

# CHAPTER 2

## Data Reconciliation



Breaking New Ground:  
**Shifting Gears in Extractives Governance**

20 December 2024

PH - Extractive Industries Transparency Initiative (EITI)  
Department of Finance  
Roxas Blvd., Malate, Manila

To: PH-EITI Multi-Sectoral Group

I have performed the procedures agreed with you with respect to information disclosed in the reporting templates (Templates) of identified companies and government agencies (Agencies). Our engagement was undertaken in accordance with Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. The agreed upon procedures (AUP) were performed in accordance with the seventh implementation of the Extractive Industries Transparency Initiative (EITI) project (Project) in the Philippines, and ultimately in the preparation of the Financial Reconciliation Report (Report).

Please refer to the Sections *II and IV* for the procedures and actual results, respectively.

Because the procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagement (PSRE), I do not express any assurance on the information detailed in the Templates based on the said standards.

Had I performed additional procedures or performed an audit or review of the financial information as reported in the Templates in accordance with PSA or PSRE, other matters might have come to my attention that would have been reported to you. My report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. In addition, this report relates only to information disclosed in the Templates submitted by companies and agencies, and does not extend to the financial statements of each taken as a whole.



**Linnet Madelane C. Chan**

CPA Certificate No. 143584

P.T.R. No. 1498692; issued on January 09, 2024, issued in Dagupan City

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## Chapter II. Data Reconciliation Report

### I. Chapter Summary

The Tenth PH-EITI Country Report (Report) covers the reconciliation procedures performed on the tax and other payments made by the companies engaged in large-scale metallic and non-metallic mining, oil and gas, and coal sectors of the extractive industry and collections disclosed by the government for the fiscal year 2022. The detailed reconciliation procedures are discussed in page 94, Section II, Methodology.

In the context of the Report, a “project” is defined as a series of extractive activities in one or more sites (based on the permit granted to the holder) developed by a mining/oil and gas/coal company for exploration and commercial operation and is identified on a per contract/permit basis (i.e., per MPSA/FTAA for mining companies, per SC for oil and gas companies or per COC for coal companies). “Project” would be consistently used throughout the Report to refer to mining projects, oil and gas, and coal companies.

The Report covers a total of 41 metallic mining companies (40 metallic mining projects), 27 non-metallic mining companies (46 non-metallic projects), three (3) oil and gas companies (3 oil and gas project), eight (8) national agencies, 50 local government units for direct payments to LGU, and 237 local government units for shares in national wealth. The national agencies include the BIR, MGB, DOE, DBM, BTr, BOC, PPA, and NCIP. The data for LGU was obtained from BLGF. The details of participating projects and companies are shown in Tables II-18, II-19, and II-20 in page 99, Section III, Scope of the report.

Both participating projects and national and local agencies completed and submitted reporting templates (templates) disclosing, among others, revenue streams paid or collected, mandatory expenditures, and funds for fiscal year 2022.

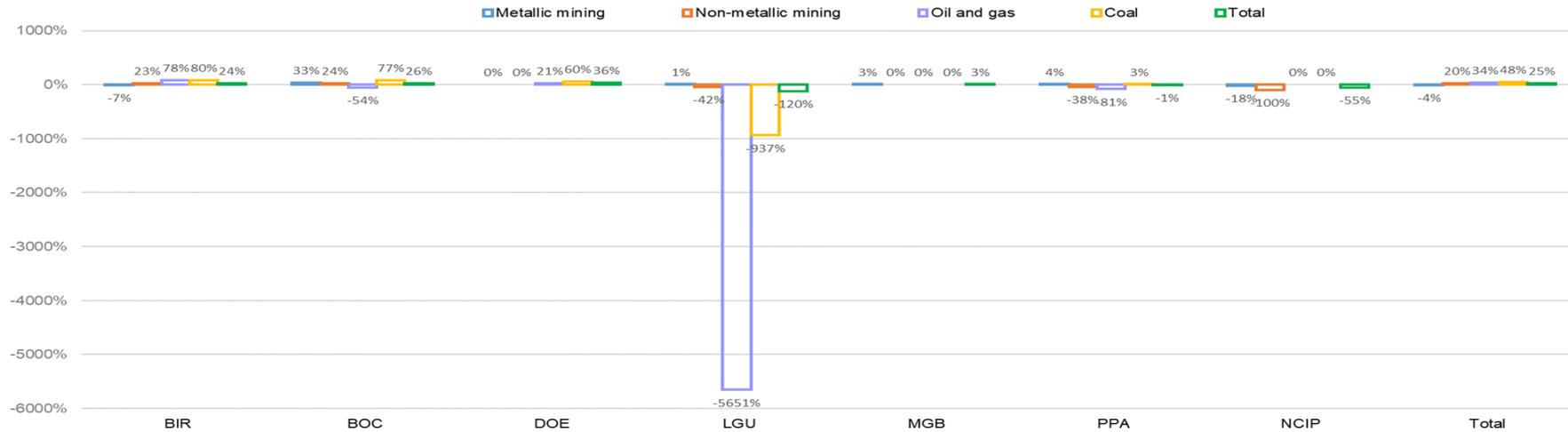
#### A. Revenue streams and other taxes as reported by government agencies

Tables II-1 and II-2 show the aggregate data for revenue streams and other taxes reported by the government agencies for the extractive industry segregated by sectors and the aggregate data for revenue streams reported by the government agencies for the targeted projects, respectively. Table II-3 identifies which of the revenue streams of the targeted projects are scoped-in and scoped-out for further reconciliation. Note that Rio Tuba Nickel Mining Corporation is in-scope for both metallic and non-metallic mining sectors. Since some of the data cannot be segregated accurately, it will be presented under metallic mining unless otherwise stated. In addition, for the non-metallic mining sector, the taxes cannot be disaggregated accurately; thus, the collections reported by the BIR are attributed to the sector’s transactions for their raw mineral products as well as finished manufactured products.

*Table II-1. Aggregate data for revenue streams and other collections as reported by each government agency for the extractive industry segregated by sectors*

Agency	Metallic mining	Non-metallic mining	Oil and gas	Coal	Total
BIR	16,663,159,454	11,671,733,275	8,191,115,779	1,715,404,746	38,241,413,254
BOC	858,829,663	1,999,612,939	44,986,437	25,241,797	2,928,670,835
DOE	Not applicable	Not applicable	27,062,298,248	15,844,684,308	42,906,982,556
LGU	1,336,272,667	509,375,713	277,618	246,139,565	2,092,065,563
MGB	2,475,479,234	-	Not applicable	Not applicable	2,475,479,234
PPA	360,567,838	54,920,842	16,506	33,456,497	448,961,682
<b>Subtotal</b>	<b>21,694,308,856</b>	<b>14,235,642,768</b>	<b>35,298,694,587</b>	<b>17,864,926,913</b>	<b>89,093,573,124</b>
NCIP	170,203,454	-	Not applicable	Not applicable	170,203,454
<b>Total</b>	<b>21,864,512,310</b>	<b>14,235,642,768</b>	<b>35,298,694,587</b>	<b>17,864,926,913</b>	<b>89,263,776,578</b>

Figure II-1. Revenue streams and other taxes as reported by government agencies for 2022 and 2021



Agency	Metallic mining	%	Non-metallic mining	%	Oil and gas	%	Coal	%	Total	%
BIR	(1,201,317,027)	-7%	2,719,567,231	23%	6,352,467,633	78%	1,370,280,687	80%	9,240,998,524	24%
BOC	281,646,157	33%	477,365,629	24%	(24,471,533)	-54%	19,531,331	77%	754,071,583	26%
DOE	Not applicable		Not applicable		5,775,524,412	21%	9,489,913,097	60%	15,265,437,509	36%
LGU	17,468,631	1%	(213,198,160)	-42%	(15,688,747)	-5651%	(2,307,198,709)	-937%	(2,518,616,985)	-120%
MGB	67,054,287	3%	(317,480)		Not applicable		Not applicable		66,736,807	3%
PPA	15,922,466	4%	(20,912,424)	-38%	(13,344)	-81%	999,571	3%	(4,003,731)	-1%
<b>Subtotal</b>	<b>(819,225,486)</b>	<b>-4%</b>	<b>2,962,504,795</b>	<b>21%</b>	<b>12,087,818,421</b>	<b>34%</b>	<b>8,573,525,977</b>	<b>48%</b>	<b>22,804,623,707</b>	<b>26%</b>
NCIP	(29,929,767)	-18%	(63,370,130)	-100%	Not applicable		Not applicable		(93,299,897)	-55%
<b>Total</b>	<b>(849,155,253)</b>	<b>-4%</b>	<b>2,899,134,665</b>	<b>20%</b>	<b>12,087,818,421</b>	<b>34%</b>	<b>8,573,525,977</b>	<b>48%</b>	<b>22,711,323,810</b>	<b>25%</b>

Figure II-1 and the corresponding data table compares the data collected from the government agencies for 2022 and 2021 and it is evident that the total revenue streams and other taxes of the extractive industry increased by 25% or PhP23bn with the oil and gas and coal sector being the main factor. The overall increase serves as an indication that reconciled revenue streams and other taxes for 2022 would also increase. The revenue streams from the oil and gas and coal sector increased by 34% or PhP12.1bn and 48% or PhP8.6bn, respectively. High prices and high demand for oil and coal for the year 2022 were the reasons for the increase. This increase would also result to an increase in the reconciled revenue streams and other taxes for 2022.

Among the government agencies, reported collections by DOE increased by 36% or PhP15.3bn which is the largest increase followed by BOC with 26% or PhP754m increase, BIR with 24% or PhP9.2bn and then MGB with 3% or PhP66.7m. LGU, on the other hand, reported 120% or PhP2.5bn lower compared to 2021 which is the biggest contributor to the decrease. Oil and gas and coal sector contributed the most to the decrease in the reported LGU collections with 5,251% or PhP15.7m decrease and 937% or PhP2.3bn decrease, respectively. Following LGU is PPA with 1% or PhP4m decrease and then NCIP with 55% or PhP93m.

*Table II-2. Aggregate data for revenue streams and other collections of targeted projects as reported by each government agency for the extractive industry segregated by sectors*

Agency	Metallic mining	Non-metallic mining	Oil and gas	Coal	Total
BIR	16,320,852,956	10,056,450,155	6,580,818,891	No BIR waiver*	32,958,122,002
BOC	978,739,809	2,002,689,331	44,986,437	25,241,797	3,051,657,374
DOE	Not applicable	Not applicable	27,062,298,248	15,842,879,075	42,905,177,324
LGU	1,313,478,634	210,658,120	-	77,101,678	1,601,238,432
MGB	2,234,071,221	-	Not applicable	Not applicable	2,234,071,221
PPA	311,093,439	18,910,920	16,506	33,456,497	363,477,362
<b>Subtotal</b>	<b>21,158,236,059</b>	<b>12,288,708,526</b>	<b>33,688,120,081</b>	<b>15,978,679,048</b>	<b>83,113,743,713</b>
NCIP	105,273,850	-	Not applicable	Not applicable	105,273,850
<b>Total</b>	<b>21,263,509,909</b>	<b>12,288,708,526</b>	<b>33,688,120,081</b>	<b>15,978,679,048</b>	<b>83,219,017,563</b>

Table II-3. In-scope and Scope-out aggregate data for revenue streams and other taxes per industry as reported by each government agency

Agency	Metallic mining		Non-metallic mining		Oil and gas		Coal		Total	
	In-scope	Scoped-out	In-scope	Scoped-out	In-scope	Scoped-out	In-scope	Scoped-out	In-scope	Scoped-out
BIR	16,261,632,373	59,220,584	9,864,757,857	191,692,298	6,542,497,541	38,321,350	No BIR waiver*	No BIR waiver*	32,668,887,770	289,234,231
BOC	978,004,759	735,050	1,879,653,329	123,036,002	12,855,567	32,130,870	6,160,825	19,080,971	2,876,674,480	174,982,893
DOE	Not applicable	Not applicable	Not applicable	Not applicable	27,062,298,248	-	15,842,879,075	-	42,905,177,324	-
LGU	1,289,543,356	23,935,278	210,052,771	605,349	-	-	76,851,678	250,000	1,576,447,805	24,790,627
MGB	2,234,071,221	-	-	-	Not applicable	Not applicable	Not applicable	Not applicable	2,234,071,221	-
PPA	-	311,093,439	-	18,910,920	-	16,506	-	33,456,497	-	363,477,362
<b>Subtotal</b>	<b>20,763,251,708</b>	<b>394,984,350</b>	<b>11,954,463,957</b>	<b>334,244,569</b>	<b>33,617,651,356</b>	<b>70,468,726</b>	<b>15,925,891,579</b>	<b>52,787,469</b>	<b>82,261,258,600</b>	<b>852,485,114</b>
NCIP	105,273,850	-	-	-	-	-	-	-	105,273,850	-
<b>Total</b>	<b>20,868,525,558</b>	<b>394,984,350</b>	<b>11,954,463,957</b>	<b>334,244,569</b>	<b>33,617,651,356</b>	<b>70,468,726</b>	<b>15,925,891,579</b>	<b>52,787,469</b>	<b>82,366,532,450</b>	<b>852,485,114</b>

Figure II-2. Percentage representation of total revenue streams and total in-scope revenue streams from targeted projects



PhP83.2bn or 93.2% of the total revenue streams for 2022 from the extractive sector reported by government agencies is represented by the revenue streams from the targeted projects while PhP82.4bn or 92.3% is represented by the total in-scope revenue streams from the targeted projects. Figure II-2 presents the breakdown of percentage representation for each respective sector.

Based on the percentages in Figure 2, it is assessed that the representation of the targeted projects and the corresponding revenue streams and other taxes that will be subjected to further reconciliation is inclusive of the extractive industry. However, similar to the previous report, not all targeted projects participate in the transparency exercise.

Table II-4 discloses the percentage of total government collections from participating projects to total government collections in their respective sectors based on government submissions excluding reported amount for mandatory expenditures and funds and Royalty to IPs monitored by MGB and NCIP, respectively, because these are not considered collections by the government, but are only monitored.

*Table II-4. Percentage representation of participating projects to total extractive sector based on government collections (excluding NCIP and MGB Funds)*

Industry	(in PHP)		
	Total government collections from extractive industry	Total government collections of participating projects	% of participating companies to total
Metallic Mining	21,694,308,856	21,045,539,269	97%
Non-Metallic Mining	14,235,642,768	12,286,178,368	86%
Oil and gas	35,298,694,587	33,688,117,381	95%
Coal	17,864,926,913	-	0%
<b>Total</b>	<b>89,093,573,124</b>	<b>67,019,835,018</b>	<b>75%</b>

The coverage for large-scale metallic mining sector is at 97%. Among the sixteen (16) non-participating metallic mining projects, only ten (10) are producing. Represented by the 46 non-metallic mining projects, the coverage for large-scale non-metallic mining sector is 86%. The coverage for the oil and gas sector is 95% represented by three (3) projects while for the coal sector, the lone target, Semirara Mining Corporation did not participate.

We have assessed the sufficiency of participation based on revenues reported by the government in 2022. The percentages presented in Table II-4 leads to the assessment that participation for the Report is sufficient.

For additional details on the profile of targeted and participating projects, refer to page 99, Section III, Scope of the report.

#### *B. Targeted and participating projects*

Tables II-5.1 and II-5.2 details the number of targeted and participating projects who were able to submit their templates.

*Table II-5.1 Number of targeted and participating projects for the tenth report*

Sector	Target	Participating		Non-Participating	
		Count	%	Count	%
Metallic (producing)	45	35	78%	10	22%
Metallic (non-producing)					
Under care and maintenance	11	5	45%	6	55%
Metallic - Subtotal	56	40	71%	16	29%
Non-Metallic (producing)	56	45	80%	11	20%
Non-Metallic (non-producing)					
Under care and maintenance	3	1	33%	2	67%
Non-Metallic - Subtotal	59	46	78%	13	22%
Oil and Gas	5	3	60%	2	40%
Coal	1	0	0%	1	100%
<b>Total</b>	<b>121</b>	<b>89</b>	<b>74%</b>	<b>32</b>	<b>26%</b>

Table II-5.2 Number of targeted and participating companies for the tenth report

Sector	Target	Participating		Non-Participating	
		Count	%	Count	%
Metallic (producing)	47	36	77%	11	23%
Metallic (non-producing)					
Under care and maintenance	11	5	45%	6	55%
Metallic - Subtotal	58	41	71%	17	29%
Non-Metallic (producing)	34	25	74%	11	26%
Non-Metallic (non-producing)					
Under care and maintenance	3	1	33%	2	67%
Non-Metallic - Subtotal	37	26	70%	13	30%
Oil and Gas	5	3	60%	2	40%
Coal	1	0	0%	1	100%
<b>Total</b>	<b>101</b>	<b>70</b>	<b>69%</b>	<b>31</b>	<b>31%</b>

Targeted projects were based on nominations made by the MGB and DOE for the mining, oil and gas and coal sectors, respectively. This includes all operating metallic and non-metallic mining projects, whether producing or not, active oil and gas SCs in the production phase that has reported government share payments to the DOE and COC 5 operated by Semirara Mining and Power Corporation, the major player in the country's coal sector accounting for 99% of the country's coal production.

As presented in Table II-5.1, out of 121 projects, 89 projects participated leading to the overall participation rate of 74% which is 11% higher compared to 2021 or 12 projects more. Non-metallic sector has the highest participation among the sectors at 78% participation rate which is 23% higher compared to 2021 or 19 projects more. Participation for the oil and gas sector increased by 1 project. For the metallic sector, however, there was a 11% decreased in participation or 8 projects less. Semirara Mining and Power Corporation, the lone target in the coal sector, remains to be a nonparticipant in the exercise for ten consecutive years despite continued communication and coordination with the company and the DOE, which is the lead government agency overseeing its operations.

In 2014, Semirara Mining and Power Corporation expressed their concern regarding the disclosure of their data on payments to the government which may be used against them in the global market, given the World Trade Organization (WTO) guidelines. Further, publishing their data might affect the company's cost and price competitiveness. The company also noted that the incentives they avail might be construed as government subsidy and may cause countries where they export to impose countervailing measures.

A letter signed by the MICC co-chairs, DENR and DOF Secretaries was transmitted in September 2015 to DOE seeking their assistance in requiring Semirara to participate. In January 2016, DOE sent a letter to Semirara encouraging them to participate in the PH-EITI exercise. DAO 2017-07 was issued in 2017 by DENR that mandates mining contractors to participate in the PH-EITI exercise. However, Semirara continuously insists that they are not covered by this administrative order and maintained their position not to participate in the exercise.

Notwithstanding the non-participation of Semirara Mining and Power Corporation, the following information on government share, real property taxes and income taxes were obtained from government's reporting template and the company's own audited financial statements:

Table II-6. Semirara Mining and Power Corporation tax payments for 2022

Agency	Revenue Stream	Amount	% to total reconciled revenue streams and other taxes of the entire extractive sector	% to total revenues streams and other taxes reported by government agency for the entire extractive sector
BIR	Corporate income tax	2,099,546,578	4.69%	2.51%
DOE	Government share in production	15,842,879,075	35%	19%
BOC	Customs duties	6,160,825	0.01%	0.01%
BOC	VAT on imported materials and equipment	19,076,761	0.04%	0.02%
BOC	Excise tax on imported goods	4,210	0.000009%	0.000005%
LGU	Local business tax	73,888,997	0.2%	0.1%
LGU	Real property tax - Basic	1,481,341	0.003%	0.002%
LGU	Real property tax - SEF	1,481,340	0.003%	0.002%
LGU	Mayor's permit	250,000	0.0006%	0.0003%
PPA	Wharfage Fees	33,456,497	0.1%	0.04%
<b>Total</b>		<b>18,078,225,626</b>	<b>40.4%</b>	<b>21.6%</b>

The above data are presented only as a matter of information and not subjected to reconciliation procedures due to Semirara's refusal to participate in the exercise. Nonetheless, if we are to directly compare disclosures made by the DOE based on their reporting template and Semirara Mining and Power Corporation's 2020 annual report, there is no noted significant variance to total government share from coal production of PhP15.8bn. The annual report may be accessed through its website at <http://www.semiraramining.com>.

A comparison to the total revenue streams and other taxes of the entire extractive sector reported by government agencies was conducted as presented in Table II-6. The total of government collections attributed to Semirara Mining and Power Corporation amounting to PhP18bn represents 58% and 54% of total reconciled revenue streams for mining and oil and gas, respectively, and 28% of the entire extractive sector. Accordingly, we have assessed revenue streams for coal to be immaterial in relation to total extractive sector as a whole and does not affect the comprehensiveness of the Report, however, PH-EITI continues to pursue Semirara as it primarily represents the local coal sector having 99.33% of the total coal production for 2022.

Table II-7 presents the percentage representation of participating projects based on reported government collections per sector and the extractive industry taken as a whole.

Table II-7. Percentage representation of participating projects to total revenue streams reported by the government from the extractive industry

Sector	2022 Reported government collections	Total	% to total government collections
Metallic Mining	21,045,539,269	21,694,308,856	24%
Non-metallic Mining	12,286,178,368	14,235,642,768	14%
Oil and gas	33,688,117,381	35,298,694,587	38%
Coal	-	17,864,926,913	0%
<b>Total</b>	<b>67,019,835,018</b>	<b>89,093,573,124</b>	<b>75%</b>

The tenth PH-EITI Report concluded with 75% representation for the mining, oil and gas and coal sectors based on revenue streams and other taxes reported by government agencies. Without coal, the combined percentage of participating projects from mining and oil and oil and gas sector would

have reached 94%.

For additional details on the profile of targeted, participating, and non-participating projects, refer to discussion under Pages 102, 106, and 108, Section III, Scope of the report.

#### *C. Government agencies*

In addition to the seven (7) national government agencies, a total of 54 LGUs submitted templates for reconciliation as compared to 57 in the ninth PH EITI report. The details of these government agencies can be found in Page 109, Section III, Scope of the report.

