team, the letter addressed to Ernst & Young in relation with the joint observations and the observations that are considered cleared by BSA audit teams and related administrations. It was decided to discuss those

observations in COFE's next meeting then set up a meeting with the audit firm for discussion. As well as it was decided to address the Ministry of Finance in regard with the differences between the MoF and CBI records due to delay in registration in the financial statement after receiving the CBI response

3. The status of the clearance of the observation on Kurdistan region for the same period and the letter issued by the Council of Ministers in KR on Oct.07, 2012 addressed to all ministries in the region to reply to the observations, the replies will be discussed with the audit firm once received.
4. The report of quarter 3 of 2012, related to the plan of the Ministry of Oil in relation with the oil metering system.
5. letters issued and received by COFE:
  - The letter from September 03, 2012 addressed to the General Commission of Taxes concerning the last payment of E&Y for 2011 DFI audit contract.
  - The letter from Sept. 04, 2012 addressed KPMG.
  - The letter from Sept. 09, 2012 addressed to the Council of Ministers, concerning the oil produced in Kurdistan Region.
  - The letter from Sept. 18, addressed to the Ministry of Oil, concerning appreciation of the efforts put by the Head of metering department.
  - The letter from Oct. 07, 2012 addressed to ministerial committee in charged with the protection of Iraqi funds mentioned.

- The letter from Oct. 08, 2012, addressed to the Minister of Oil related to the updated plan of metering system.
- The letter from Oct. 08 24, 2012, sent to the Ministry of Justice related to lawsuits against Iraq.
- The letter sent by the Council of representatives to the General Secretariat of CoM about the formation of a committee to follow up the lawsuits against Iraq.
- The letter sent by BSA on Oct. 04 concerning the UN Oil for Food program.
- The letter sent by the Ministry of Oil relating to oil production and oil products import during August 2012.
- The letter sent by the Ministry of Foreign Affairs in relation with assets refunded.