#### *D. Revenue streams and other taxes*

The following tax payments and fees, as well as mandatory expenditures and funds, were included in this Report. A more detailed discussion on these revenue streams are included in Page 116, Section III, Scope of the report.

##### Taxes and fees

1. Corporate income tax
2. Customs duties
3. Excise tax on minerals
4. Government share from oil and gas production
5. Local business taxes
6. Output Vat
7. Real property tax – Basic
8. Real property tax – Special Education Fund (SEF)
9. Royalty on mineral reservation
10. Value added tax on importations
11. Withholding tax on foreign shareholder dividends
12. Withholding tax on profit remittance to principal
13. Withholding tax on royalties to claim owners

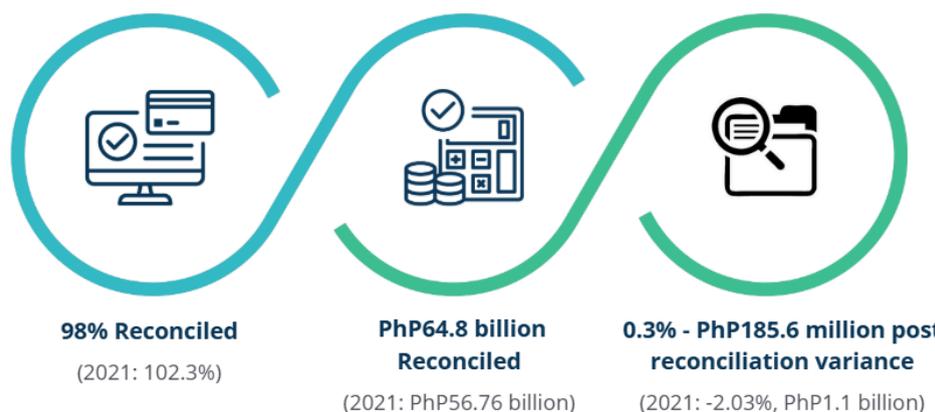
##### Other taxes

1. Royalty to Indigenous Peoples (IPs)

##### Mandatory expenditures and funds

1. Annual Environmental Protection and Enhancement Program (AEPEP)
2. Annual Safety and Health Program (ASHP)
3. Annual Social Development Management Program (ASDMP)
4. Environmental Trust Fund
5. Final Mine Rehabilitation and Decommissioning Fund
6. Compensation for claims for damages from Mine Waste and Tailing Fees
7. Mine Waste and Tailings Fees (MWTF)
8. Monitoring Trust Fund
9. Rehabilitation Cash Fund

E. Final output preview



Based on the results of reconciliation procedures performed, total reconciled revenue streams and other taxes for 2022, excluding royalty to IPs and mandatory safety and health, environmental and social expenditures, amounted to PhP64.8bn or 97.7% reconciled with 0.3% remaining unreconciled variance. Royalty to IPs and the mandatory expenditures were excluded since these are not considered revenue by the government, but are only monitored by the corresponding government agencies. Table II-8 summarized the results of reconciliation and the details are presented in page 121, Section IV, Reconciliation results.

Table II-8. Summary of reconciliation results (including non-participating projects)

	Project amount	Government agency amount***	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance*	% Reconciled**
<b>Metallic</b>							
BIR	16,318,579,160	16,261,632,373	(56,946,787)	15,962,221,632	135,339,807	1%	98%
BOC	1,111,990,787	978,004,759	(133,986,028)	855,222,604	18,989,955	2%	87%
LGU	1,461,278,827	1,289,543,356	(171,735,471)	1,356,284,173	70,351,840	5%	105%
MGB	2,214,154,956	2,234,071,221	19,916,264	1,191,748,299	45,387,950	2%	53%
Subtotal	21,106,003,730	20,763,251,708	(342,752,022)	19,365,476,708	270,069,551	1%	93%
NCIP	646,470,259	105,273,850	(541,196,409)	404,194,673	(105,647,089)	-16%	63%
Subtotal	21,752,473,989	20,868,525,558	(883,948,431)	19,769,671,381	164,422,462	1%	95%
<b>Non-metallic</b>							
BIR	9,496,218,112	9,864,757,857	368,539,745	9,874,731,359	19,259,123	0.2%	100.1%
BOC	1,751,194,312	1,879,653,329	128,459,018	1,320,258,363	(34,003,801)	-2%	70%
LGU	647,061,909	210,052,771	(436,446,531)	584,075,309	(69,753,315)	-33%	278%
Subtotal	11,894,474,333	11,954,463,957	60,552,231	11,779,065,031	(84,497,993)	-1%	99%
NCIP	2,155,734	-	(2,155,734)	2,155,734	-	0%	100%
Subtotal	11,896,630,066	11,954,463,957	58,396,497	11,781,220,765	(84,497,993)	-1%	99%
<b>Oil and gas</b>							
BIR	15,397,191,419	6,542,497,541	(8,854,693,879)	6,539,947,635	-	0%	99.96%

BOC	1,400,721	12,855,567	11,454,846	13,857,413	424	0%	108%
DOE	11,487,158,138	27,062,298,248	15,575,140,111	27,096,587,500	-	0%	100.1%
LGU	921,488	-	(921,488)	501,511	-	0%	0%
Subtotal	26,886,671,765	33,617,651,356	6,730,979,590	33,650,894,058	424	0%	100%
Total (excluding NCIP)	59,887,149,828	66,335,367,021	6,448,779,799	64,795,435,797	185,571,981	0.3%	97.7%
Total (including NCIP)	60,535,775,821	66,440,640,871	5,905,427,656	65,201,786,204	79,924,892	0.1%	98.1%

\*Percentage of variance post-reconciliation to collections reported by government agency

\*\*Percentage of reconciled amount to collections reported by government agency

\*\*\*The government agency amounts and variance pre-reconciliation and post-reconciliation includes unilateral disclosures for in-scope revenue streams reported by government agencies for non-participating entities amounting to PHP160m for the metallic mining sector, PHP2m for the non-metallic mining sector and PHP87m for the oil and gas sector. Refer to Section III, Reconciliation results overview, of this chapter for the details of unilateral disclosures

If revenue streams reported by government agencies of non-participating projects were excluded, the percentage of reconciled amount would increase by 0.2% or and percentage of variance post-reconciliation would drop to 0.1%. Table II-9 presents the summary of reconciliation results excluding data on non-participating projects.

Table II-9. Summary of reconciliation results (excluding non-participating projects)

	Project amount	Government agency amount***	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance*	% Reconciled**
<b>Metallic</b>							
BIR	16,286,365,415	16,250,722,166	(35,643,249)	15,962,221,632	156,643,345	1%	98%
BOC	1,110,312,324	954,584,401	(155,727,923)	855,222,604	(2,751,940)	0%	90%
LGU	1,458,395,841	1,218,298,515	(240,097,326)	1,356,284,173	1,989,985	0.2%	111%
MGB	2,214,154,956	2,174,292,660	(39,862,296)	1,191,748,299	(14,390,611)	-1%	55%
Subtotal	21,069,228,536	20,597,897,742	(471,330,794)	19,365,476,708	141,490,779	1%	94%
NCIP	646,470,259	101,181,066	(545,289,194)	404,194,673	(109,739,874)	-17%	63%
Subtotal	21,715,698,796	20,699,078,808	(1,016,619,988)	19,769,671,381	31,750,906	0%	96%
<b>Non-metallic</b>							
BIR	9,496,218,112	9,864,757,857	368,539,745	9,874,731,359	19,259,123	0.2%	100.1%
BOC	1,751,194,312	1,877,781,554	126,587,242	1,320,258,363	(35,875,576)	-2%	70%
LGU	647,061,909	209,710,642	(436,788,660)	584,075,309	(70,095,444)	-33%	279%
Subtotal	11,894,474,333	11,952,250,053	58,338,327	11,779,065,031	(86,711,897)	-1%	99%
NCIP	2,155,734	-	(2,155,734)	2,155,734	-	0%	100%
Subtotal	11,896,630,066	11,952,250,053	56,182,593	11,781,220,765	(86,711,897)	-1%	99%
<b>Oil and gas</b>							
BIR	15,397,191,419	6,542,497,541	(8,854,693,879)	6,539,947,635	-	0%	99.96%
BOC	1,400,721	12,855,567	11,454,846	13,857,413	424	0%	107.8%
DOE	11,487,158,138	27,062,298,248	15,575,140,111	27,096,587,500	-	0%	100.1%
LGU	921,488	-	(921,488)	501,511	-	0%	0%
Subtotal	26,886,671,765	33,617,651,356	6,730,979,590	33,650,894,058	424	0.00%	100.1%

Total (excluding NCIP)	59,850,374,634	66,167,799,151	6,317,987,123	64,795,435,797	54,779,305	0.1%	97.9%
Total (including NCIP)	60,499,000,627	66,268,980,216	5,770,542,196	65,201,786,204	(54,960,568)	-0.1%	98.4%

\*Percentage of variance post-reconciliation to collections reported by government agency

\*\*Percentage of reconciled amount to collections reported by government agency

Similar to prior year's report, NCIP was only able submit partial data. Given the minimal amount of NCIP's submission, the percentage reconciled and percentage variance for NCIP was based on the total amount reported by the projects. Supporting documents were obtained from participating projects to arrive at the reconciled amount. This procedure was adopted in recognition of the constraints faced by the NCIP in monitoring royalties which are, by law, paid by projects directly to the concerned IPs who are private parties. IP royalties are, therefore, not considered government revenue, but they are mandatory. While the NCIP is responsible for protecting the rights of the IPs of the Philippines, including their right to receive royalties, it is not a collecting agency. Moreover, it has had to deal with complex and serious challenges in and to its organization, including its budget. Thus, there has been considerable difficulty in getting data on IP royalties from the NCIP, even from its regional offices, most of which do not have ready access to the data themselves. The PH-EITI has put forward and followed up recommendations to help address the gaps in transparency in the NCIP, including developing a monitoring tool and conducting capacity-building activities with the agency and its stakeholders. The efforts continue. Refer to page 180, Section VIII, Recommendations.

Table II-10. Percentage of reconciled revenue streams to total sector collections reported by government agencies and to total in-scope collections reported by government agencies (excluding NCIP and MGB funds)

	Metallic mining	Non-metallic mining	Oil and gas	Total
Total reconciled revenue streams	19,365,476,708	11,779,065,031	33,650,894,058	64,795,435,797
Total sector revenue streams reported by government	21,694,308,856	14,235,642,768	35,298,694,587	71,228,646,211
Percentage reconciled to total sector revenue streams	89%	83%	95%	91%
Total in-scope revenue streams reported by government	20,763,251,708	11,954,463,957	33,617,651,356	66,335,367,021
Percentage reconciled to total in-scope revenue streams	93%	99%	100.1%	98%

Based on the submissions provided by the individual government agencies on collections made from metallic, non-metallic and oil and gas sectors, percentage reconciled for participating metallic, non-metallic, and oil and gas projects for 2022 are at 89%, 83% and 95% (2021 – 100.09%, 101.45% and 98.19%), respectively. When scoped-out revenue streams are excluded, percentages are at 93%, 99%, and 100.1% for the metallic, non-metallic, and oil and gas sectors, (2021 – 101.5%, 107.49%, and 100%), respectively.

Note that NCIP is only tasked to monitor royalty for IPs, not to collect on their behalf; thus, consistent in previous reports, royalties for IPs are considered as 'other taxes' and not a revenue stream of the government. Likewise, MGB funds are payments made by the projects to ensure availability of financing for activities ranging from social development, environmental protection, and rehabilitation, and do not form part of the government revenue collections.

Although the percentage of reconciled revenues to in-scope reported government collections only exceeded a hundred percent (100%) for oil and gas sector only when compared to the ninth report, the data submitted by Bureau of Local Government Finance (BLGF), the agency that collects and

monitors the data pertaining to the LGUs, is considered inadequate. There were still instances where direct payments from projects to LGUs were not reflected in the ENDRMT. However, the projects were able to provide the necessary supporting documents; thus, these payments were considered reconciled. Consequently, the reported government collection is lower when compared to the payment reported by the project causing the percentage reconciled to exceed 100% as presented in Tables II-12 and II-13. If LGU data would be excluded from the analysis, the percentage would decrease as presented in Table II-11.

*Table II-11. Percentage of reconciled revenue streams and other taxes to total sector collections reported by government agencies and to total in-scope collections reported by government agencies (excluding LGU, NCIP, MGB funds)*

	<b>Metallic mining</b>	<b>Non-metallic mining</b>	<b>Oil and gas</b>	<b>Total</b>
Total reconciled revenue streams	18,009,192,535	11,194,989,722	33,650,392,548	62,854,574,805
Total sector revenue streams reported by government	20,358,036,188	13,726,267,056	35,298,694,587	71,228,646,211
Percentage reconciled to total sector revenue streams	88%	82%	95%	88%
Total in-scope revenue streams reported by government	19,473,708,352	11,744,411,186	33,617,651,356	64,835,770,894
Percentage reconciled to total in-scope revenue streams	92%	95%	100.1%	97%

Tables below break down the percentages in Table II-10 by government agencies.

*Table II-12. Percentage reconciled revenue streams and other taxes of projects to total sector revenue streams and other taxes reported by government*

<b>Agency</b>	<b>Metallic mining</b>	<b>Non-metallic mining</b>	<b>Oil and gas</b>	<b>Total</b>
BIR	96%	85%	80%	89%
BOC	100%	66%	31%	75%
DOE	N/A	N/A	100.1%	100.1%
LGU	101%	115%	181%	105%
MGB	48%	N/A	N/A	48%
<b>Total</b>	<b>89%</b>	<b>83%</b>	<b>95%</b>	<b>91%</b>

*Table II-13. Percentage reconciled revenue streams and other taxes of projects to the total in-scope collections reported by government*

<b>Agency</b>	<b>Metallic mining</b>	<b>Non-metallic mining</b>	<b>Oil and gas</b>	<b>Total</b>
BIR	98%	100.1%	100%	99%
BOC	87%	70%	108%	76%
DOE	N/A	N/A	100.1%	100.1%
LGU	105%	278%	0%	129%
MGB	53%	N/A	N/A	53%
<b>Total</b>	<b>93%</b>	<b>99%</b>	<b>100.1%</b>	<b>98%</b>

Aside from LGU, DOE and BOC also posed a percentage reconciled a little over 100% as indicated in Table II-12 and II-13. This was due to a project whose taxable year is fiscal, but the data submitted by DOE and BOC is for the calendar year 2022. The reconciled amount is based on then fiscal period of the project. Table II-14 sets out the details of reconciliation per agency.

Table II-14. Summary of reconciliation results per agency

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Reconciled	% Variance	% Variance to total government agency amount
BIR	41,211,988,691	32,668,887,770	(8,543,100,921)	32,376,900,627	154,598,930	99%	0%	0%
BOC	2,864,585,819	2,870,513,655	5,927,836	2,189,338,380	(15,013,422)	76%	-0.5%	0.0%
DOE	11,487,158,138	27,062,298,248	15,575,140,111	27,096,587,500	-	100.1%	0%	0%
LGU	2,109,262,224	1,499,596,127	(609,103,490)	1,940,860,992	598,524	129%	0.04%	0.001%
MGB	2,214,154,956	2,234,071,221	19,916,264	1,191,748,299	45,387,950	53%	2%	0.1%
<b>Total</b>	<b>59,887,149,828</b>	<b>66,335,367,021</b>	<b>6,448,779,799</b>	<b>64,795,435,797</b>	<b>185,571,981</b>	<b>98%</b>	<b>0%</b>	<b>0%</b>
<b>NCIP</b>	<b>646,470,259</b>	<b>105,273,850</b>	<b>(541,196,409)</b>	<b>404,194,673</b>	<b>(105,647,089)</b>	<b>63%</b>	<b>-16%</b>	<b>-0.2%</b>

DOE registered no unexplained variances to total government reported amounts. This is expected for DOE given that there are fewer participants compared to the mining sectors and only one revenue stream. The remaining agencies unexplained variances to total government reported is mainly attributed to absence of supporting documents due to lack of response from the projects. Although LGU have a low percentage of unreconciled variance, it is important to note that the submitted data is incomplete. Due to the insufficient data from LGU, supporting documents were obtained from participating projects to support the amount they have disclosed. Refer to page 167, Section VII, Variances and discrepancies for additional details.

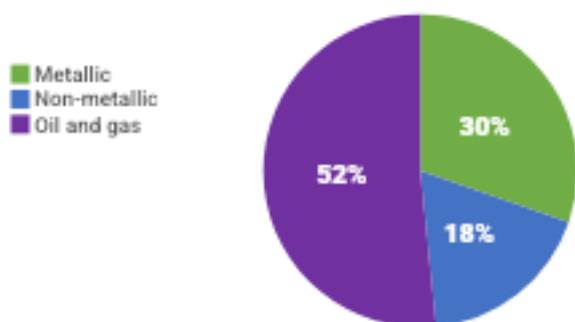
Table II-15 summarizes the percentage contribution of each government agency to the total reconciled revenue streams and other taxes.

Table II-15. Percentage contribution of each agency to reconciled total collections and receipts

	Metallic Mining	Non-metallic Mining	Oil and gas	Total	% contribution to total reconciled
BIR	15,962,221,632	9,874,731,359	6,539,947,635	32,376,900,627	50%
BOC	855,222,604	1,320,258,363	13,857,413	2,189,338,380	3%
DOE	not applicable	not applicable	27,096,587,500	27,096,587,500	42%
LGU	1,356,284,173	584,075,309	501,511	1,940,860,992	3%
MGB	1,191,748,299	not in scope	not applicable	1,191,748,299	2%
NCIP	404,194,673	2,155,734	not applicable	406,350,407	1%
<b>Total</b>	<b>19,769,671,381</b>	<b>11,781,220,765</b>	<b>33,650,894,058</b>	<b>65,201,786,204</b>	<b>100%</b>

The figure below shows the sector distribution of the total reconciled revenue streams for 2022.

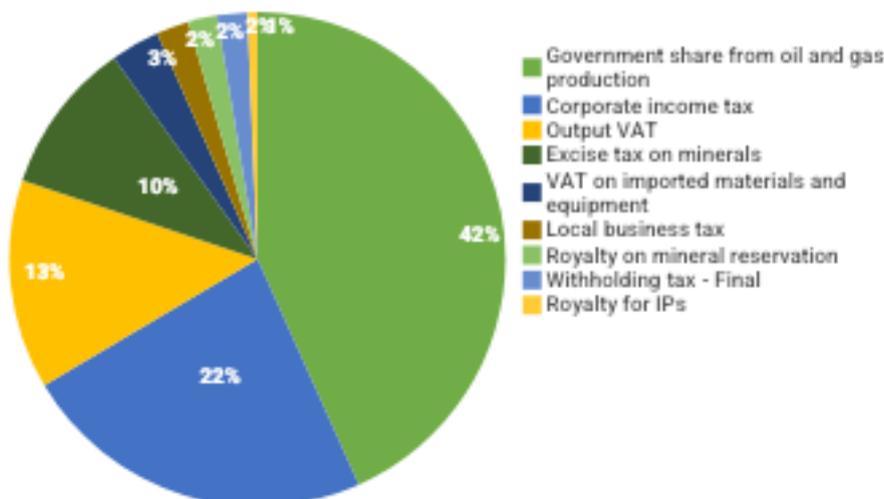
Figure II-3. Industry sector distribution of total reconciled revenue streams for 2022



Oil and gas sector remains to be the biggest contributor to the reconciled revenue stream and other taxes with 52% or PhP33.7bn total reconciled revenue stream and other taxes (2021 - PhP22.8bn, 40.2%) followed by the metallic sector with 30% or PhP19.8bn (2021 - 39.7% or PhP22.5bn) and non-metallic sector with 18% or PhP11.8bn (2021 - PhP11.4bn, 20%).

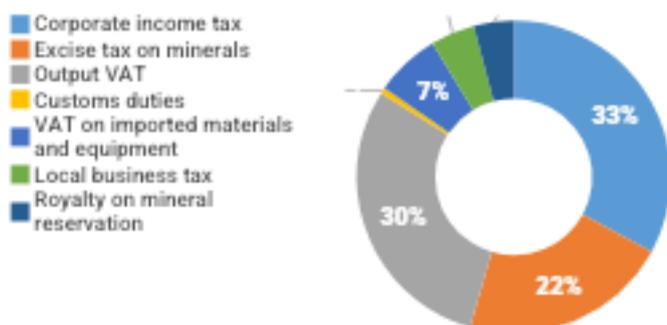
Figure II-4. Proportion of reconciled revenue streams for the extractive sector

Similar to previous reports, payments to the DOE and BIR are the most significant revenue streams, which account for 42% or PhP27.1bn and 50% or PhP32.4bn (2021 - 37% or PhP21bn and 50% or PhP29bn), respectively, of total reconciled revenue streams. This observation was not expected to change this Report in the absence of any amendments to the



fiscal regimes of both sectors. Consistently, revenue streams attributed to the said agencies and their corresponding percentage to total reconciled amount in 2022 are composed of government share in oil and gas operations (PhP27.1bn, 43%), corporate income tax (PhP14.5bn, 23%), output VAT (PhP8.6bn, 14%), and excise tax on minerals (PhP6.3bn, 10%) as presented in Figure II-4.

Figure II-5. Proportion of reconciled revenue streams for the mining sector



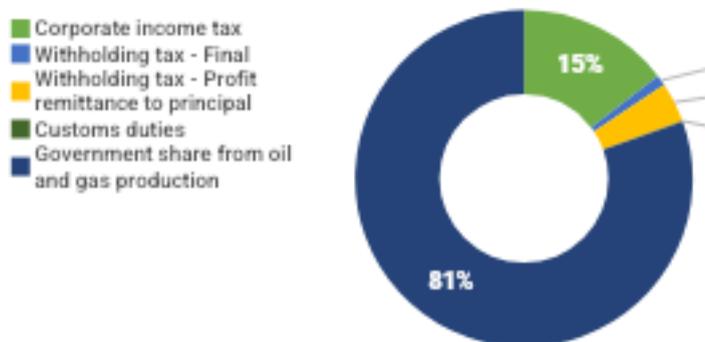
Focusing on the mining sector, corporate income tax, excise tax on minerals and output VAT remains to be the main contributors amounting to PhP9.6bn or 33%, PhP6.3bn or 22% PhP8.6bn or 29% (2021 - PhP10.7bn or 36%, PhP6.2bn or 21% PhP6.4bn or 22%), respectively as presented in Figure 5. Limestone operators were the biggest contributors to the BIR revenue streams with payments amounting to PhP9.6bn or 37% (2021 - PhP3.8bn, 15%) which included

payments from Eagle Cement (PhP4.2bn) and Republic Cement Buildings and Materials (PhP2.8bn), and Northern Cement (PhP1.3bn). Another significant portion of the reconciled BIR revenue streams are provided by nickel operators contributing PhP8.8bn or 34% of total BIR collections in 2022 (2021 - PhP10.8bn, 42%). These include BIR payments of Taganito Mining

(PhP2.4bn), Rio Tuba Nickel Mining Corp. (PhP1.3bn), Eramen Minerals, Inc. (PhP777m), and Platinum Group Metals Corporation (PhP761m).

Similar to prior years, for the oil and gas sector, government share from oil and gas production was the highest contributor with PhP21bn or 87% (2021 - with PhP21.1bn or 93%) share in total revenue streams, respectively. Prime Energy Resources Development B.V., operator of SC38, contribution amounted to PhP26.9bn or 99% to the government share from oil and gas production.

Figure II-6. Proportion of reconciled revenue streams for the oil and gas sector

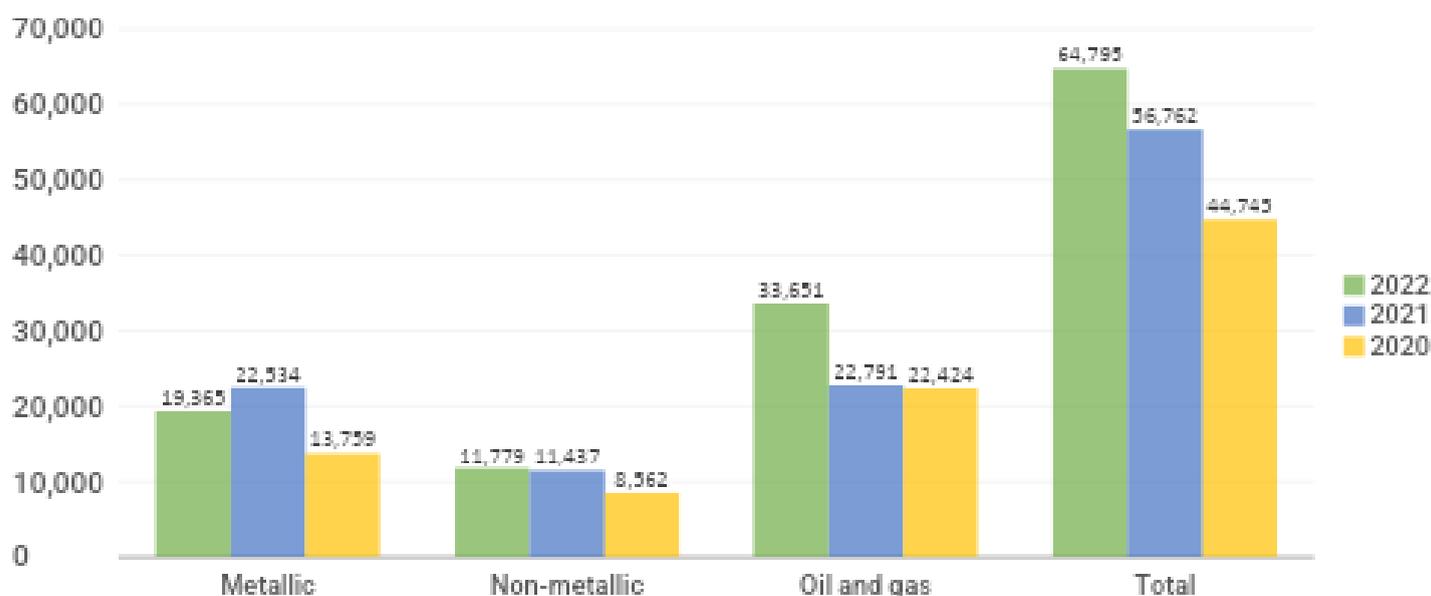


Similar to prior years, for the oil and gas sector, government share from oil and gas production was the highest contributor with PhP27bn or 80% (2021 - with PhP21.1bn or 93%) share in total revenue streams, respectively. Prime Energy Resources Development B.V., operator of SC38, contribution amounted to PhP26.9bn or 99% to the government share from oil and gas production.

Table II-16. Summary of total reconciled revenue streams in 2022, 2021, and 2020

Industry Sector	2022	2021	2020	Change (2022 vs 2021)	% change	Change (2022 vs 2020)	% change
Metallic	19,365,476,708	22,534,353,067	13,759,099,190	(3,229,750,840)	-17%	5,545,503,037	29%
Non-metallic	11,779,065,031	11,436,796,093	8,562,242,462	342,268,938	3%	3,216,822,569	27%
Oil and gas	33,650,894,058	22,790,939,656	22,423,835,783	9,269,744,278	29%	9,636,848,151	30%
<b>Total</b>	<b>64,795,435,797</b>	<b>56,762,088,816</b>	<b>44,745,177,434</b>	<b>6,382,262,375</b>	<b>12%</b>	<b>18,399,173,757</b>	<b>31%</b>

Figure II-7. Summary of total reconciled revenue streams in 2022, 2021 and 2020 (in millions)



The reconciled revenue and other taxes for the extractive industry in 2022 increased by 12% and 31% compared to 2021 and 2020, respectively. The biggest contributor to this increase is the reconciled revenue streams for the oil and gas sector with 32% or PhP10.9bn and 33% or PhP11.2bn increase compared to 2021 and 2020. Revenue streams from DOE contributed the most in the increase with a 22% or PhP5.9bn and 36% or PhP9.6bn increase compared to 2021 and 2020. Aside from DOE, revenue streams for BIR also increased by 97% or PhP4.7bn and 22% or PhP1.1bn when compared to 2021 and 2020. This increase in 2022 is brought about by the increase in the oil prices and demand as well. Given that the oil and gas sector is the largest contributor in the extractive industry, the sector will dictate the movement in the revenue streams and other taxes. As presented in Figure 7, the movement of oil and gas sector is directly proportional to the movement in the total extractive industry.

Metallic mining sector contributed to a 16% decrease when compared to 2021, but 29% increase when compared to 2020. The negative change from 2021 to 2022 is due to the decrease in reconciled revenue streams for MGB. Reconciled revenue streams for MGB were lower by 98% or PhP1.2bn. The reconcile revenue streams is expected to go down compare to 2021 due to lower prices of some metals, but not by as much as 16%. Absence of supporting schedules and documents was the main cause for this decrease. On the other hand, BIR contributed to the positive change from 2020 to 2022 with reconciled revenue streams increasing by 36% or PhP5.7bn. Effects of COVID-19 pandemic was deeply felt in 2020.

Non-metallic sector contributed to a 3% and 27% increase when compared to 2021 and 2020. Comparing 2021 and 2022, revenue streams of BIR and LGU both increased by 15% or PhP1.5bn and 19% or PhP112m, respectively. For 2020, on the other hand, there was an increase in revenue streams of BIR, BOC, and LGU by 25% or PhP2.4bn, 38% or PhP496m, and 47% or PhP275m, correspondingly.

#### Mandatory social and environmental expenditures

Mandatory expenditures are not remitted to agencies and do not form part of government coffers, but are primarily incurred for the benefit of host communities and protection and preservation of impacted areas. These payments were also subjected to similar reconciliation procedures applied to other revenue streams, including inspection of supporting documents and discussions with management for variances noted; however, the data submitted by MGB, the government agency responsible for monitoring these expenditures, was insufficient, but a significant improvement compared to the agency's data submission in the sixth report. Similar to NCIP, since these expenditures are not revenue streams of the government, supporting documents were obtained from participating projects to arrive at the reconciled amount.

Table II-17. Summary of results of reconciliation for social and environmental expenditures

Actual social and environmental expenditures	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
<b>Metallic mining</b>					
Annual EPEP - Actual Expenditure for the Year	2,512,937,673	2,300,360,976	(212,576,697)	1,643,621,641	(59,899,809)
Annual Work and Financial Plan (WFP) for FMR/DP - Actual Expenditure for the Year	34,419,040		(34,419,040)		(34,419,040)
Compensation for claims for Damages from MWTF - Actual Expenditure for the Year	-		-		-
Environmental Trust Fund - Actual Expenditures	113		(113)		(113)
Final Mine Rehabilitation and/or Decommissioning Fund - Actual Expenditures	390,900		(390,900)		(390,900)
Monitoring Trust Fund - Actual Expenditures	12,327,842		(12,327,842)		(12,327,842)
Rehabilitation Cash Fund - Actual Expenditures	8,933,571		(8,933,571)		(8,933,571)
Mine Waste and Tailing Fees	3,421,529	2,767,462	(654,067)	1,996,634	(662,639)
<b>Subtotal - Environmental expenditure</b>	<b>2,572,430,668</b>	<b>2,303,128,438</b>	<b>(269,302,230)</b>	<b>1,645,618,275</b>	<b>(116,633,914)</b>
Safety and Health Programs - Actual expenditure	497,161,290	435,630,410	(61,530,880)	303,285,734	29,126,795
Annual SDMP - Social Development and Management Programs					
DHNC - Development of Host and Neighboring Communities	839,670,040	795,232,826	(44,437,214)	581,350,386	(34,637,778)
DMTG - Development of Mining Technology and Geosciences	109,027,231	103,602,055	(5,425,176)	77,282,465	(3,102,382)
IEC - Information, Education & Communication	172,962,753	162,190,508	(10,772,245)	124,693,404	(8,459,254)
<b>Subtotal - Annual SDMP</b>	<b>1,121,660,024</b>	<b>1,061,025,389</b>	<b>(60,634,635)</b>	<b>783,326,256</b>	<b>(46,199,415)</b>
<b>Subtotal - Metallic mining</b>	<b>4,191,251,983</b>	<b>3,799,784,238</b>	<b>(391,467,745)</b>	<b>2,732,230,264</b>	<b>(133,706,534)</b>
<b>Non-metallic mining</b>					
Annual EPEP - Actual Expenditure for the Year (PhP)	207,146,128	201,968,746	(5,177,382)	138,844,297	(1,200,750)
Annual Work and Financial Plan (WFP) for FMR/DP - Actual Expenditure	2,325,465	-	(2,325,465)	-	(2,325,465)
Compensation for claims for Damages from MWTF - Actual Expenditure	5,416	-	(5,416)	-	(5,416)
Environmental Trust Fund - Actual Expenditures - Withdrawn from the Fund	53,824	-	(53,824)	-	(53,824)
Environmental Trust Fund - Actual Expenditures - Not Withdrawn from the Fund	94,442	-	(94,442)	-	(94,442)
Final Mine Rehabilitation and/or Decommissioning Fund - Actual Expenditures - Not Withdrawn from the Fund	12,644,558	-	(12,644,558)	-	(12,644,558)
Final Mine Rehabilitation and/or Decommissioning Fund - Actual Expenditures - Withdrawn from the Fund	30,773,737	-	(30,773,737)	-	(26,503,106)

Mine Waste and Tailing Fees	126,085	64,105	(61,981)	20,562	(62,457)
<b>Subtotal - Environmental expenditure</b>	<b>253,169,656</b>	<b>202,032,851</b>	<b>(51,136,805)</b>	<b>138,864,860</b>	<b>(42,890,019)</b>
Safety and Health Programs - Actual expenditure	84,782,193	56,250,954	(28,531,239)	17,244,480	(40,172,835)
Annual SDMP - Social Development and Management Programs					
DHNC - Development of Host and Neighboring Communities	68,658,984	53,627,283	(15,031,701)	31,098,797	(14,052,920)
DMTG - Development of Mining Technology and Geosciences	8,466,391	6,401,404	(2,064,986)	3,920,484	(2,072,220)
IEC - Information, Education & Communication	12,996,446	10,749,848	(2,246,599)	7,495,717	(2,256,892)
<b>Subtotal - Annual SDMP</b>	<b>90,121,821</b>	<b>70,778,535</b>	<b>(19,343,286)</b>	<b>42,514,997</b>	<b>(18,382,032)</b>
<b>Subtotal - Non-metallic mining</b>	<b>428,073,670</b>	<b>329,062,340</b>	<b>(99,011,330)</b>	<b>198,624,337</b>	<b>(101,444,886)</b>
	<b>4,619,325,653</b>	<b>4,128,846,578</b>	<b>(490,479,075)</b>	<b>2,930,854,601</b>	<b>(235,151,419)</b>

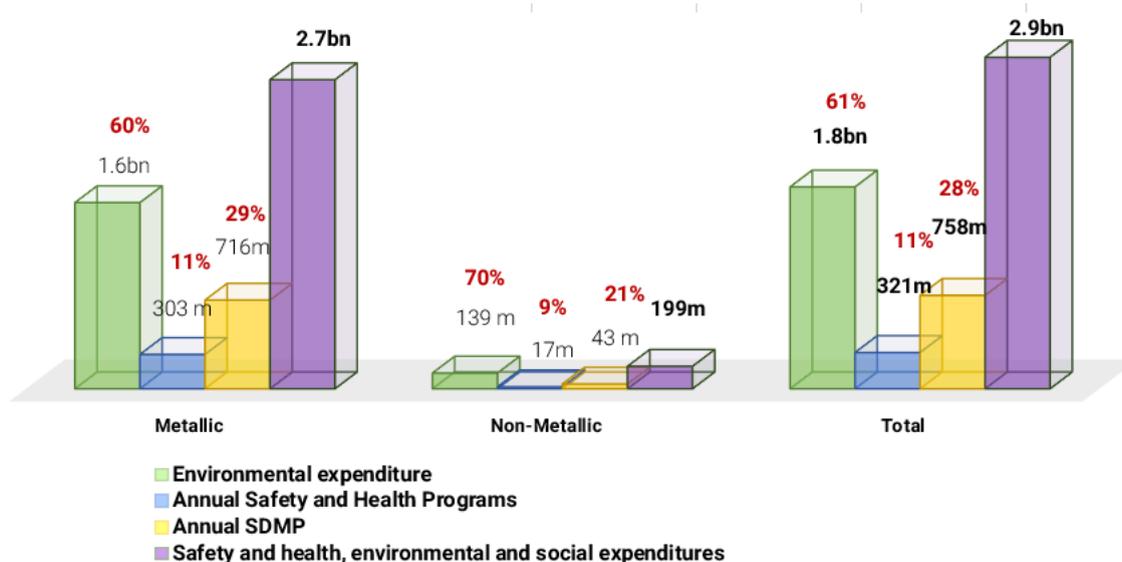
Total reconciled safety and health, environmental and social expenditures of participating mining projects for 2022 amounted to Ph₱2.9bn (2021 - Ph₱1.6bn) which is 10% of reconciled mining revenue streams (2021 - 4.7%). This is higher by 46% or Ph₱1.4bn compared to 2021.

Initial comparison of disclosures made by MGB and participating mining projects presented a negative variance of Ph₱490m (2021 - Ph₱4.5bn). After obtaining supporting documents from participating projects, total discrepancy resulted in Ph₱235m (2021 - Ph₱2.9m). The remaining variance pertains to participating projects that were not able to provide the necessary supporting documents.

Given the higher reported amount of participating projects, it is evident that there is still a lack of information in the central office. This could possibly be due to either non-reporting of regional offices to the central office since participating projects were able to provide reports received by the respective regional MGB offices or central office's failure to monitor the submissions from the regional offices.

Figure 8 shows distribution of reconciled environmental, safety and health, and social expenditures of participating mining projects for FY2022.

Figure II-8. 2022 Safety and health, environmental and social expenditures



**Safety and health.** 11% or PhP321m (2021 - 20% or PhP310m) of the 2022 mandatory expenditures is incurred for standard operating procedures for mining and milling operations, management and employee training, housekeeping, environmental risk management including emergency response program and occupational health and safety management. 95% or PhP303m (2021 - 90% or PhP279m) and 5% or PhP17m (2021 - 10% or PhP31m) of the total reconciled annual safety and health program was spent by the metallic and non-metallic sector, respectively.

**Environmental protection.** Of the total mandatory expenditures incurred by participating mining projects in 2022, 62% or PhP1.8bn pertain to environmental protection and rehabilitation such as reforestation based on reported EPEP (2021 - 28% or PhP449m). The metallic and non-metallic sectors contributed 92% or PhP1.65bn (2021 - 86% or PhP385m) and 8% or PhP139m (2021 - 14% or PhP64m) to the total reconciled mandatory expenditure for environmental protection, respectively.

**Social development.** Total expenditures on social development amounted to PhP825m or 28% of the total reconciled mandatory expenditures (2021 - PhP819m or 52%). PhP783m or 95% (2021 - PhP784m or 96%) pertains to metallic sectors' spending while only PhP43m or 5% (2021 - PhP34m or 4%) applies to the non-metallic sector. These represent activities undertaken as part of participating projects' SDMP, which must be equivalent to 1.5% of operating expenses as mandated by existing regulations. Any difference between required and actual expenditures in a given year may be carried forward to the succeeding period as long as it is within the five year program approved by the MGB.

## II. Methodology

Below is an overview of the approach and methodology, primarily divided into five (5) phases as follows:



### A. Scoping and finalization of reporting templates

The reporting cycle begins with identifying the scope of the report in terms of projects, government agencies, revenue streams and other taxes, as well as additional information determined by stakeholders that would aid in gaining further understanding of the local extractive industries. Simultaneously, templates to standardize presentation of information and data are prepared and finalized, as well as identifying required sign offs on behalf of projects and agencies. Similar to the previous PH-EITI reports, the data for FY2022 were gathered using reporting templates tailored and approved by MSG.

### B. Data gathering

Data submission from reporting projects and some government agencies were made through PH-EITI's Online Reporting in the Extractives (ORE) Tool. The MSG-approved reporting templates were integrated into the ORE Tool to which reporting projects had access from May 20, 2024 to July 21, 2024. Submissions after this date until August 9, 2024 were manually prepared and submitted for reconciliation. ORE was made available to all targeted projects and government agencies particularly the Mines and Geosciences Bureau, Department of Energy, Bureau of Customs, Department of Budget and Management and the National Commission on Indigenous Peoples. The Bureau of Internal Revenue submitted data separately while data submissions from local government units were submitted through the Bureau of Local Government Finance's Environment and Natural Resources Data Management Tool (ENRDMT).

The following guidelines were stated in the reporting templates and were explained to reporting projects and government agencies during the ORE Reporting Tool briefing and various MSG meetings:

- **Comprehensive disclosures:** Reporting entities should include all revenue streams attributed to the taxable year 2021, regardless of settlement or payment periods. This extends to cases where an alternative fiscal year-end, such as June 30, is adopted. The accrual basis of accounting is prescribed for accurate representation.
- **Total taxes and breakdown:** Templates must present the total taxes for the year, with supporting schedules detailing the breakdown. This breakdown should provide the required level of detail, considering factors like frequency and receiving office, to address any variances noted.

- **Authorized signatories:** The templates should be signed by senior management representatives, such as the President, Chief Finance Officer, or any equivalent personnel for companies involved in participating projects.

To establish credibility of the data, the MSG considered availability and accessibility of information including the appropriate level of management who will attest to the accuracy of the data. With these factors in mind, the credibility of data was established through the following:

- Reporting templates were submitted by either the President of the Company for the respective project and/or Chief Financial Officer, and Department Head for the government agencies via the ORE Tool.
- Traceability of information to the audited financial statements, as applicable. Refer to page 178, Section VII, Audit procedures for the discussion on the audits being performed by an independent third party and COA on the financial statements of the respective companies of the projects and government agencies, respectively.

Like the previous PH-EITI reports, reconciliation was also limited by the prevailing confidentiality clause under the NIRC, which restricts the BIR to disclose tax payments of companies of the participating projects unless signed waivers are submitted. Projects who failed to submit their corresponding waivers were considered as non-participating.

The first PH-EITI report includes a comprehensive discussion on the concepts of public disclosure, information, and participation. More specifically on confidentiality, the following rules apply to the mining and oil and gas sectors.

#### **CONFIDENTIAL**

The information is confidential if It should not be divulged to the public but may be used internally by the DENR-MGB Director or his authorized representatives for monitoring, policy planning, and research.

Example:

- Information supplied by mining contractors to DENR as part of the investment guarantee
- Information agreed upon by the parties in the negotiations is confidential

#### **NON-CONFIDENTIAL**

The information may be made available and reproduced by the public upon submission of appropriate requests to the DENR-MGB.

Example:

- Documents not covered by a valid confidentiality agreement between the parties
- Production and sales of minerals
- Employment, royalty and tax payments
- Metallic and non-metallic reserves
- Operational parameters, such as mining and capacities and rates, mine and mill recoveries dilution factors, etc.
- Other data agreed upon by the parties.

### C. Materiality

The determination of materiality is primarily guided by monetary values and by whether these revenue streams are considered as main sources of receipts, as confirmed by the collecting government agencies.

Consistent with the previous PH-EITI Reports, the determination of materiality level for the tenth PH-EITI Report was done on a per extractive industry sector basis which provided for a uniform monetary threshold and a greater focus on key revenue streams relative to the total revenues per sector. The materiality threshold was calculated using 2% applied to the total revenues collected per sector as reported by the different government agencies. The 2% was benchmarked on the proposed regulatory threshold to be imposed by the Philippine Securities and Exchange Commission (SEC) on public companies. Presently, the threshold is at 5%, which if applied will result in fewer revenue streams to be covered. Hence, the adoption of a lower threshold was deemed more prudent and will enable greater and expanded scope.

In addition, the nature of the payments based on their relevance and significance to communities and operations was also considered. Thus, withholding tax on foreign shareholders, withholding tax

on royalties to claim owners, real property taxes, and mandatory expenditures and social funds were included regardless of their amounts.

In-scope and Scope-out revenue streams, and other taxes for this Report are presented in Table 22.

#### D. Reconciliation

##### i. Agreed upon procedures

The objectives of the reconciliation process do not extend to an audit and review of the disclosures that were already subjected to the verification of third parties (e.g. independent auditing firms, and COA). Hence, agreed upon procedures (AUP) in accordance with the Philippine Standard on Related Services No. 4400, Engagements to Perform Agreed-upon Procedures regarding Financial Information, was determined to be appropriate. The end result of an AUP is a report on factual findings specifically on variances identified, if any, and reasons thereof, with no assurance expressed or issued.

The AUP are as follows:

- Revenue streams above the threshold set were selected and the differences were calculated. Refer to Determination of materiality subsection of this Section for the details of the in-scope revenue streams.
- Variances between the amounts disclosed by participating projects and the amounts disclosed by the corresponding government agencies were subjected to additional procedures, including direct discussions with management to identify possible reasons and explanations for these differences, as well as tracing sample transactions through the corresponding supporting documents to confirm the validity and accuracy of the disclosures made.

Revenue streams, expenses, and funds that were only disclosed by participating projects but had no corresponding disclosures from the government agencies due to legal restrictions (such as the absence of a confidentiality waiver) and those cases which lack available information (i.e., reports are not readily available at the government agency's central office), were reconciled through other available supporting documents including tax returns, payment vouchers, invoices and others.

##### ii. Threshold of amount that will be reconciled

For each in-scope revenue stream indicated in Table 22, the total variance will be communicated to both the project and government agency to facilitate the compilation of detailed supporting schedules and additional documents (e.g. official receipts, bank statements). Any reconciling item that remained unsupported and unexplainable was declared as variance post reconciliation.

Lastly, we also referred to the following documents as additional references:

- FY2022 audited financial statements, if available, as these include relevant disclosures in compliance with Revenue Regulation No. 15-2010. This regulation requires the presentation of all applicable taxes made including corporate income, excise and business taxes, duties, and other payments; and
- Annual reports for listed entities that ascertain transparency on community development programs; and other reports gathered by the EITI Secretariat from various agencies for scoping purposes.

### III. Scope of the report

#### A. Targeted projects

A preliminary list of projects from the extractive industry was used by the MSG in assessing the scope of the reconciliation procedures. The list was based on the records of MGB and DOE of all companies with corresponding approved licenses and permits in 2022.

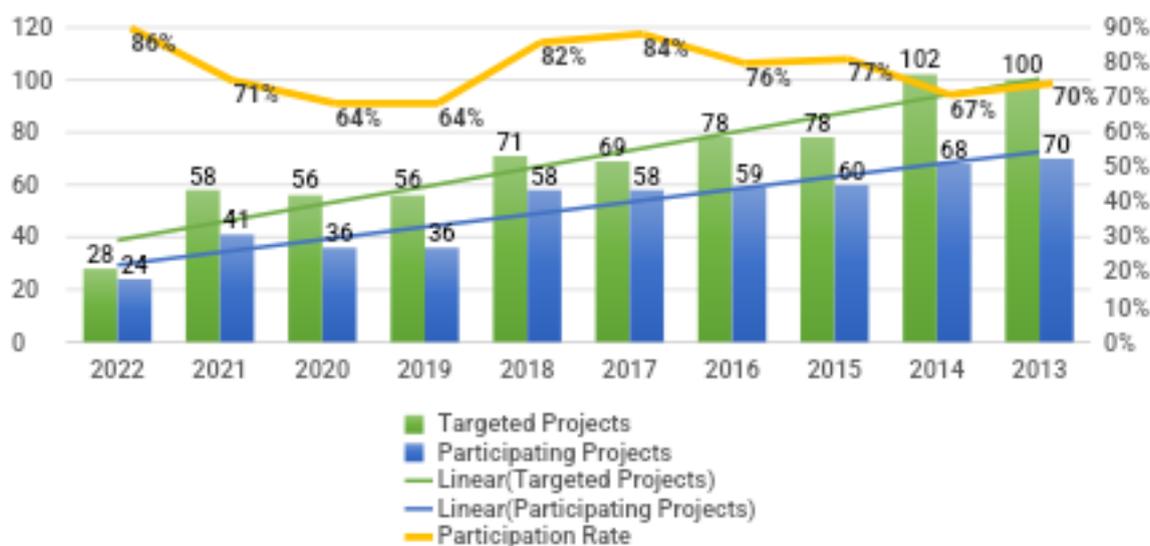
The MSG decided to identify the reporting company from the extractive industry based on their respective projects and will be referred to as “projects” throughout this chapter. Presented below are the decisions of MSG for each sector from the extractive industry:

Extractive Industry	MSG Decision
Large-scale mining (metallic and non-metallic)	Encompass all operating projects identified by the MGB
Oil and gas	Producing service contracts identified by DOE
Coal	Key player/s of the sector based on data provided by DOE

The preliminary list for 2022 provided by the respective government agency included 55 large-scale metallic mining, 59 large-scale non-metallic, five (5) oil and gas, and one (1) coal company.

Despite the issuance of DAO 2017-07 which mandates mining operators to participate in PH-EITI, the MSG acknowledged that participation may not reach 100%. Presented in Figure II-9 are the rate of participation from 2013 to 2022 based on the count of companies. Companies instead of projects were used in order for the data to be comparable across the previous PH-EITI Reports.

Figure II-9. Rate of Participation from FY2013 –FY2022



Based on Figure II-9, the participation is consistently increasing except for FY2014, FY2019 and FY2021 where the increase in number of participating companies was not proportionate to the increase in the total number of targeted companies as presented below:

<i>Fiscal Year</i>	<i>Targeted</i>	<i>Participating</i>
<i>FY2013 to FY2024</i>	30	17
<i>FY2018 to FY2019</i>	9	1
<i>FY2020 to FY2021</i>	24	8

In 2022, only the participation for the metallic sector decreased by 11% which is mainly due to companies failing to meet the deadline of submission of required documents. The participation for non-metallic sector and oil and gas, on the other hand, increased by 14% and 42%. For the non-metallic sector, it was in FY2020 where all large scale non-metallic mining projects were targeted for participation; thus there are projects who were invited to join the exercise for the first time causing low participation of 56% compared to FY2021 at 70% participation. Meanwhile, for the oil and gas sector, the targeted companies decreased by six (6) and participating companies increased by one (1) which caused the higher participation in FY2021 compared to FY2020. Nonetheless, the overall participation increased by 3%. Accordingly, the MSG believes that the rate of participation for each year is an adequate representation of extractive sector.

Companies of respective targeted projects were required to submit data through the Online Reporting in the Extractives (ORE) Tool. Discussion of the development of the reporting template is included on Page 94, Methodology.

Tables II-18 and II-19 details the targeted projects for metallic mining and non-metallic mining, respectively, with 2022 information on the production value obtained from MGB and government collections reported by the different government agencies and identified those that submitted reporting templates. Table II-20, on the other hand, shows the targeted oil and gas projects and their corresponding 2022 reported sales and reported government collections by the government agencies and identified those that submitted reporting templates.

*Table II-18. Targeted and participating metallic mining projects*

<b>Project</b>	<b>Company</b>	<b>2022 Production</b>	<b>% to total production</b>	<b>2022 reported government collections by government agency</b>	<b>% to total reported government collections for the sector</b>	<b>Participating (Yes/No)</b>	
1	MOA by and between DENR and PMDC (Parcel 1)	AAM-Phil Natural Resources Exploration and Development Corporation	-	0%	27,388,210	0.13%	No
2	MOA by and between DENR and PMDC (Parcel 2B)	AAM-Phil Natural Resources Exploration and Development Corporation	-	0%	-	0%	No
3	MPSA No. 259-2007-XIII (SMR) (Amended II)	Adnama Mining Resources, Inc.	374,827,979	0.3%	30,022,586	0.1%	Yes
4	MPSA No. 233-2007-XIII (SMR)	Alnor Nac's Construction and Development Corporation	-	0%	-	0%	No
		Libjo Mining Corporation (Contract Holder: East Coast Mineral Resources Co., Inc.)	797,858,485	1%	122,916,568	0.6%	Yes
		Westernshore Nickel Corporation (Contract Holder: East Coast	-	0%	59,380,269	0.3%	Yes

		Mineral Resources Co., Inc.)					
5	MPSA No. 225-2005-XI	Apex Mining Company, Inc.	9,387,451,611	7%	1,375,151,638	6%	Yes
6	MPSA No. 263-2008-XI (Amended I) B	Arc Nickel Resources, Inc. (Contract Holder: Riverbend Consolidated Mining Corporation)	686,149,840	0.5%	8,679,625	0.04%	No
7	MPSA No. 237-2007-IX	Atro Mining-Vitali, Inc.	-	0%	-	0%	No
8	MPSA No. 197-2004-XI (Amended)	Austral-Asia Link Mining Corp. (Contract Holder)	-	0%	1,684	0.00001%	Yes
		Hallmark Mining Corporation (Operator)	-	0%	7,340,177	0.03%	Yes
9	PC-ACMP-002-CAR	Benguet Corporation	912,239,119	1%	20,719,870	0.1%	Yes
10	MPSA No. 226-2005-III (ZMR)	Benguetcorp Resources Management Corporation (formerly: BenguetCorp Nickel Mines, Inc.)	1,104,007,971	1%	656,297,008	3%	Yes
11	MPSA No. 078-97-XIII (SMR)	Cagdianao Mining Corporation (Contract Holder: East Coast Mineral Resources, Inc.)	2,180,621,212	2%	738,500,022	3%	Yes
12	MPSA No. 210-2005-VII	Carmen Copper Corporation (Contract Holder: Atlas Consolidated Mining and Development Corporation, Heirs of Jose Velez, Heirs of Manuel Cuenco and Jon Ramon Aboitiz)	15,629,030,766	11%	1,452,789,097	7%	Yes
13	MPSA No. 243-2007-XIII (SMR)	Carrascal Nickel Corporation (Contract Holder: CTP Construction and Mining Corporation)	5,511,267,677	4%	856,308,267	4%	Yes
14	MPSA No. 010-92-X (SMR)	Century Peak Corporation - Casiguran Nickel Project	918,115,575	1%	118,756,313	0.5%	Yes
15	MPSA No. 283-2009-XIII (SMR)	Century Peak Corporation - Esperanza Nickel Project	-	0%	30,402,776	0.1%	Yes
16	MPSA No. 229-2007-IVB	Citinickel Mines and Development Corporation	1,704,475,643	1%	275,731,754	1%	Yes
17	MPSA No. 018-93-X (SMR)	CTP Construction and Mining Corporation - Adlay	6,596,671,851	5%	866,578,126	4%	Yes
18	MPSA No. 158-00-XIII (SMR)	CTP Construction and Mining Corporation - Dahican	631,168,171	0.5%	7,839,495	0.04%	Yes
19	MPSA No. 258-2007-II	Dinapigue Mining Corporation	629,891,147	0.5%	47,838,609	0.2%	Yes
20	SMP No. 001-2015 (Renewal)	Emir Mineral Resources Corporation	293,699,016	0.2%	18,012,911	0.08%	No
21	MPSA No. 209-2005-III	Eramen Minerals, Inc.	4,339,280,070	3%	808,034,931	4%	Yes
22	FTAA No. 04-2009-II	FCF Mineral Corporation	6,959,672,693	5%	466,072,838	2%	Yes

23	MPSA No. 255-2007-V (Amended I)	Filminera Resources Corporation	-	0%	1,062,641,218	5%	Yes
24	MPSA No. 292-2009-VIII-Amended A	Global Min-met Resources, Inc. (Contract Holder: Nickelace, Inc.)	-	0%	32,615,857	0.2%	Yes
		Pacific Prime Metals and Resources, Inc. (Contract Holder: Nickelace, Inc.)	-	0%	-	0%	No
		Verum Terra Geoscience, Inc. (Contract Holder: Nickelace, Inc.)	899,141,599	1%	40,150,511	0.2%	Yes
25	MPSA No. 184-2002-XIII	Greenstone Resources Corp.	-	0%	11,623,894	0.05%	Yes
26	MPSA No. 246-2007-XIII (SMR)	Hinatuan Mining Corporation	506,580,519	0.4%	415,640,690	2%	Yes
27	MPSA No. 017-93-IV (Amended-2000)	Ipilan Nickel Corporation (Contract Holder: Celestial Nickel Mining Exploration Corporation)	1,363,351,881	1%	253,399,506	1%	Yes
28	PC-ISRI-004-CAR	Itoyon Suyoc Resources, Inc.	854,114,600	1%	24,141,439	0.1%	No
29	MPSA No. 139-99-V	Johson Gold Mining Corporation	-	0%	11,121	0.0001%	Yes
30	MPSA No. 247-2007-XIII-SMR-Amended A	Kafugan Mining, Inc. (Contract Holder: Ludgoron Mining Corporation)	-	0%	12,751,085	0.06%	No
31	MPSA No. 291-2009-XIII (SMR)	Krominco, Inc.	-	0%	106,700	0.000%	Yes
32	MPSA No. 001-90-CAR	Lepanto Consolidated Mining Company	1,826,698,329	1%	102,157,840	0.5%	Yes
33	MPSA No. 268-2008-III	LNL Archipelago Minerals, Inc. (Contract Holder: Filipinas Mining Corporation)	3,851,494,956	3%	433,474,929	2%	Yes
34	MPSA No. 016-93-X (SMR)	Marcventures Mining & Development Corporation	1,798,144,611	1%	278,272,917	1%	Yes
35	MPSA No. 351-2011-VIII	Mt. Sinai Mining Exploration and Development Corporation	-	0%	-	0%	No - No BIR Waiver
36	MPSA No. 290-2009-VIII	Nicua Corporation (Contract Holder: Vincent Tan Tiong)	-	0%	-	0%	No
37	FTAA No. 001	OceanaGold Philippines, Inc.	17,275,929,566	13%	1,495,876,209	7%	Yes
38	MPSA No. 353-2022-III	Ore Asia Mining and Development Corporation	224,057,941	0.2%	737,209	0.003%	No
39	MPSA No. 011-92-X (SMR)	Oriental Synergy Mining Corporation	-	0%	28,175,902	0.1%	No
40	MPSA No. 242-2007-XIII (SMR)	Oriental Vision Mining Phils. Corporation (Contract Holder: Norweah Metals and Minerals Company, Inc.)	-	0%	29,476,192	0.1%	Yes
41	MPSA No. 276-2009-CAR	Philex Mining Corporation	10,056,452,139	7%	1,292,258,037	6%	Yes

42	MPSA No. 262-2008-XIII	Philsaga Mining Corporation	8,506,589,671	6%	829,146,432	4%	Yes
43	MPSA No. 007-92-X	Platinum Group Metals Corporation (Contract Holder: Surigao Integrated Resources Corporation)	6,292,595,045	5%	1,120,854,339	5%	Yes
44	MPSA No. 114-98-IV	Rio Tuba Nickel Mining Corporation	4,919,050,000	4%	1,335,780,215	6%	Yes
45	SMP No. 2021-02	Rosario Manobo Mining Corporation	-	0%	-	0%	No
46	MPSA No. 250-2007-III (Amended I)	Shangfil Mining and Trading Corporation	73,582,000	0.1%	8,929,206	0.04%	Yes
47	MPSA No. 103-98-XIII (SMR)	Shenzou Mining Group Corporation (Contract Holder: Claver Mineral Development Corporation)	-	0%	-	0%	No
48	MPSA No. 002-90-X (SMR)	Sinosteel Philippines H.Y. Mining Corporation	-	0%	111,938,393	0.5%	Yes
49	MPSA No. 261-2008-XIII (Amended)	SR Metals, Inc.	1,397,068,639	1%	71,070,768	0.3%	No
50	MPSA No. 031-94-X (SMR)	SR Metals, Inc. (Contract Holder: Vista Buena Mining Corporation)	447,881,190	0.3%	25,004,937	0.1%	No
51	MPSA No. 254-2007-VIII	Strong Built (Mining) Development Corporation (Operator: MacArthur Iron Projects Corporation)	8,289,107	0.01 %	298,903	0.001%	Yes
52	MPSA No. 266-2008-XIII (SMR) (Amended)	Taganito Mining Corporation	10,370,405,782	8%	3,290,335,587	15%	Yes
53	MPSA No. 292-2009-VIII (Amended B)	Techiron Resources, Inc. (Contract Holder: Chromiteking, Inc.)	152,781,265	0.1%	16,770,384	0.08%	Yes
54	MPSA No. 090-97-XI	Tribal Mining Corporation	137,834,353	0.1%	2,008,555	0%	No
55	MPSA No. 086-97-IX	TVI Resource Development Philippines, Inc.	4,391,291,009	3%	381,801,216	2%	Yes
56	MPSA No. 191-2004-III	Zambales Diversified Metals Corporation	1,702,409,678	1%	561,296,945	3%	Yes
<b>Total</b>			<b>135,712,172,706</b>	<b>98%</b>	<b>21,263,509,909</b>	<b>98%</b>	

Out of the total targeted 56 large-scale metallic mining projects, 40 participated, three (3) were under care and maintenance, five (5) had an incomplete submission, and eight (8) did not respond to request for submission of reporting templates. The rate of participation based on government collection and production value are both at 98% which the MSG considers as sufficient representation of the metallic sector. Refer to page 80, Section I, Executive Summary, for the breakdown of targeted and participating projects.

Table II-19. Targeted and participating non-metallic mining projects

Project	Company	2022 Production Value	% to total production	2022 reported government collections by government agency	% to total reported government collections	Participating (Yes/No)
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							for the sector
1	MPSA No. 013-93-VII	Apo Land and Quarry Corporation	140,636,796	2%	85,321,314	1%	Yes
2	MPSA No. 286-2009-VII	Apo Land and Quarry Corporation	88,544,746	2%	-	0%	Yes
3	MPSA No. 070-97-IV	Asensio Pinzon Aggregate Corp.	24,597,119	0.4%	-	0%	No
4	SMP No. 2022-03	ATN Holdings, Inc.	-	0%	-	0%	No
5	MPSA No.150-2000-VII	Bohol Limestone Corporation	110,398,652	2%	20,944,007	0.1%	Yes
6	MPSA No. 032-95-IV/055-96-I V	Concrete Aggregates Corporation	285,423,953	5%	16,587,136	0.1%	Yes
7	MPSA No. 146-99-V	Dinapigue Mining Corporation (Contract Holder: Ibalong Resources and Development Corporation)	7,465,763	0.1%	20,588,365	0.1%	Yes
8	MPSA No. 208-2005-VII	Dolomite Mining Corporation	103,164,540	2%	4,627,429,696	33%	Yes
9	MPSA No. 181-2002-III	Eagle Cement Corporation	338,255,994	6%	19,565,204	0.1%	Yes
10	MPSA No. 296-2009-IVA	Gozon Development Corporation	68,409,465	1%	1,188,869	0.01%	Yes
11	MPSA No. 202-2004-IV	Hardrock Aggregates, Inc.	57,630,799	1%	1,016,675	0.01%	Yes
12	MPSA No. 200-2004-I	Heirs of Elias E. Olegario	3,264,675	0.1%	284,791,538	2%	Yes
13	MPSA No. 027-94-III	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	15,863,733	0.3%	-	0%	Yes
14	MPSA No. 080-97-XI	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	11,378,718	0.2%	-	0%	Yes
15	MPSA No. 274-2008-XI (Amended)	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	200,554,374	3%	-	0%	Yes
16	MPSA No. 042-95-I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	8,057,528	0.1%	-	0%	Yes

17	MPSA No. 295-2009-I-Amended I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	8,698,765	0.1%	-	0%	Yes
18	MPSA No. 236-2007-I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	41,585,012	1%	-	0%	Yes
19	MPSA No. 238-2007-I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	40,097,816	1%	-	0%	Yes
20	MPSA No. 218-2005-VII	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation) (Contractor: Heirs of Arturo Zayco)	76,620,016	1%	-	0%	Yes
21	MPSA No. 281-2009-X (Amended I)	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation)	36,754,057	1%	64,958,160	0.5%	Yes
22	MPSA No. 047-96-XII	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation)	104,226,480	2%	-	0%	Yes
23	MPSA No. 140-99-III	Holcim Mining and Development Corporation and Doric Marble Corporation	139,867,131	2%	466,510	0.003%	Yes
24	MPSA No. 116-98-IVA	Island Quarry and Aggregates Corporation	3,962,325	0.1%	125,609,704	1%	Yes
25	Patented Mining Claim No. 14	Island Quarry and Aggregates Corporation	137,004,232	2%	-	0%	Yes
26	MPSA No. 194-2004-VII	JLR Construction and Aggregates, Inc.	121,591,956	2%	98,454,744	1%	Yes
27	MPSA No. 030-95-VII	Lazi Bay Resources Development, Inc.	-	0%	-	0%	Yes

28	MPSA No. 035-96-IV	Linfair Development Corporation	-	0%	-	0%	No
29	MPSA No. 257-2007-IVA	Majestic Earth Core Ventures, Inc. (Contract Holder: Rolando B. Gimeno and La Concepcion Construction and Development Corporation)	-	0%	-	0%	No
30	MPSA No. 136-99-IV	Majestic Earth Core Ventures, Inc. (Contract Holder: San Rafael Dev't Corporation)	129,588,822	2%	-	0%	No
31	MPSA No. 239-2007-IVA	Montalban Millex Aggregates Corporation	62,688,065	1%	15,752,728	0.1%	Yes
32	MPSA No. 106-98-I	Northern Cement Corporation	630,967,383	11%	1,957,347,433	14%	Yes
33	MPSA No. 273-2008-V	Orophil Stonecraft, Inc.	-	0%	-	0%	No
34	MPSA No. 111-98-VII	Quarry Ventures Phils., Inc.	-	0%	351,583	0.002%	No
35	MPSA No. 064-96-IV-Amended II*	Rapid City Realty and Development Corporation	133,120,036	2%	45,087,533	0.3%	Yes
36	MPSA No. 074-97-IV	Rapid City Realty and Development Corporation	44,213,287	1%	1,326,418	0.01%	Yes
37	MPSA No. 075-97-IV*	Rapid City Realty and Development Corporation	-	0%	-	0%	No - Expired
38	MPSA No. 087-97-IV	Rapid City Realty and Development Corporation	181,662,173	3%	-	0%	Yes
39	MPSA No. 118-98-IV	Rapid City Realty and Development Corporation	16,063,136	0.3%	-	0%	Yes
40	MPSA No. 142-99-IVA (Amended)	Rapid City Realty and Development Corporation	-	0%	-	0%	Yes
41	MPSA No. 026-94-III	Republic Cement & Building Materials, Inc.	402,777,391	7%	3,671,686,746	26%	Yes
42	MPSA No. 029-95-IVA	Republic Cement & Building Materials, Inc.	161,901,614	3%	50,768,843	0.4%	Yes
43	MPSA No. 138-99-IVA	Republic Cement & Building Materials, Inc.	167,600,345	3%	-	0%	Yes
44	MPSA No. 132-99-VII	Republic Cement & Building Materials, Inc.	31,874,445	1%	-	0%	Yes
45	MPSA No. 104-98-XII	Republic Cement Mindanao, Inc.	78,632,118	1%	23,236,419	0.2%	Yes
46	MPSA No. 056-96-III	Republic Cement Land and Resources, Inc.	44,235,214	1%	852,944,940	6%	Yes
47	MPSA No. 031-95-XII	Republic Cement Mindanao, Inc.	143,417,019	2%	-	0%	Yes

48	MPSA No. 105-98-XII	Republic Cement Mindanao, Inc.	284,707,220	5%	1,306,657	0.01%	Yes
49	MPSA No. 213-2005-IVB	Rio Tuba Nickel Mining Corporation**	14,536,878	0.2%	6,891,136	0.0%	Yes
50	MPSA No. 089-97-III	Rockmix, Inc.	13,611,427	0.2%	306,800	0%	No
51	MPSA No. 352-2022-VI	Semirara Material Resources, Inc. (formerly Semirara Mining and Power Corporation)	-	0%	-	0%	Yes
52	MPSA No. 067A-97-VII	Solid Earth Development Corp.	24,386,095	0.4%	35,054,247	0.2%	Yes
53	MPSA No. 205-2004-VII	Solid Earth Development Corp.	16,218,803	0.3%	-	0%	Yes
54	MPSA No. 161-00-III	Solid North Mineral Corporation	732,226,014	12%	255,296,945	2%	Yes
55	MPSA No. 201-2004-III	Spar Development Co., Inc.	812,684	0.01%	-	0%	No
56	MPSA No. 102-97-IVA	Teresa Marble Corporation	13,649,100	0.2%	1,871,775	0.01%	No
57	MPSA No. 124-98-IVA	Teresa Marble Corporation	131,874,295	2%	-	0%	No
58	MPSA No. 125-98-IVA (Amended A)	Teresa Marble Corporation	2,942,200	0.05%	-	0%	No
59	MPSA No. 186-2002-V	UBS Marketing Corporation	17,066,580	0.3%	2,556,404	0.02%	Yes
			<b>5,654,826,988</b>	<b>96%</b>	<b>12,288,708,526</b>	<b>86%</b>	

\*production lines between the projects cannot be segregated

\*\*reported under metallic mining sector as well

Out of the total targeted 59 large-scale non-metallic mining projects, 46 participated. The rate of participation based on government collection and production value are 86% and 96%, respectively, which the MSG considers as strong representation of the non-metallic sector.

Rio Tuba Nickel Mining Corporation also operates a non-metallic mining project as shown in Tables II-18 and II-19. In presenting the results of reconciliation in this chapter, the revenue streams of Rio Tuba Nickel Mining Corporation will be presented under metallic mining and will pertain to both the results of its metallic and non-metallic operations unless the data can be accurately divided between the metallic and non-metallic sector.

Table II-20. Targeted and participating oil and gas

	Company	Project	2022 Sales	% to total sales	2022 reported government collections by government agency	% to total reported government collections for the sector	Participating (Y/N)
1	Forum Exploration, Inc.	SC 40	-	0%	-	0%	N
2	NPG Pty Ltd	SC 14C1	2,534,770,161	3%	398,330,736	1%	Y
3	Prime Energy Resources Development B.V.	SC 38	74,426,370,531	97%	859,855,982	2%	Y
4	Philippine National Oil Corporation	SC 37	-	0%	32,429,933,363	92%	Y

	(PNOC) - Exploration Corporation						
5	The Philodrill Corporation	SC 14C2	-	0%	-	0%	N
			<b>76,961,140,692</b>	<b>100%</b>	<b>33,688,120,081</b>	<b>95%</b>	

Three (3) out of five (5) targeted oil and gas projects participated in this year's exercise which accounted for 100% of the sector's sales and 99.94% of the total reported government collection for sector.

COC No. 5 of Semirara Mining and Power Corporation, the lone target project for the coal sector, did not participate. As done in prior reports, more than sufficient effort was exerted including direct email correspondences with Semirara and formal letter sent by the DOF to the DOE for assistance. Alternative procedures were then conducted to present information on Semirara's revenue streams including obtaining public documents such as audited financial statements and unilateral disclosures by the government agencies. These were included and presented in Section I, Executive Summary, of this chapter.

Table II-21 summarizes the non-participating projects of the extractive sector with corresponding 2022 government collections reported by different government agencies.

*Table II-21. Summary of non-participating projects*

Project	Company	2022 Reported government collections	% to total reported government collections per sector
<b>Metallic Mining</b>			
<b>Chromite</b>			
MPSA No. 351-2011-VIII	Mt. Sinai Mining Exploration and Development Corporation	-	0%
<b>Gold /Silver/ Copper</b>			
PC-ISRI-004-CAR	Itogon Suyoc Resources, Inc.	24,141,439	0.1%
SMP No. 2021-02	Rosario Manobo Mining Corporation	-	0%
MPSA No. 090-97-XI	Tribal Mining Corporation	-	0%
<b>Subtotal Iron</b>		<b>24,141,439</b>	<b>0.1%</b>
MPSA No. 237-2007-IX	Atro Mining-Vitali, Inc.	-	0%
MPSA No. 290-2009-VIII	Nicua Corporation (Contract Holder: Vincent Tan Tiong)	-	0%
MPSA No. 353-2022-III	Ore Asia Mining and Development Corporation	737,209	0.003%
<b>Subtotal Nickel</b>		<b>737,209</b>	<b>0.003%</b>
MOA by and between DENR and PMDC (Parcel 1)	AAM-Phil Natural Resources Exploration and Development Corporation	27,388,210	0.13%
MOA by and between DENR and PMDC (Parcel 2B)	AAM-Phil Natural Resources Exploration and Development Corporation	-	0%
MPSA No. 233-2007-XIII (SMR)	Alnor Nac's Construction and Development Corporation	-	0%

MPSA No. 263-2008-XI (Amended I) B	Arc Nickel Resources, Inc. (Contract Holder: Riverbend Consolidated Mining Corporation)	8,679,625	0.04%
SMP No. 001-2015 (Renewal)	Emir Mineral Resources Corporation	18,012,911	0.1%
MPSA No. 247-2007-XIII-SMR-Am ended A	Kafugan Mining, Inc. (Contract Holder: Ludgoron Mining Corporation)	12,751,085	0.06%
MPSA No. 011-92-X (SMR)	Oriental Synergy Mining Corporation	28,175,902	0.1%
MPSA No. 292-2009-VIII-Amende d A	Pacific Prime Metals and Resources, Inc. (Contract Holder: Nickelace, Inc.)	-	0%
MPSA No. 243-2007-XIII (SMR)	Shenzou Mining Group Corporation (Contract Holder: Claver Mineral Development Corporation)	-	0%
MPSA No. 261-2008-XIII (Amended)	SR Metals, Inc.	71,070,768	0.3%
MPSA No. 031-94-X (SMR)	SR Metals, Inc. (Contract Holder: Vista Buena Mining Corporation)	25,004,937	0.1%
<b>Subtotal</b>		<b>191,083,437</b>	<b>0.9%</b>
<b>Subtotal - Metallic Mining</b>		<b>215,962,085</b>	<b>1.0%</b>
<b>Non-Metallic Mining Aggregates</b>			
MPSA No. 070-97-IV	Asensio Pinzon Aggregate Corp.	-	0%
SMP No. 2022-03	ATN Holdings, Inc.	-	0%
MPSA No. 257-2007-IVA	Majestic Earth Core Ventures, Inc. (Contract Holder: Rolando B. Gimeno and La Concepcion Construction and Development Corporation)	-	0%
MPSA No. 136-99-IV	Majestic Earth Core Ventures, Inc. (Contract Holder: San Rafael Dev't Corporation)	-	0%
MPSA No. 075-97-IV	Rapid City Realty and Development Corporation	-	0%
<b>Sub-total Clay</b>		-	0%
MPSA No. 273-2008-V	Orophil Stonecraft, Inc.	-	0%
<b>Limestone</b>			
MPSA No. 201-2004-III	Spar Development Co., Inc.	-	0%
<b>Marble / Marbleized Limestone</b>			
MPSA No. 035-96-IV	Linfair Development Corporation	-	0%
MPSA No. 111-98-VII	Quarry Ventures Phils., Inc.	351,583	0%
MPSA No. 102-97-IVA	Teresa Marble Corporation	1,871,775	0.01%
MPSA No. 124-98-IVA	Teresa Marble Corporation	-	0%
MPSA No. 125-98-IVA (Amended A)	Teresa Marble Corporation	-	0%
<b>Sub-total</b>		<b>2,223,358</b>	<b>0.02%</b>
<b>Sand and gravel</b>			
MPSA No. 089-97-III	Rockmix, Inc.	-	0%
<b>Sub-total - Non-Metallic Mining</b>		<b>2,223,358</b>	<b>0.02%</b>
<b>Oil and Gas</b>			
SC 40	Forum Exploration, Inc.	-	0%
SC 14C2	The Philodrill Corporation	-	0%
<b>Sub-total - Oil and Gas</b>		-	<b>0%</b>
<b>Coal</b>			

COC 5	Semirara Mining and Power Corporation	15,978,679,048	89%
<b>Total</b>		<b>16,196,864,490</b>	<b>18.2%</b>

The revenue streams reported by government agencies of the non-participating metallic mining projects for 2022 stands at 1% and 0.2% of the total revenue streams from the metallic mining sector and from the entire extractive industry, respectively.

The revenue streams reported by the government for the non-participating non-metallic mining projects for 2022 is at 0.2% and 0.002% of the total revenue streams from the metallic mining sector and from the entire extractive industry, respectively.

For the oil and gas sector, the combined representation of SC 40 and SC 14C2 is at 0% of revenue streams of the sector and the extractive industry.

As discussed in Section I, Executive Summary, the lone targeted project for the coal sector did not participate, but its refusal to participate did not impact the comprehensiveness of the Report as its total revenue streams is 17.9% of the total extractive industry.

Overall, the projects and companies that did not participate did not impact the comprehensiveness of the Report due to its immateriality. These projects and companies collectively represent 18.2% of the total extractives industry's revenue streams reported by government agencies.

#### B. SOEs

There are two SOEs in the Philippine extractive sector: Philippine National Oil Company Exploration Corporation (PNOC-EC) for the oil and gas industry and Philippine Mining Development Council (PMDC) for the mining sector. Presented below are the respective payments to the government and dividend declaration, if any, for the year 2022 of PNOC-EC, PMDC and PNOC since PNOC-EC is its subsidiary.

	PMDC	PNOC	PNOC-EC
Actual dividend declaration	-	1,681,504,953	712,713,519
Other payments to government	580,289	1,112,116,914	872,317,533
<b>TOTAL</b>	<b>580,289</b>	<b>2,793,621,867</b>	<b>1,585,031,052</b>

The actual dividend declaration of PNOC and PNOC-EC for 2022 is at 1% and 2%, respectively when compared to the total revenue streams of the extractive industry reported by government agencies. PMDC had no dividend declaration for 2022. The other payments to the government, on the other hand, are at 0.001%, 1.25%, 0.98% for PMDC, PNOC, PNOC-EC, accordingly. With these percentages, the government collections from the SOEs are not deemed significant for further reconciliation. Nonetheless, PNOC-EC is part of the reconciliation of this Report under oil and gas sector.

For 2022, royalty fees amounting to PhP33,979,900 were collected by PMDC from the Dinagat Nickel-Chromite project. In addition, commitment fees amounting to PhP5,357,143 was generated by virtue of the Project Financing Service Provided (PFSP) agreement with Due East Construction and Equipment, Inc. for the Cagayan de Oro property project.

### C. Government agencies

Presented below is the list of government agencies and their respective revenue streams and funds being collected.

Type	Description	Rate	Paid to agency	Unilateral disclosure
<b>Responsible agency: BIR</b>				
Corporate income tax	Calculated based on estimated taxable income	Generally at 30% unless entities are under different tax regimes including ITH (0%) or gross income taxation (5%). Upon expiration of ITH, normal income tax is levied.	Yes	No
Excise tax on minerals	Imposed on coal, metallic and nonmetallic minerals	4% of actual market value of the gross output thereof at the time of removal	Yes	No
Output Value Added Tax (VAT)	Levied on the sale, barter, exchange or lease of goods or properties and services in the Philippines	12% of the gross selling price or gross receipts of the sale, barter, or exchange of goods and services	Yes	No
Selected final withholding tax	Portion of payments made to foreign shareholders, head office, and claim owners	Ranges between 5% and 30% depending on the type of payments made as well as existing tax treaty with another country.	Yes	No
Improperly Accumulated Earnings Tax (IAET)	Applied to closely-held corporations that have retained excess earnings instead of declaring dividends	10% of improperly accumulated taxable income	Yes	No
<b>Responsible agency: BOC</b>				
Customs duties	Imposed on all articles imported from any foreign country into the Philippines, except as otherwise specifically provided for in the tariff and customs and other laws	Computed using varying rates depending on the nature and value of the imported article	Yes	No
VAT	Mainly imposed on imported capital equipment	12% of landed cost or the value of imported article plus other charges, as well as excise tax	Yes	No
Excise tax on imported goods	Imposed on selected goods imported such as petroleum products and should be paid before the	Tax imposed will depend on the type of product imported.	Yes	No

release from the customs' custody

**Responsible agency: PPA**

Wharfage fees	Wharfage tariff is imposed for the use of wharf and is assessed against every container and cargo	Tariff varies based on whether the import/ export cargo is domestic or international and is calculated using cargo quantity, weight or measure received and/ or discharged by a vessel	Yes	No
		Entities with private ports are only liable to pay half or 50% of assessed wharfage fees		

**Responsible agency: MGB**

Royalty on mineral reservation	Mandated for contractors/ permit holders/ lessees who are parties to a mineral agreement	Mandated for contractors/ permit holders/ lessees who are parties to a mineral agreement Not less than five percent (5%) of the market value of the gross output of the minerals/mineral products extracted or produced from Mineral Reservations, exclusive of all other taxes	Yes	No
Occupation fees	Please refer to the LGU section.		Yes	No

**Responsible agency: DOE**

Government share from oil and gas production	Mandated for entities under service contracts	60% of net revenue	Yes	No
Training fund for DOE employees	Assistance for training programs, scholarships, conferences, seminars, and other similar activities for DOE's personnel	DOE employees Assistance for training programs, scholarships, conferences, seminars, and other similar activities for DOE's personnel Equivalent to US\$20,000 during exploration/ development period and US\$50,000 per year during production period	No	No

**Responsible agency: LGU**

Local business tax	Allocated between head office and plant/ project office	Not exceeding 2% of gross sales or receipts of the preceding calendar year	Yes	No
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Tax on sand, gravel and other quarry resources	Levied on quarry resources extracted from public lands	Not exceeding 10% of fair market value in the locality per cubic meter of the quarry resource	Yes	No
Real property tax - Basic and Special Education Fund (SEF)	Levied on land and machinery  Portion of real property is expended exclusively for the activities of the Department of Education	1% to 2% of the assessed value of real property	Yes	No
Occupation fees	LGU's share in occupation fees levied by the MGB	Computed by MGB and are allocated as follows: 30% to the provincial government, 42% to the municipal government, and 28% to the barangay	Yes	No
Other local taxes	Nature and rates of local taxes vary depending on the local government code imposed		Yes	No

**Responsible agency: NCIP**

Royalty for IPs	Based on DAO No. 96- 40	Not less than one percent (1%) of gross output	No. This is directly paid to IPs.	No
Free and Prior Informed Consent (FPIC) expenditure	One-time payment FPIC proceedings commence	Based on the data gathered during the conduct of the Field Based Investigation (FBI)	No. This is directly paid to IPs.	No

All national government agencies were able to submit their respective reports. However, NCIP was only able to submit partial data. Additionally, there are 139 LGUs covered in this report, but only 50 submitted data for reconciliation. These LGUs are as follows:

Region	Province	Participating (Yes/No)	City / Municipality	Participating (Yes/No)
CAR - Cordillera Administrative Region	Benguet	No	Itogon	Yes
			Mankayan	Yes
			Tuba	Yes
NCR - National Capital Region	Metro Manila	No	Makati City	No
			Mandaluyong City	No
			Muntinlupa City	Yes
			Paranaque City	No
			Pasay City	Yes
			Pasig City	Yes
			Quezon City	No
			Taguig City	Yes
Region I - Ilocos Region	La Union	No	Bacnotan	No

			Balaoan	No
	Pangasinan	No	Agno	No
			Mangatarem	No
			Sison	No
Region II - Cagayan Valley	Cagayan	No	Cagayan River Basin	No
	Isabela	No	Dinapigue	No
	Nueva Vizcaya	Yes	Quezon	Yes
	Quirino	No	Kasibu	Yes
Region III - Central Luzon	Bataan	No	Balanga	No
	Bulacan	No	Bigte	No
			Doña Remedios Trinidad	No
			Norzagaray	Yes
			San Jose del Monte	No
			San Ildefonso	No
	Zambales	Yes	Sta. Cruz	Yes
			Candelaria	Yes
Region IVA - CALABARZON	Batangas	No	Taysan	Yes
	Quezon	No	Pagbilao	No
	Rizal	No	Angono	Yes
			Antipolo City	Yes
			Baras	No
			Binanongan	No
			Rodriguez	No
			Teresa	Yes
Region IVB - MIMAROPA	Palawan	No	Bataraza	Yes
			Brookes Pt.	No
			Narra	Yes
			Sofronio Española	Yes
			Offshore	No
Region IX - Zamboanga Peninsula	Zamboanga Del Sur	No	Diplahan	No
Region V - Bicol Region	Albay	No	Camalig	No
			Guinobatan	No
			Legaspi City	No
	Camarines Norte	No	Jose Panganiban	Yes
	Camarines Sur	No	Baao	No
	Masbate	Yes	Aroroy	No
Region VI - Western Visayas	Antique	No	Caluya	Yes
Region VII - Central Visayas	Bohol	No	Garcia Hernandez	Yes
	Cebu	No	Alcoy	Yes
			Cebu City	No
			Carmen	No
			Dalaguete	No
			Lapu-Lapu City	No
			Manadaue City	No
			Naga City	Yes
			Minglanilla	No
			Pinamungahan	No



D. Safety and health, environmental and social expenditures (SHES)

Pursuant to the Mining Act, companies incur expenditures for programs and activities related to social development, environmental protection, and rehabilitation. They also establish funds to ensure the availability of financing for their implementation. All such mandatory expenditures and social funds were included in the template irrespective of monetary amounts due to their relevance and importance, as these disclosures not only ascertain regulatory compliance, but also emphasize the social and environmental responsibilities that must be undertaken by the companies.

The required disclosures, however, are limited to those specifically mandated by prevailing regulations and confirmed by the MGB and as such do not include additional activities undertaken as part of their respective Corporate Social Responsibility (CSR) programs. Further, these mandatory expenditures and funds are held in trust funds and are not remitted to MGB.

A summary of mandatory expenditures and funds that are considered unilateral payments, but are nonetheless subjected to reconciliation procedures, as far as practicable, is provided below:

Type	Description	Rate
<b>Responsible agency: MGB</b>		
Annual Environmental Protection and Enhancement Program (AEPEP)	The AEPEP cost covers the amount of environment-related expenses for the entire life of the project wherein the initial 10% of capital/project cost was derived from the feasibility study forming part of the Declaration of Mining Project Feasibility (DMPF).	Under DAO No. 2010-21, AEPEP cost shall approximate 3-5% of direct mining and milling cost
Community Development Program	The amount is imposed on exploration activities, which is intended to enhance the development of the host and its neighboring communities.	10% of the approved budget for an entity's two (2) year Exploration Work Program
Annual Safety and Health Program (ASHP)	The program includes standard operating procedures for mining and milling operations, management and employee training, housekeeping, environmental risk management including emergency response program and occupational health and safety management.	N/A

Annual Social Development Management Program (ASDMP)	Management Program (ASDMP) SDMP is formulated to fulfill social obligations enhancing the development of communities that are directly and/or indirectly affected by the mining project. SDMP is allocated as follows:	1.5% of prior year's operating expenses
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Program	Allocation
Social Development and Management (host and neighboring communities) (SDM)	75%
Mining Technology and Geosciences Advancement (MTGA)	10%
Information, Education and Communication (IEC)	15%

Environmental work program (EWP)	EWP details existing environment programs where the exploration work is proposed to be undertaken. Potential effects are identified, as well as environmental management measures to be implemented, including the total cost of such projects.	N/A
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Mine rehabilitation funds (MRF)	The MRF is maintained as a reasonable environmental deposit to ensure availability of funds for the satisfactory compliance with the commitments and performance of the activities stipulated in the AEPEP. This is deposited as a trust fund in a government depository bank and shall be used for physical and social rehabilitation of areas and communities affected by mining activities and for research on the social, technical, and preventive aspects of rehabilitation.	Mine Monitoring Trust Fund is a deposit of not less than PHP150,000.  Rehabilitation Cash Fund is equivalent to 10% of the total amount needed to implement the EPEP or PHP5m, whichever is lower
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	The MRF is further broken down into two forms, namely the Mine Monitoring Trust Fund and the Rehabilitation Cash Fund.	
Mine Waste and Tailings Fees Reserve Fund	The Mine Waste and Tailings Fees Reserve Fund is to be used for payment of compensation for damages caused by any mining operations and for research projects duly approved by the Contingent Liability and Rehabilitation Fund Steering Committee.	PH₱0.05/MT of mine waste produced and PH₱0.10/MT of mill tailings generated
Final Mine Rehabilitation and Decommissioning Fund	The fund is established to ensure the full cost of the approved FMR/ DP is accrued before the end of the operating life of the mine.	N/A

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#### E. Material revenue streams

The determination of materiality is primarily guided by monetary values and by whether these revenue streams are considered as main sources of receipts, as confirmed by the collecting government agencies.

The determination of materiality level for the tenth Report was done on a per extractive sector basis which provided for a uniform monetary threshold and a greater focus on key revenue streams relative to the total revenues per sector. The materiality threshold was calculated using 2% applied to the total revenues collected from the targeted projects per sector as reported by the different government agencies. However, for revenue streams collected by the BIR, limitation exists due to the agency's requirement of waivers prior to providing the data; thus, the revenue stream is limited to those that submitted their waivers. The 2% was benchmarked on the proposed regulatory threshold to be imposed by the Philippine Securities and Exchange Commission (SEC) on public companies. Presently, the threshold is at 5%, which if applied will result in fewer revenue streams to be covered. Hence, the adoption of a lower threshold was deemed more prudent and will enable greater and expanded scope.

The MSG also considered to include all revenue streams, other taxes, and funds in the reconciliation procedures. In case of variance between the reported amounts of the government agency and participating project, a fixed rate of 5% will be applied against the total reported collection per government agency. If the variance is more than 5% of the total collection of the government agency, a reconciliation of that particular revenue stream will be performed. This option will result in different variance thresholds per participating project and government agency. Although this method may cover a greater scope, it may provide a fragmented analysis of the data and variances, distorting any impact of process recommendations.

In addition to the monetary value of the revenue streams, other taxes and funds, the nature of the payments based on their relevance and significance to communities and operations was also considered. Thus, withholding tax on foreign shareholders, withholding tax on royalties to claim owners, real property taxes, custom duties and mandatory expenditures and social funds were included regardless of their amounts.

In-scope and Scope-out revenue streams, other taxes, and funds for this Report is presented in Table II-22.

*Table II-22. Summary of in-scope and scoped-out revenue streams and other taxes per sector*

Revenue Stream and Other Taxes	Govt Agency	Extractive Sector				Metallic Mining					
		Industry Total	Target Total	In-Scope Total	Scoped-Out Total	Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Excise tax on minerals	BIR	9,324,602,614	6,767,866,875	6,588,354,316	179,512,560	6,875,126,226	31%	6,588,354,316	31%	6,588,354,316	-
Corporate income tax	BIR	15,653,375,323	14,482,964,472	14,482,964,472	-	8,500,101,519	39%	8,479,403,952	40%	8,479,403,952	-
Improperly accumulated retained earnings tax	BIR	-	-	-	-	-	0%	-	0%	-	-
Withholding tax - Foreign shareholder dividend	BIR	-	-	-	-	-	0%	-	0%	-	-
Withholding tax - Profit remittance to principal	BIR	-	-	-	-	-	0%	-	0%	-	-
Withholding tax - Royalties to claim owners	BIR	-	-	-	-	-	0%	-	0%	-	-
Withholding tax - Final	BIR	3,897,691,506	3,028,154,334	3,028,154,334	-	1,210,251,889	6%	1,193,874,105	6%	1,193,874,105	-
Documentary Stamp Taxes	BIR	130,877,709	107,403,617	-	107,403,617	74,681,818	0%	57,212,029	0%	-	57,212,029
Other taxes (registration fee, capital gains tax)	BIR	16,533,431	2,318,055	-	2,318,055	2,998,002	0%	2,008,555.00	0%	-	2,008,555
Output VAT	BIR	9,218,332,671	8,569,414,648	8,569,414,648	-	-	-	-	-	-	-
Customs duties	BOC	201,816,593	213,719,675	213,719,675	-	115,935,267	1%	126,966,236	1%	126,966,236	-
Excise tax on imported goods	BOC	123,558,957	123,780,138	-	123,780,138	513,869	0%	735,050	0%	-	735,050
VAT on imported materials and equipment	BOC	2,603,295,285	2,714,157,560	2,662,954,805	51,202,755	742,380,527	3%	851,038,523	4%	851,038,523	-
Government share from oil and gas production	DOE	42,906,982,556	42,905,177,324	42,905,177,324	-	-	-	-	-	-	-
Annual rental fees for retained area after explor	DOE	-	-	-	-	-	-	-	-	-	-
Local business tax	LGU	1,289,270,123	1,159,047,104	1,159,047,104	-	1,060,186,581	5%	1,066,093,014	5%	1,066,093,014	-
Real property tax - Basic	LGU	392,269,860	219,228,534	219,228,534	-	131,701,302	1%	121,301,423	1%	121,301,423	-
Real property tax - Special Education Fund (SEF)	LGU	371,464,695	198,172,167	198,172,167	-	117,592,990	1%	102,148,920	0%	102,148,920	-
Tax on sand, gravel and other quarry resources	LGU	-	-	-	-	-	-	-	-	-	-
Occupation fees	LGU	13,788,985	8,935,766	-	8,935,766	11,542,728	0%	8,742,272	0%	-	8,742,272
Mayor's permit	LGU	24,919,429	15,621,184	-	15,621,184	15,116,042	0%	14,993,138	0%	-	14,993,138
Community tax	LGU	352,471	233,677	-	233,677	133,024	0%	199,867	0%	-	199,867
Royalty on mineral reservation	MGB	2,475,479,234	2,234,071,221	2,234,071,221	-	2,475,479,234	11%	2,234,071,221	11%	2,234,071,221	-
Wharfage Fees	PPA	448,961,682	363,477,362	-	363,477,362	360,567,838	1.6%	311,093,439	1%	-	311,093,439
<b>Total revenue streams and other taxes for FY2020</b>		<b>89,093,573,124</b>	<b>83,113,743,713</b>	<b>82,261,258,600</b>	<b>852,485,114</b>	<b>21,694,308,856</b>		<b>21,158,236,059</b>		<b>20,763,251,708</b>	<b>394,984,350</b>
Royalty for IPs	NCIP	170,203,454	105,273,850	105,273,850	-	170,203,454	1%	105,273,850	0%	105,273,850	-
<b>Total revenue streams and other taxes for FY2020</b>		<b>89,263,776,578</b>	<b>83,219,017,563</b>	<b>82,366,532,450</b>	<b>852,485,114</b>	<b>21,864,512,310</b>		<b>21,263,509,909</b>		<b>20,868,525,558</b>	<b>394,984,350</b>
Percentage covered - targeted revenue streams				99%	1%					98%	2%
Percentage covered - total revenue streams				92%	1%					96%	2%

Revenue Stream and Other Taxes	Govt Agency	Non-Metallic Mining						Oil and Gas					
		Industry Total	%	Target Total	%	In-Scope	Scoped-Out	Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Excise tax on minerals	BIR	273,287,716	2%	179,512,560	1%	-	179,512,560	1,088,094,336	3%	-	0%	-	-
Corporate income tax	BIR	1,909,434,615	13%	1,094,037,039	9%	1,094,037,039	-	5,014,919,427	14%	4,909,523,481	15%	4,909,523,481	-
Improperly accumulated retained earnings tax	BIR	-	0%	-	0%	-	-	-	0%	-	0%	-	-
Withholding tax - Foreign shareholder dividend	BIR	-	0%	-	0%	-	-	-	0%	-	0%	-	-
Withholding tax - Profit remittance to principal	BIR	-	0%	-	0%	-	-	-	0%	-	0%	-	-
Withholding tax - Royalties to claim owners	BIR	-	0%	-	0%	-	-	-	0%	-	0%	-	-
Withholding tax - Final	BIR	241,937,453	2%	201,306,169	2%	201,306,169	-	2,048,895,755	6%	1,632,974,060	5%	1,632,974,060	-
Documentary Stamp Taxes	BIR	17,203,231	0%	11,872,938	0%	-	11,872,938	38,992,541	0%	38,318,650	0%	-	38,318,650
Other taxes (registration fee, capital gains tax)	BIR	11,537,589	0%	306,800.00	0%	-	306,800	213,720	0%	2,700	0%	-	2,700
Output VAT	BIR	9,218,332,671	65%	8,569,414,648	70%	8,569,414,648	-	-	-	-	-	-	-
Customs duties	BOC	66,864,934	0%	67,737,047	1%	67,737,047	-	12,855,567	0%	12,855,567	0%	12,855,567	-
Excise tax on imported goods	BOC	123,036,002	1%	123,036,002	1%	-	123,036,002	4,876	0%	4,876	0%	-	4,876
VAT on imported materials and equipment	BOC	1,809,712,003	13%	1,811,916,282	15%	1,811,916,282	-	32,125,994	0%	32,125,994	0%	-	32,125,994
Government share from oil and gas production	DOE	-	-	-	-	-	-	27,062,298,248	77%	27,062,298,248	80%	27,062,298,248	-
Annual rental fees for retained area after explor	DOE	-	-	-	-	-	-	-	0%	-	0%	-	-
Local business tax	LGU	132,976,984	1%	19,065,093	0%	19,065,093	-	256,118	0%	-	0%	-	-
Real property tax - Basic	LGU	185,565,860	1%	96,445,771	1%	96,445,771	-	-	0%	-	0%	-	-
Real property tax - Special Education Fund (SEF)	LGU	178,869,007	1%	94,541,907	1%	94,541,907	-	-	0%	-	0%	-	-
Tax on sand, gravel and other quarry resources	LGU	-	0%	-	0%	-	-	-	-	-	-	-	-
Occupation fees	LGU	2,246,008	0%	193,494	0%	-	193,494	-	0%	-	0%	-	-
Mayor's permit	LGU	9,520,887	0%	378,045	0%	-	378,045	21,500	0%	-	0%	-	-
Community tax	LGU	196,967	0%	33,810	0%	-	33,810	-	0%	-	0%	-	-
Royalty on mineral reservation	MGB	-	-	-	-	-	-	-	-	-	-	-	-
Wharfage Fees	PPA	54,920,842	0%	18,910,920	0%	-	18,910,920	16,506	0%	16,506	0%	-	16,506
<b>Total revenue streams and other taxes for FY2020</b>		<b>14,235,642,768</b>		<b>12,288,708,526</b>		<b>11,954,463,957</b>	<b>334,244,569</b>	<b>35,298,694,587</b>		<b>33,688,120,081</b>		<b>33,617,651,356</b>	<b>70,468,726</b>
Royalty for IPs	NCIP	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue streams and other taxes for FY2020</b>		<b>14,235,642,768</b>		<b>12,288,708,526</b>		<b>11,954,463,957</b>	<b>334,244,569</b>	<b>35,298,694,587</b>		<b>33,688,120,081</b>		<b>33,617,651,356</b>	<b>70,468,726</b>
Percentage covered - targeted revenue streams						97%	3%					99.8%	0.2%
Percentage covered - total revenue streams						84%	2%					95%	0.2%

Revenue Stream and Other Taxes	Govt Agency	Coal					
		Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Excise tax on minerals	BIR	1,088,094,336	6%	-	0%	-	-
Corporate income tax	BIR	228,919,761	1%	-	0%	-	-
Improperly accumulated retained earnings tax	BIR	-	0%	-	0%	-	-
Withholding tax - Foreign shareholder dividend	BIR	-	0%	-	0%	-	-
Withholding tax - Profit remittance to principal	BIR	-	0%	-	0%	-	-
Withholding tax - Royalties to claim owners	BIR	-	0%	-	0%	-	-
Withholding tax - Final	BIR	396,606,409	2%	-	0%	-	-
Documentary Stamp Taxes	BIR	120	0%	-	0%	-	-
Other taxes (registration fee, capital gains tax)	BIR	1,784,120	0%	-	0%	-	-
Output VAT	BIR						
Customs duties	BOC	6,160,825	0%	6,160,825	0%	6,160,825	-
Excise tax on imported goods	BOC	4,210	0%	4,210	0%	-	4,210
VAT on imported materials and equipment	BOC	19,076,761	0%	19,076,761	0%	-	19,076,761
Government share from oil and gas production	DOE	15,844,684,308	89%	15,842,879,075	99%	15,842,879,075	-
Annual rental fees for retained area after explor	DOE	-	0%	-	0%	-	-
Local business tax	LGU	95,850,440	1%	73,888,997	0%	73,888,997	-
Real property tax - Basic	LGU	75,002,698	0%	1,481,341	0%	1,481,341	-
Real property tax - Special Education Fund (SEF)	LGU	75,002,697	0%	1,481,340	0%	1,481,340	-
Tax on sand, gravel and other quarry resources	LGU						
Occupation fees	LGU	250	0%	-	0%	-	-
Mayor's permit	LGU	261,000	0%	250,000	0%	-	250,000
Community tax	LGU	22,480	0%	-	0%	-	-
Royalty on mineral reservation	MGB						
Wharfage Fees	PPA	33,456,497	0%	33,456,497	0%	-	33,456,497
<b>Total revenue streams and other taxes for FY2020</b>		<b>17,864,926,913</b>		<b>15,978,679,048</b>		<b>15,925,891,579</b>	<b>52,787,469</b>
Royalty for IPs	NCIP	-		-		-	-
<b>Total revenue streams and other taxes for FY2020</b>		<b>17,864,926,913</b>		<b>15,978,679,048</b>		<b>15,925,891,579</b>	<b>52,787,469</b>
Percentage covered - targeted revenue streams						99.7%	0%
Percentage covered - total revenue streams						89%	0%

The combined in-scope revenue streams across all sectors is 99% of the total revenue streams for 2022 from the extractive industry while scoped-out revenue streams is only 1%. Table 22 presents the details for each sector - in-scope revenue streams of the metallic, non-metallic and oil and gas sectors are 98%, 97%, and 99.8% of the total revenue streams of their respective sectors and scoped-out revenue streams are 2%, 3%, and 0.2%, correspondingly.

Any variance arising from the reconciliation procedures for the above in scope revenue streams, other taxes, and funds were subjected to additional procedures. Additional procedures included tracing of transactions between detailed schedules provided by participating projects and government agencies and obtaining the supporting documents.

For the coal sector, as discussed in the reporting projects in Page 106 alternative procedures were conducted to present information on revenue streams and other taxes including obtaining public documents such as audited financial statements and unilateral disclosures by the government agencies.

Application, processing, clearance, and issuance fees for exploration permits, mineral agreements, FTAA, and quarry resources, sand and gravel permit/license expected to be incurred before operations and other fees paid to for subsequent services rendered by MGB (i.e. verification, umpiring, surveys and other services) are likewise considered immaterial and scoped out in the reconciliation.

In addition, the following revenue streams were also excluded as these were determined to be not applicable to the local mining and oil and gas industry sectors because these are zero-rated or not yet due given the stage of the operation. These may also represent payments made on behalf of other taxpayers (e.g. employees), although still attributed to their operations. These are as follows:

- Fringe benefit and withholding tax on salaries and benefits that are mainly compensation related with remittances made only by entities on behalf of employees.
- Expanded withholding tax is tax imposed on income payments and is creditable against the income tax due of the payee for the taxable period in which the income was earned. It is only a means of approximating and collecting in advance the income tax liability of a payee since income taxes are due and paid on a quarterly and annual basis.
- Government share from FTAA and JV agreements with no company operating under said contractual provisions in 2012. The first FTAA mining project only commenced commercial operations in April 2013.
- Output VAT for metallic mining, oil and gas, and coal are not in scope since revenue transactions of the companies in these industries are zero-rated (e.g. export oriented) or exempt as provided by law (e.g. PD 87).
- Documentary stamp taxes, import processing fees, storage fees, arrastre and stevedoring charges were also excluded because of their minimal value.

#### **IV. Reconciliation Results**

In this section, payments and collections from participating projects and government agencies, respectively, are presented. The tables will include information on the following:

- Project amount - this refers to the amount reported in the template by the participating project
- Government agency amount - this refers to the amount reported in the template by the government agency
- Variance pre-reconciliation - this pertains to the initial difference between the amount reported by the project and the government agency
- Reconciled amount - this reflects the true amount of the transaction between the project and the government agency. It is duly supported with detailed schedules and supplemental documents.
- Variance post-reconciliation - Amount that cannot be supported with either a detailed schedule or other documents. Negative amount pertains to submitted data by the project that remain unreconciled while a positive amount pertains to submitted data by the government that remain unreconciled.

A. Revenue streams

The following tables show the detailed collections per government agency, per revenue stream and other taxes, per industry sector, and per project:

i. Reconciliation results disaggregated by government agency

Table II-23. Reconciliation results disaggregated by government agency

Agency	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
<b>Metallic</b>					
<b>Nickel</b>					
BIR	9,161,444,352	9,330,209,473	168,765,121	8,833,218,890	157,047,572
BOC	289,400,929	40,710,212	(248,690,717)	21,470,360	(5,491,990)
LGU	701,733,835	675,777,531	(25,956,304)	668,880,687	27,908,962
MGB	2,214,154,956	2,174,292,660	(39,862,296)	1,191,748,299	(14,390,611)
NCIP	424,140,430	5,300,265	(418,840,165)	195,978,011	(81,574,840)
<b>Subtotal</b>	<b>12,790,874,502</b>	<b>12,226,290,141</b>	<b>(564,584,361)</b>	<b>10,911,296,247</b>	<b>83,499,093</b>
<b>Gold / Silver / Copper</b>					
BIR	7,110,731,295	6,906,473,197	(204,258,097)	7,114,682,032	(404,226)
BOC	817,739,308	910,151,971	92,412,663	830,599,052	2,171,024
LGU	752,940,031	535,426,372	(217,513,659)	680,076,216	(25,918,977)
MGB	-	-	-	-	-
NCIP	222,329,830	95,880,801	(126,449,029)	208,216,663	(28,165,034)
<b>Subtotal</b>	<b>8,903,740,464</b>	<b>8,447,932,341</b>	<b>(455,808,122)</b>	<b>8,833,573,962</b>	<b>(52,317,213)</b>
<b>Other Metallic mines</b>					
BIR	14,189,768	14,039,496	(150,272)	14,320,709	-
BOC	3,172,088	3,722,218	550,131	3,153,193	569,026
LGU	3,721,974	7,094,612	3,372,637	7,327,270	-
MGB	-	-	-	-	-
NCIP	-	-	-	-	-
<b>Subtotal</b>	<b>21,083,830</b>	<b>24,856,326</b>	<b>3,772,496</b>	<b>24,801,172</b>	<b>569,026</b>
<b>Total - Metallic</b>	<b>21,715,698,796</b>	<b>20,699,078,808</b>	<b>(1,016,619,988)</b>	<b>19,769,671,381</b>	<b>31,750,906</b>
<b>Non-metallic</b>					
<b>Limestone</b>					
BIR	9,188,262,977	9,523,203,567	334,940,590	9,560,157,409	6,891,136
BOC	1,706,815,545	1,874,019,288	167,203,744	1,320,258,363	4,740,925
LGU	614,355,302	194,567,251	(419,788,051)	567,987,091	(61,188,567)

NCIP	2,155,734	-	(2,155,734)	2,155,734	-
<b>Subtotal</b>	<b>11,511,589,557</b>	<b>11,591,790,106</b>	<b>80,200,549</b>	<b>11,450,558,596</b>	<b>(49,556,507)</b>
<b>Aggregates</b>					
BIR	138,039,487	159,808,028	21,768,541	123,841,646	8,417,770
BOC	-	-	-	-	-
LGU	6,542,382	2,880,319	(3,662,064)	2,690,789	(940,753)
NCIP	-	-	-	-	-
<b>Subtotal</b>	<b>144,581,870</b>	<b>162,688,347</b>	<b>18,106,477</b>	<b>126,532,436</b>	<b>7,477,018</b>
<b>Silica</b>					
BIR	111,596,199	154,572,677	42,976,477	167,303,433	-
BOC	-	685,873	685,873	-	685,873
LGU	7,718,733	7,068,894	(649,839)	7,718,733	-
NCIP	-	-	-	-	-
<b>Subtotal</b>	<b>119,314,933</b>	<b>162,327,444</b>	<b>43,012,511</b>	<b>175,022,166</b>	<b>685,873</b>
<b>Other Non-metallic mines</b>					
BIR	58,319,449	27,173,585	(31,145,864)	23,428,871	3,950,217
BOC	44,378,767	3,076,393	(41,302,375)	-	(41,302,375)
LGU	18,445,491	5,194,178	(12,688,706)	5,678,695	(7,966,124)
NCIP	-	-	-	-	-
<b>Subtotal</b>	<b>121,143,707</b>	<b>35,444,156</b>	<b>(85,136,944)</b>	<b>29,107,566</b>	<b>(45,318,282)</b>
<b>Total - Non-metallic</b>	<b>11,896,630,066</b>	<b>11,952,250,053</b>	<b>56,182,593</b>	<b>11,781,220,765</b>	<b>(86,711,897)</b>
<b>Oil and gas</b>					
<b>BIR</b>	15,397,191,419	6,542,497,541	(8,854,693,879)	6,539,947,635	-
<b>BOC</b>	1,400,721	12,855,567	11,454,846	13,857,413	424
<b>DOE</b>	11,487,158,138	27,062,298,248	15,575,140,111	27,096,587,500	-
<b>LGU</b>	921,488	-	(921,488)	501,511	-
<b>Total - Oil and gas</b>	<b>26,886,671,765</b>	<b>33,617,651,356</b>	<b>6,730,979,590</b>	<b>33,650,894,058</b>	<b>424</b>
<b>Grand total</b>	<b>60,499,000,627</b>	<b>66,268,980,216</b>	<b>5,770,542,196</b>	<b>65,201,786,204</b>	<b>(54,960,568)</b>

ii. Reconciliation results disaggregated by project

Table II-24. Reconciliation results disaggregated by project

Project	Company	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
<b>Metallic mining</b>						
<b>Nickel</b>						
MPSA No. 259-2007-XIII (SMR) (Amended II)	Adnama Mining Resources, Inc.	54,750,678	28,532,217	(26,218,461)	57,857,184	4,257
MPSA No. 197-2004-XI (Amended)	Austral-Asia Link Mining Corp. (Operator: Hallmark Mining Corporation)	-	1,684	1,684	107,359	-
MPSA No. 226-2005-III (ZMR)	Benguetcorp Resources Management Corporation (formerly: BenguetCorp Nickel Mines, Inc.)	641,612,653	645,343,083	3,730,430	634,848,829	(4,766,787)
MPSA No. 078-97-XIII (SMR)	Cagdianao Mining Corporation (Contract Holder: East Coast Mineral Resources, Inc.)	726,028,436	723,633,304	(2,395,131)	726,119,531	-
MPSA No. 243-2007-XIII (SMR)	Carrascal Nickel Corporation (Contract Holder: CTP Construction and Mining Corporation)	862,022,637	824,475,516	(37,547,121)	879,079,739	-
MPSA No. 010-92-X (SMR)	Century Peak Corporation - Casiguran Nickel Project	151,978,254	110,193,444	(41,784,810)	97,906,568	12,286,876
MPSA No. 283-2009-XIII (SMR)	Century Peak Corporation - Esperanza Nickel Project	34,055,535	30,402,776	(3,652,759)	30,402,776	-
MPSA No. 229-2007-IVB	Citinickel Mines and Development Corporation	148,382,656	232,792,681	84,410,024	125,790,960	81,172,260
MPSA No. 018-93-X (SMR)	CTP Construction and Mining Corporation - Adlay	787,261,622	826,457,907	39,196,285	53,494,131	39,196,285
MPSA No. 158-00-XIII (SMR)	CTP Construction and Mining Corporation - Dahican	21,642,442	7,839,495	(13,802,947)	-	(13,802,947)

MPSA No. 258-2007-II	Dinapigue Mining Corporation	120,211,598	38,336,624	(81,874,974)	32,665,649	-
MPSA No. 209-2005-III	Eramen Minerals, Inc.	789,949,263	796,411,312	6,462,049	789,949,263	-
MPSA No. 292-2009-VIII -Amended A	Global Min-met Resources, Inc. (Contract Holder: Nickelace, Inc.)	27,864,845	27,770,035	(94,809)	27,769,035	(45,678)
MPSA No. 197-2004-XI (Amended)	Hallmark Mining Corporation (Contract Holder: Austral-Asia Link Mining Corporation)	4,045,012	5,541,640	1,496,628	5,821,952	-
MPSA No. 246-2007-XIII (SMR)	Hinatuan Mining Corporation	403,528,468	404,997,867	1,469,398	401,162,568	-
MPSA No. 017-93-IV (Amended-2 000)	Ipilan Nickel Corporation (Contract Holder: Celestial Nickel Mining Exploration Corporation)	234,159,579	248,811,817	14,652,238	242,256,078	-
MPSA No. 233-2007-XIII (SMR)	Libjo Mining Corporation (Contract Holder: East Coast Mineral Resources Co., Inc.)	140,839,742	119,014,872	(21,824,870)	111,036,786	(19,017,386)
MPSA No. 268-2008-III	LNL Archipelago Minerals, Inc. (Contract Holder: Filipinas Mining Corporation)	399,698,672	423,961,309	24,262,637	394,741,943	-
MPSA No. 016-93-X (SMR)	Marcventures Mining & Development Corporation	348,811,004	264,843,462	(83,967,542)	315,126,999	-
MPSA No. 242-2007-XIII (SMR)	Oriental Vision Mining Phils. Corporation (Contract Holder: Norweah Metals and Minerals Company, Inc.)	21,174,088	28,179,935	7,005,847	5,772,947	7,005,847
MPSA No. 007-92-X	Platinum Group Metals Corporation (Contract Holder: Surigao Integrated Resources Corporation)	1,211,183,497	1,093,126,370	(118,057,127)	1,248,860,854	-
MPSA No. 114-98-IV	Rio Tuba Nickel Mining Corporation	1,465,442,661	1,324,291,052	(141,151,609)	1,476,442,086	(12,350,386)
MPSA No. 002-90-X (SMR)	Sinosteel Philippines H.Y.	108,146,660	109,282,340	1,135,680	108,146,660	-

	Mining Corporation					
MPSA No. 266-2008-XIII (SMR) (Amended)	Taganito Mining Corporation	3,459,851,057	3,265,525,219	(194,325,838)	2,532,202,484	(17,505,746)
MPSA No. 292-2009-VIII -Amended A	Verum Terra Geoscience, Inc. (Contract Holder: Nickelace, Inc.)	17,975,367	29,166,686	11,191,319	1,549,086	11,191,319
MPSA No. 233-2007-XIII (SMR)	Westernshore Nickel Corporation (Contract Holder: East Coast Mineral Resources Co., Inc.)	46,078,919	56,192,076	10,113,156	48,050,455	131,178
MPSA No. 191-2004-III	Zambales Diversified Metals Corporation	564,179,156	561,165,420	(3,013,737)	564,134,322	-
<b>Subtotal - Nickel</b>		<b>12,790,874,502</b>	<b>12,226,290,141</b>	<b>(564,584,361)</b>	<b>10,911,296,247</b>	<b>83,499,093</b>
<b>Gold / Silver / Copper</b>						
MPSA No. 225-2005-XI	Apex Mining Company, Inc.	1,468,280,749	1,364,663,570	(103,617,179)	1,493,679,589	-
PC-ACMP-002- CAR	Benguet Corporation	39,282,745	20,699,370	(18,583,375)	39,280,511	85,766
MPSA No. 210-2005-VII	Carmen Copper Corporation (Contract Holder: Atlas Consolidated Mining and Development Corporation, Heirs of Jose Velez, Heirs of Manuel Cuenca and Jon Ramon Aboitiz)	1,549,946,232	1,452,783,738	(97,162,494)	1,549,736,301	25,736
FTAA No. 04-2009-II	FCF Mineral Corporation	498,076,153	465,504,623	(32,571,530)	498,632,034	68,853
MPSA No. 255-2007-V (Amended I)	Filminera Resources Corporation	1,071,692,823	1,062,472,597	(9,220,226)	1,071,576,455	286,132
MPSA No. 184-2002-XIII	Greenstone Resources Corp.	15,893,913	11,437,967	(4,455,947)	16,071,730	-
MPSA No. 139-99-V	Johson Gold Mining Corporation	4,500	4,821	321	4,500	321
MPSA No. 001-90-CAR	Lepanto Consolidated Mining Company	108,948,875	101,638,000	(7,310,875)	99,337,585	(7,339,566)
FTAA No. 001	OceanaGold Philippines, Inc.	1,578,243,244	1,495,721,507	(82,521,737)	1,520,542,584	(6,713,346)
MPSA No. 276-2009-CAR	Philex Mining Corporation	1,269,823,847	1,265,443,875	(4,379,972)	1,269,964,218	50,782
MPSA No. 262-2008-XIII	Philsaga Mining Corporation	876,361,872	825,942,211	(50,419,661)	958,593,223	(6,015,248)

MPSA No. 086-97-IX	TVI Resource Development Philippines, Inc.	427,185,510	381,620,062	(45,565,448)	316,155,232	(32,766,644)
<b>Gold / Silver / Copper Tota</b>		<b>8,903,740,464</b>	<b>8,447,932,341</b>	<b>(455,808,122)</b>	<b>8,833,573,962</b>	<b>(52,317,213)</b>
<b>Other metallic mines</b>						
MPSA No. 291-2009-XIII (SMR)	Krominco, Inc.	31,950	20,400	(11,550)	31,950	-
MPSA No. 250-2007-III (Amended I)	Shangfil Mining and Trading Corporation	4,972,999	8,212,514	3,239,515	8,396,334	-
MPSA No. 254-2007-VIII	Strong Built (Mining) Development Corporation (Operator: MacArthur Iron Projects Corporation)	91,175	3,425	(87,750)	115,782	-
MPSA No. 292-2009-VIII (Amended B)	Techiron Resources, Inc. (Contract Holder: Chromiteking, Inc.)	15,987,706	16,619,987	632,281	16,257,106	569,026
<b>Subtotal - Other metallic mines</b>		<b>21,083,830</b>	<b>24,856,326</b>	<b>3,772,496</b>	<b>24,801,172</b>	<b>569,026</b>
<b>Subtotal - Metallic mining</b>		<b>21,715,698,796</b>	<b>20,699,078,808</b>	<b>(1,016,619,988)</b>	<b>19,769,671,381</b>	<b>31,750,906</b>
<b>Non-metallic mining</b>						
<b>Limestone</b>						
MPSA No. 013-93-VII	Apo Land and Quarry Corporation	72,779,789	72,204,850	(574,938)	72,779,789	-
MPSA No. 286-2009-VII	Apo Land and Quarry Corporation	-	-	-	-	-
MPSA No. 150-2000-VII	Bohol Limestone Corporation	15,696,706	16,226,495	529,788	16,226,619	-
MPSA No. 181-2002-III	Eagle Cement Corporation	4,572,097,763	4,568,009,255	(4,088,507)	4,794,999,471	2,210,375
MPSA No. 027-94-III	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	111,000,413	280,508,080	169,507,667	293,258,077	-
MPSA No. 080-97-XI	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	-	-	-	27,694,508	-

MPSA No. 236-2007-I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	-	-	-	-	-
MPSA No. 238-2007-I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	-	-	-	23,160	-
MPSA No. 274-2008-XI (Amended)	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	-	-	-	-	-
MPSA No. 047-96-XII	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation)	-	-	-	-	-
MPSA No. 140-99-III	Holcim Mining and Development Corporation and Doric Marble Corporation	-	-	-	5,112,148	-
MPSA No. 146-99-V	Ibalong Resources and Development Corporation (Operator: Dinapigue Mining Corporation)	594,497	-	(594,497)	550,823	-
MPSA No. 030-95-VII	Lazi Bay Resources Development, Inc.	1,597,682	-	(1,597,682)	1,576,858	-
MPSA No. 106-98-I	Northern Cement Corporation	1,917,474,942	1,891,305,250	(26,169,692)	1,321,639,896	(44,542,245)
MPSA No. 026-94-III	Republic Cement & Building Materials, Inc.	3,458,062,444	3,604,216,268	146,153,824	3,533,173,456	(951,918)
MPSA No. 029-95-IVA	Republic Cement & Building Materials, Inc.	62,123,949	50,713,893	(11,410,057)	74,838,939	-
MPSA No. 132-99-VII	Republic Cement & Building Materials, Inc.	7,774,779	-	(7,774,779)	7,774,759	-

MPSA No. 138-99-IVA	Republic Cement & Building Materials, Inc.	52,940,568	-	(52,940,568)	52,940,568	-
MPSA No. 056-96-III	Republic Cement Land and Resources, Inc.	29,248,616	20,736,419	(8,512,196)	36,447,932	-
MPSA No. 031-95-XII	Republic Cement Mindanao, Inc.	912,104,774	843,589,778	(68,514,996)	892,763,104	510,642
MPSA No. 105-98-XII	Republic Cement Mindanao, Inc.	-	-	-	-	-
MPSA No. 213-2005-IVB	Rio Tuba Nickel Mining Corporation (Non-metallic)	8,024,619	6,891,136	(1,133,483)	2,155,734	6,891,136
MPSA No. 352-2022-VI	Semirara Material Resources, Inc. (formerly Semirara Mining and Power Corporation)	-	-	-	-	-
MPSA No. 067A-97-VII	Solid Earth Development Corp.	71,739,010	30,298,325	(41,440,684)	96,882,014	(13,674,496)
MPSA No. 205-2004-VII	Solid Earth Development Corp.	-	-	-	-	-
MPSA No. 161-00-III	Solid North Mineral Corporation	218,329,005	207,090,356	(11,238,649)	219,720,740	-
<b>Subtotal - Limestone Aggregates</b>		<b>11,511,589,557</b>	<b>11,591,790,106</b>	<b>80,200,549</b>	<b>11,450,558,596</b>	<b>(49,556,507)</b>
MPSA No. 296-2009-IVA	Gozon Development Corporation	15,193,760	16,276,548	1,082,787	12,573,401	193,898
MPSA No. 202-2004-IV	Hardrock Aggregates, Inc.	10,654,488	315,154	(10,339,334)	-	(10,339,334)
MPSA No. 194-2004-VII	JLR Construction and Aggregates, Inc.	99,821,350	98,345,789	(1,475,561)	99,891,174	-
MPSA No. 239-2007-IVA	Montalban Millex Aggregates Corporation	5,000	12,461,882	12,456,882	13,319,808	-
MPSA No. 064-96-IV-A amended II	Rapid City Realty and Development Corporation	17,597,263	34,260,669	16,663,406	492,697	17,648,799
MPSA No. 074-97-IV	Rapid City Realty and Development Corporation	1,310,009	1,028,306	(281,703)	255,357	(26,346)
MPSA No. 087-97-IV	Rapid City Realty and Development Corporation	-	-	-	-	-
MPSA No. 118-98-IV	Rapid City Realty and Development Corporation	-	-	-	-	-
MPSA No. 142-99-IVA (Amended)	Rapid City Realty and	-	-	-	-	-

	Development Corporation					
<b>Subtotal - Aggregates Silica</b>		<b>144,581,870</b>	<b>162,688,347</b>	<b>18,106,477</b>	<b>126,532,436</b>	<b>7,477,018</b>
MPSA No. 042-95-I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	-	-	-	-	-
MPSA No. 295-2009-I-A amended I	Helix Mining and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	-	-	-	-	-
MPSA No. 218-2005-VII	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation) (Contractor: Heirs of Arturo Zayco)	15,520,425	59,182,775	43,662,350	71,227,658	685,873
MPSA No. 116-98-IVA	Island Quarry and Aggregates Corporation	103,794,508	103,144,669	(649,839)	103,794,508	-
<b>Subtotal - Silica Other non-metallic mines</b>		<b>119,314,933</b>	<b>162,327,444</b>	<b>43,012,511</b>	<b>175,022,166</b>	<b>685,873</b>
MPSA No. 032-95-IV/055-96-IV	Concrete Aggregates Corporation	100,414,115	16,571,716	(83,842,399)	9,569,139	(42,105,036)
MPSA No. 208-2005-VII	Dolomite Mining Corporation	16,142,309	15,823,809	(318,501)	16,135,060	-
MPSA No. 200-2004-I	Heirs of Elias E. Olegario	687,249	761,795	74,546	696,143	-
MPSA No. 281-2009-X (Amended I)	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation)	3,213,246	-	(3,213,246)	-	(3,213,246)
Patented Mining Claim No. 14	Island Quarry and Aggregates Corporation	-	-	-	-	-
MPSA No. 104-98-XII	Republic Cement Mindanao, Inc. (formerly Republic Cement Iligan, Inc.)	-	-	-	-	-

MPSA No. 186-2002-V	UBS Marketing Corporation	686,788	2,286,836	2,162,655	2,707,224	-
<b>Subtotal - Other non-metallic mining</b>		<b>121,143,707</b>	<b>35,444,156</b>	<b>(85,136,944)</b>	<b>29,107,566</b>	<b>(45,318,282)</b>
<b>Total - Non-metallic mining</b>		<b>11,896,630,066</b>	<b>11,952,250,053</b>	<b>56,182,593</b>	<b>11,781,220,765</b>	<b>(86,711,897)</b>
<b>Oil and gas</b>						
SC 14C1	NPG Pty Ltd	424,860,033	390,771,336	(34,088,697)	424,826,350	424
SC 37	Philippine National Oil Corporation (PNOC) - Exploration Corporation	862,442,274	858,021,144	(4,421,129)	857,058,833	-
SC 38	Prime Energy Resources Development B.V.	25,599,369,459	32,368,858,875	6,769,489,416	32,369,008,875	-
<b>Total - Oil and gas</b>		<b>26,886,671,765</b>	<b>33,617,651,356</b>	<b>6,730,979,590</b>	<b>33,650,894,058</b>	<b>424</b>
<b>Total</b>		<b>60,499,000,627</b>	<b>66,268,980,216</b>	<b>5,770,542,196</b>	<b>65,201,786,204</b>	<b>(54,960,568)</b>

iii. Reconciliation results disaggregated by revenue streams and other taxes

Table II-25. Reconciliation results disaggregated by revenue streams and other taxes

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
<b>Metallic mining</b>					
<b>Nickel</b>					
<b>BIR</b>					
Corporate income tax	6,036,498,394	6,083,899,391	47,400,998	5,966,844,481	72,972,054
Excise tax on minerals	2,705,999,396	2,830,121,099	124,121,704	2,450,652,806	92,654,966
Withholding tax - Final	36,204,916	250,239,481	214,034,565	43,456,473	3,257,540
Withholding tax - Foreign shareholder dividends	243,958,823	143,000,000	(100,958,823)	245,233,823	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	138,782,823	22,949,501	(115,833,322)	127,031,307	(11,836,988)
<b>Subtotal</b>	<b>9,161,444,352</b>	<b>9,330,209,473</b>	<b>168,765,121</b>	<b>8,833,218,890</b>	<b>157,047,572</b>
<b>BOC</b>					
Customs duties	92,525,369	2,569,796	(89,955,572)	2,569,796	(5,491,990)
VAT on imported materials and equipment	196,875,560	38,140,416	(158,735,144)	18,900,563	-
<b>Subtotal</b>	<b>289,400,929</b>	<b>40,710,212</b>	<b>(248,690,717)</b>	<b>21,470,360</b>	<b>(5,491,990)</b>
<b>LGU</b>					
Local business tax	668,903,925	647,997,803	(20,906,122)	652,092,670	41,430,638
Real property tax - Basic	18,223,599	15,062,135	(3,161,464)	8,448,475	(7,289,723)

Real property tax - SEF	14,606,311	12,717,593	(1,888,718)	8,339,542	(6,231,953)
<b>Subtotal</b>	<b>701,733,835</b>	<b>675,777,531</b>	<b>(25,956,304)</b>	<b>668,880,687</b>	<b>27,908,962</b>
<b>MGB</b>					
Royalty on mineral reservation	2,214,154,956	2,174,292,660	(39,862,296)	1,191,748,299	(14,390,611)
<b>NCIP</b>					
Royalty for IPs	424,140,430	5,300,265	(418,840,165)	195,978,011	(81,574,840)
<b>Subtotal - Nickel</b>	<b>12,790,874,502</b>	<b>12,226,290,141</b>	<b>(564,584,361)</b>	<b>10,911,296,247</b>	<b>83,499,093</b>
<b>Gold / Silver / Copper</b>					
<b>BIR</b>					
Corporate income tax	2,537,050,517	2,394,101,251	(142,949,266)	2,537,050,517	-
Excise tax on minerals	3,798,188,065	3,744,299,696	(53,888,369)	3,801,092,217	(489,992)
Withholding tax - Final	633,995,441	737,004,398	103,008,958	635,042,027	85,766
Withholding tax - Foreign shareholder dividends	14,830,687	-	(14,830,687)	14,830,687	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	126,666,585	31,067,852	(95,598,732)	126,666,585	-
<b>Subtotal</b>	<b>7,110,731,295</b>	<b>6,906,473,197</b>	<b>(204,258,097)</b>	<b>7,114,682,032</b>	<b>(404,226)</b>
<b>BOC</b>					
Customs duties	128,026,627	121,218,645	(6,807,982)	114,796,146	(2,631,161)
VAT on imported materials and equipment	689,712,681	788,933,326	99,220,645	715,802,905	4,802,185
<b>Subtotal</b>	<b>817,739,308</b>	<b>910,151,971</b>	<b>92,412,663</b>	<b>830,599,052</b>	<b>2,171,024</b>
<b>LGU</b>					
Local business tax	522,462,473	340,503,394	(181,959,079)	519,509,526	(1,250,588)
Real property tax - Basic	92,211,194	105,865,470	13,654,276	84,011,804	10,824,834
Real property tax - SEF	138,266,365	89,057,509	(49,208,856)	76,554,886	(35,493,223)
<b>Subtotal</b>	<b>752,940,031</b>	<b>535,426,372</b>	<b>(217,513,659)</b>	<b>680,076,216</b>	<b>(25,918,977)</b>
<b>MGB</b>					
Royalty on mineral reservation	-	-	-	-	-
<b>NCIP</b>					
Royalty for IPs	222,329,830	95,880,801	(126,449,029)	208,216,663	(28,165,034)
<b>Subtotal - Gold / Silver / Copper</b>	<b>8,903,740,464</b>	<b>8,447,932,341</b>	<b>(455,808,122)</b>	<b>8,833,573,962</b>	<b>(52,317,213)</b>
<b>Other metallic mines</b>					
<b>BIR</b>					
Corporate income tax	256,248	105,976	(150,272)	387,189	-
Excise tax on minerals	13,933,520	13,933,520	-	13,933,520	-
Withholding tax - Final	-	-	-	-	-

Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
<b>Subtotal</b>	<b>14,189,768</b>	<b>14,039,496</b>	<b>(150,272)</b>	<b>14,320,709</b>	<b>-</b>
<b>BOC</b>					
Customs duties	3,172,088	83,680	(3,088,407)	80,091	3,589
VAT on imported materials and equipment	-	3,638,538	3,638,538	3,073,102	565,436
<b>Subtotal</b>	<b>3,172,088</b>	<b>3,722,218</b>	<b>550,131</b>	<b>3,153,193</b>	<b>569,026</b>
<b>LGU</b>					
Local business tax	3,721,974	7,094,612	3,372,637	7,302,663	-
Real property tax - Basic	-	-	-	12,303	-
Real property tax - SEF	-	-	-	12,303	-
<b>Subtotal</b>	<b>3,721,974</b>	<b>7,094,612</b>	<b>3,372,637</b>	<b>7,327,270</b>	<b>-</b>
<b>MGB</b>					
Royalty on mineral reservation	-	-	-	-	-
<b>NCIP</b>					
Royalty for IPs	-	-	-	-	-
<b>Subtotal - Other metallic mines</b>	<b>21,083,830</b>	<b>24,856,326</b>	<b>3,772,496</b>	<b>24,801,172</b>	<b>569,026</b>
<b>Total - Metallic mining</b>	<b>21,715,698,796</b>	<b>20,699,078,808</b>	<b>(1,016,619,988)</b>	<b>19,769,671,381</b>	<b>31,750,906</b>
<b>Non-metallic mining</b>					
<b>Limestone</b>					
<b>BIR</b>					
Corporate income tax	704,552,810	1,070,053,459	365,500,649	1,045,134,369	-
Output VAT	8,308,845,804	8,284,368,885	(24,476,919)	8,340,158,676	6,891,136
Withholding tax - Final	174,864,363	168,781,223	(6,083,140)	174,864,364	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
<b>Subtotal</b>	<b>9,188,262,977</b>	<b>9,523,203,567</b>	<b>334,940,590</b>	<b>9,560,157,409</b>	<b>6,891,136</b>
<b>BOC</b>					
Customs duties	64,691,008	66,363,977	1,672,969	59,441,074	528,115
VAT on imported materials and equipment	1,642,124,537	1,807,655,312	165,530,775	1,260,817,289	4,212,810
<b>Subtotal</b>	<b>1,706,815,545</b>	<b>1,874,019,288</b>	<b>167,203,744</b>	<b>1,320,258,363</b>	<b>4,740,925</b>
<b>LGU</b>					
Local business tax	120,363,216	14,814,345	(105,548,871)	137,859,462	-

Real property tax - Basic	250,173,026	89,942,113	(160,230,913)	221,938,926	(30,594,284)
Real property tax - SEF	243,819,060	89,810,793	(154,008,267)	208,188,703	(30,594,284)
<b>Subtotal NCIP</b>	<b>614,355,302</b>	<b>194,567,251</b>	<b>(419,788,051)</b>	<b>567,987,091</b>	<b>(61,188,567)</b>
Royalty for IPs	2,155,734	-	(2,155,734)	2,155,734	-
<b>Subtotal - Limestone Aggregates</b>	<b>11,511,589,557</b>	<b>11,591,790,106</b>	<b>80,200,549</b>	<b>11,450,558,596</b>	<b>(49,556,507)</b>
<b>BIR</b>					
Corporate income tax	19,004,916	16,342,714	(2,662,202)	15,932,404	(2,942,755)
Output VAT	114,016,147	138,328,441	24,312,294	102,998,190	12,130,965
Withholding tax - Final	5,018,424	5,136,872	118,448	4,911,053	(770,441)
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
<b>Subtotal BOC</b>	<b>138,039,487</b>	<b>159,808,028</b>	<b>21,768,541</b>	<b>123,841,646</b>	<b>8,417,770</b>
<b>BOC</b>					
Customs duties	-	-	-	-	-
VAT on imported materials and equipment	-	-	-	-	-
<b>Subtotal LGU</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Local business tax	3,624,107	1,254,831	(2,369,276)	2,306,207	33,277
Real property tax - Basic	1,732,923	864,198	(868,725)	211,360	(695,512)
Real property tax - SEF	1,185,353	761,290	(424,063)	173,222	(278,517)
<b>Subtotal</b>	<b>6,542,382</b>	<b>2,880,319</b>	<b>(3,662,064)</b>	<b>2,690,789</b>	<b>(940,753)</b>
<b>Subtotal - Aggregates</b>	<b>144,581,870</b>	<b>162,688,347</b>	<b>18,106,477</b>	<b>126,532,436</b>	<b>7,477,018</b>
<b>Silica</b>					
<b>BIR</b>					
Corporate income tax	(44,442,016)	1,987,022	46,429,038	11,265,218	-
Output VAT	125,636,244	125,636,244	0	125,636,244	-
Withholding tax - Final	18,850,972	26,949,410	8,098,438	18,850,972	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	11,550,999	-	(11,550,999)	11,550,999	-
<b>Subtotal</b>	<b>111,596,199</b>	<b>154,572,677</b>	<b>42,976,477</b>	<b>167,303,433</b>	<b>-</b>

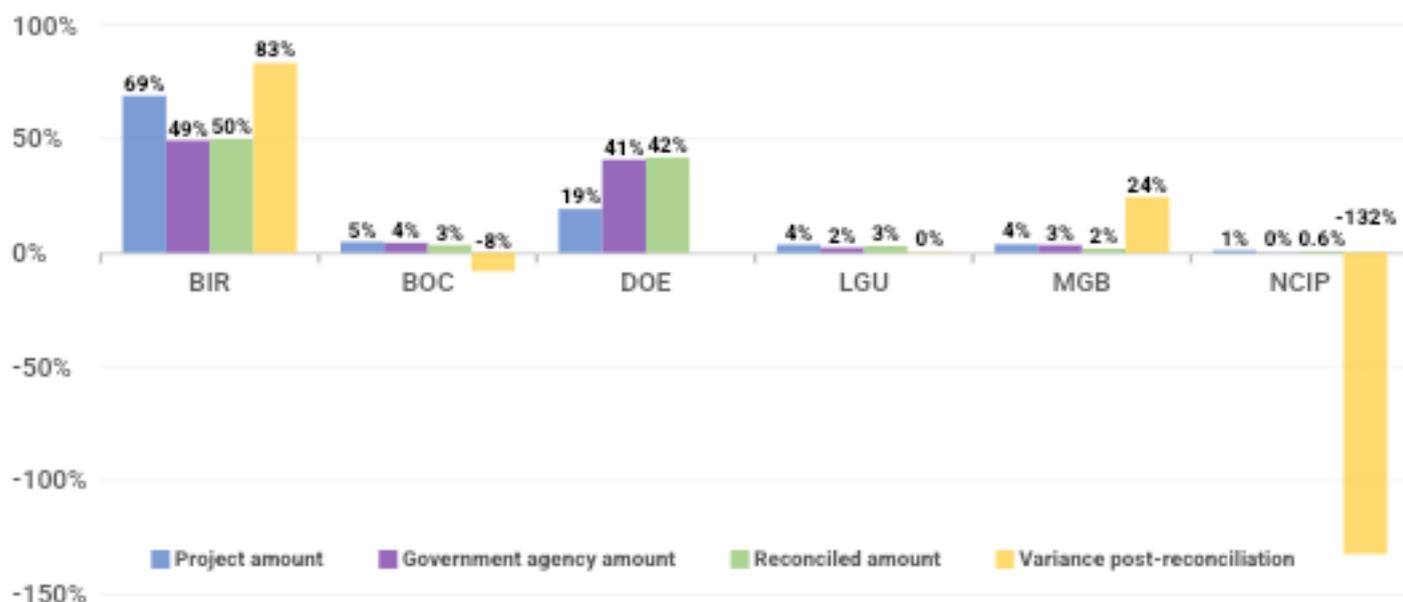
<b>BOC</b>					
Customs duties	-	295,031	295,031	-	295,031
VAT on imported materials and equipment	-	390,842	390,842	-	390,842
<b>Subtotal</b>	<b>-</b>	<b>685,873</b>	<b>685,873</b>	<b>-</b>	<b>685,873</b>
<b>LGU</b>					
Local business tax	692,292	1,953,702	1,261,410	692,292	-
Real property tax - Basic	4,523,801	3,392,414	(1,131,387)	4,523,801	-
Real property tax - SEF	2,502,640	1,722,779	(779,862)	2,502,640	-
<b>Subtotal</b>	<b>7,718,733</b>	<b>7,068,894</b>	<b>(649,839)</b>	<b>7,718,733</b>	<b>-</b>
<b>Subtotal - Silica</b>	<b>119,314,933</b>	<b>162,327,444</b>	<b>43,012,511</b>	<b>175,022,166</b>	<b>685,873</b>
<b>Other non-metallic mines</b>					
<b>BIR</b>					
Corporate income tax	2,839,506	5,653,844	2,814,338	5,859,347	-
Output VAT	55,479,943	21,081,077	(34,398,865)	17,130,860	3,950,217
Withholding tax - Final	-	438,664	438,664	438,664	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
<b>Subtotal</b>	<b>58,319,449</b>	<b>27,173,585</b>	<b>(31,145,864)</b>	<b>23,428,871</b>	<b>3,950,217</b>
<b>BOC</b>					
Customs duties	3,944,438	872,114	(3,072,325)	-	(3,072,325)
VAT on imported materials and equipment	40,434,329	2,204,279	(38,230,050)	-	(38,230,050)
<b>Subtotal</b>	<b>44,378,767</b>	<b>3,076,393</b>	<b>(41,302,375)</b>	<b>-</b>	<b>(41,302,375)</b>
<b>LGU</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Local business tax	8,094,248	700,086	(6,831,555)	1,075,487	(6,946,037)
Real property tax - Basic	5,710,431	2,247,046	(3,463,385)	2,301,830	(1,020,088)
Real property tax - SEF	4,640,813	2,247,046	(2,393,767)	2,301,378	-
<b>Subtotal</b>	<b>18,445,491</b>	<b>5,194,178</b>	<b>(12,688,706)</b>	<b>5,678,695</b>	<b>(7,966,124)</b>
<b>Subtotal - Other non-metallic mines</b>	<b>121,143,707</b>	<b>35,444,156</b>	<b>(85,136,944)</b>	<b>29,107,566</b>	<b>(45,318,282)</b>
<b>Total - Non-metallic mining</b>	<b>11,896,630,066</b>	<b>11,952,250,053</b>	<b>56,182,593</b>	<b>11,781,220,765</b>	<b>(86,711,897)</b>
<b>Oil and gas</b>					
<b>BIR</b>					
Corporate income tax	4,907,728,786	4,909,523,481	1,794,695	4,907,728,786	-
Withholding tax - Final	1,651,750,229	351,626,003	(1,300,124,225)	350,870,793	-

Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	8,837,712,405	1,281,348,056	(7,556,364,349)	1,281,348,056	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
<b>Subtotal</b>	<b>15,397,191,419</b>	<b>6,542,497,541</b>	<b>(8,854,693,879)</b>	<b>6,539,947,635</b>	<b>-</b>
<b>BOC</b>					
Customs duties	1,400,721	12,855,567	11,454,846	13,857,413	424
<b>DOE</b>					
Government share from oil and gas production	11,487,158,138	27,062,298,248	15,575,140,111	27,096,587,500	-
<b>LGU</b>					
Local business tax	607,333	-	(607,333)	187,356	-
Real property tax - Basic	312,527	-	(312,527)	204,056	-
Real property tax - SEF	1,627	-	(1,627)	110,098	-
<b>Subtotal</b>	<b>921,488</b>	<b>-</b>	<b>(921,488)</b>	<b>501,511</b>	<b>-</b>
<b>Total - Oil and gas</b>	<b>26,886,671,765</b>	<b>33,617,651,356</b>	<b>6,730,979,590</b>	<b>33,650,894,058</b>	<b>424</b>
<b>Grand total</b>	<b>60,499,000,627</b>	<b>66,268,980,216</b>	<b>5,770,542,196</b>	<b>65,201,786,204</b>	<b>(54,960,568)</b>

For more details on the reconciliation results, refer to Annex II - VII.

The graph below summarizes the results of reconciliation, excluding non-participating projects, in percentages.

Figure II-10. Summary reconciliation results in percentage contributions



The most glaring number from the graph would be the negative PhP106m variance or -132% of the total variance for NCIP.

Consistent with the FY2021 report, it is BIR who has the biggest contributions to the amount reported by the projects at 69% or PhP41bn, government collections at 49% or PhP32bn, and reconciled amount at 50% or PhP32bn. DOE follows at second place at 19% or PhP11bn, 41% or PhP27m and 42% or PhP27bn of the total amount reported by the projects, government collections and reconciled amount, respectively. Nonetheless, DOE is still the only NGA that attained a zero variance after reconciliation which is consistent previous reports.

For more details on the causes of unreconciled variances, refer to page 167, Section VI, Variances and discrepancies.

iv. Unilateral disclosures for non-participating projects

The details of the non-participation of the projects were discussed in Section III, Scope of the report. Table II-26 sets out the unilateral disclosures of government agencies for the non-participating projects. Note that only non-participating projects and revenue streams with corresponding government amounts are presented.

Table II-26. Unilateral disclosures for non-participating projects

Project	Company Name	Government Agency	Revenue Stream	Government agency amount	% to total reported government collections per sector
<b>Metallic mining</b>					
<b>Nickel</b>					
MOA by and between DENR and PMDC Parcel 1 and Parcel 2B	AAM-Phil Natural Resources Exploration and Development Corporation	BIR	Corporate income tax	1,297,334	0.0060%
			Withholding tax - Final	9,612,873	0.04%
		MGB	Royalty on mineral reservation	9,642,407	0.04%
		PPA	Wharfage Fees	1,208,604	0.01%
		LGU	Local business tax	4,719,329	0.022%
			Real property tax - Basic	7,932	0.00004%
			Real property tax - Special Education Fund (SEF)	7,932	0.00004%
			Mayor's permit	100,000	0.000%
			Community tax	10,500	0.0000%
			Occupation fees	781,300	0.003601%
				<b>27,388,210</b>	<b>0.13%</b>
MPSA No. 011-92-X (SMR)	Oriental Synergy Mining Corporation	MGB	Royalty on mineral reservation	16,310,159	0.08%
		PPA	Wharfage Fees	1,651,133	0.01%
		LGU	Local business tax	9,878,805	0.046%
			Real property tax - Basic	26,762	0.0001%

			Real property tax - Special Education Fund (SEF)	26,762	0.0001%
			Mayor's permit	100,000	0.000%
			Community tax	13,020	0.0001%
			Occupation fees	169,260	0.001%
				28,175,902	0.13%
MPSA No. 031-94-X (SMR)	SR Metals, Inc. (Contract Holder: Vista Buena Mining Corporation)		Local business tax	23,275,909	0.107%
			Real property tax - Basic	339,124	0.002%
		LGU	Real property tax - Special Education Fund (SEF)	339,124	0.002%
			Mayor's permit	5,000	0.00002%
			Community tax	500	0.000002%
			Occupation fees	1,045,280	0.005%
				25,004,937	0.12%
MPSA No. 233-2007-XIII (SMR)	Alnor Nac's Construction and Development Corporation			-	0.00%
				-	0.00%
MPSA No. 247-2007-XIII-SMR -Amended A	Kafugan Mining, Inc. (Contract Holder: Ludgoron Mining Corporation)	MGB	Royalty on mineral reservation	12,751,085	0.06%
				12,751,085	0.06%
MPSA No. 261-2008-XIII (Amended)	SR Metals, Inc.	MGB	Royalty on mineral reservation	21,074,910	0.10%
		NCIP	Royalty for IPs	4,092,785	0.02%
		PPA	Wharfage Fees	13,925,993	0.06%
			Local business tax	31,902,981	0.1%
		LGU	Mayor's permit	6,900	0.00003%
			Community tax	10,500	0.00005%
			Occupation fees	56,700	0.000%
				71,070,768	0.3%
MPSA No. 263-2008-XI (Amended I) B	Arc Nickel Resources, Inc. (Contract Holder: Riverbend Consolidated Mining Corporation)	PPA	Wharfage Fees	8,679,625	0.04%
				8,679,625	0.04%
MPSA No. 292-2009-VIII-Am ended A	Pacific Prime Metals and Resources, Inc. (Contract Holder: Nickelace, Inc.)			-	0.00%

				-	0.00%
SMP No. 001-2015 (Renewal)	Emir Mineral Resources Corporation	PPA	Wharfage Fees	18,012,911	0.08%
				18,012,911	0.08%
MPSA No. 103-98-XIII (SMR)	Shenzou Mining Group Corporation (Contract Holder: Claver Mineral Development Corporation)			-	0.00%
				-	0.00%
<b>Sub-total - Nickel</b>				<b>191,083,437</b>	<b>0.88%</b>
<b>Gold / Silver / Copper</b>					
MPSA No. 090-97-XI	Tribal Mining Corporation			-	0.00%
				-	0.00%
PC-ISRI-004-CAR	Itogon Suyoc Resources, Inc.	BOC	Customs duties	3,094,114	0.01%
			VAT on imported materials and equipment	20,326,243	0.09%
		LGU	Local business tax	720,181	0.003%
			Mayor's permit	900	0.00000%
				24,141,439	0.11%
SMP No. 2021-02	Rosario Manobo Mining Corporation			-	0.00%
				-	0.00%
<b>Sub-total - Gold / Silver / Copper</b>				<b>24,141,439</b>	<b>0.11%</b>
<b>Other metallic mines</b>					
MPSA No. 237-2007-IX	Atro Mining-Vitali, Inc.			-	0.00%
				-	0.00%
MPSA No. 351-2011-VIII	Mt. Sinai Mining Exploration and Development Corporation			-	0.00%
				-	0.00%
MPSA No. 290-2009-VIII	Nicua Corporation			-	0.00%
				-	0.00%
MPSA No. 353-2022-III	Ore Asia Mining and Development Corporation	PPA	Wharfage Fees	737,209	0.00%
				737,209	0.00%
<b>Sub-total - Other metallic mine</b>				<b>737,209</b>	<b>0.003%</b>
<b>Sub-total - Metallic mining</b>				<b>215,962,085</b>	<b>1%</b>
<b>Non-Metallic mining</b>					
<b>Limestone</b>					
MPSA No. 035-96-IV	Linfair Development Corporation			-	0.00%
				-	0.00%
MPSA No. 102-97-IVA	Teresa Marble Corporation	BOC	Customs duties	205,926	0.001%
			VAT on imported materials and equipment	1,665,849	0.01%
				1,871,775	0.01%
MPSA No. 111-98-VII	Quarry Ventures Phils., Inc.	LGU	Local business tax	342,129	0.002%

			Mayor's permit	9,454	0.000066%
				351,583	0.00%
MPSA No. 124-98-IVA	Teresa Marble Corporation			-	0.00%
MPSA No. 125-98-IVA (Amended A)	Teresa Marble Corporation			-	0.00%
MPSA No. 201-2004-III	Spar Development Co., Inc.			-	0.00%
<b>Sub-total - Limestone</b>				<b>2,223,358</b>	<b>0%</b>
<b>Aggregates</b>					
MPSA No. 070-97-IV	Asensio Pinzon Aggregate Corp.			-	0.00%
MPSA No. 075-97-IV	Rapid City Realty and Development Corporation			-	0.00%
MPSA No. 136-99-IV	Majestic Earth Core Ventures, Inc. (Contract Holder: San Rafael Dev't Corporation)			-	0.00%
MPSA No. 257-2007-IVA	Majestic Earth Core Ventures, Inc. (Contract Holder: Rolando B. Gimeno and La Concepcion Construction and Development Corporation)			-	0.00%
SMP No. 2022-03	ATN Holdings, Inc.			-	0.00%
<b>Sub-total - Basalt</b>				<b>-</b>	<b>0.0%</b>
<b>Other non-metallic mines</b>					
MPSA No. 089-97-III	Rockmix, Inc.			-	0%
MPSA No. 273-2008-V	Orophil Stonecraft, Inc.			-	0%
<b>Sub-total - Other non-metallic mining</b>				<b>-</b>	<b>0.0%</b>
<b>Sub-total - Non-Metallic mining</b>				<b>2,223,358</b>	<b>0.02%</b>
<b>Oil and gas</b>					
SC 40	Forum Exploration, Inc.			-	0.0%
SC 14C2	The Philodrill Corporation			-	0.0%
<b>Sub-total - Oil and gas</b>				<b>-</b>	<b>0.0%</b>
<b>Coal</b>					
COC 5	Semirara Mining and Power Corporation	DOE	Government share in production	15,842,879,075	89%
			Customs duties	6,160,825	0.0%
		BOC	VAT on imported materials and equipment	19,076,761	0%
			Excise tax on imported goods	4,210	0.00002%
			Local business tax	73,888,997	0%
		LGU	Mayor's permit	250,000	0.001%
			Real property tax - Basic	1,481,341	0.01%
			Real property tax - SEF	1,481,340	0.0%
		PPA	Wharfage Fees	33,456,497	0%

<b>Sub-total - Coal</b>	<b>15,978,679,048</b>	<b>89%</b>
<b>Total</b>	<b>16,196,864,490</b>	<b>18.2%</b>

As indicated in Table II-26, the non-participation of projects in the metallic mining, non-metallic mining, oil and gas, and coal sectors represents 1%, .02%, 0% and 89%, respectively, of their corresponding sectors. In terms of the entire extractive industry, the non-participation of projects in the metallic mining, non-metallic mining, oil and gas, and coal sectors represents 0.24%, 0.002%, 0% and 18%, respectively. The combined revenue streams of non-participating is at 19.3% of the total revenue streams of the extractive industry which is considered immaterial and does not impact the comprehensiveness of the Report.

#### B. Safety and health, environmental and social expenditures

As discussed in Section III, Scope of report, these expenditures are not remitted to MGB, but are only monitored by the agency. Since these are not revenue streams of the government, in order to arrive at the reconciled amount, the supporting documents were obtained from the participating projects. The remaining variance pertains to participating projects that were not able to submit the necessary supporting documents.

**Safety and health.** For the metallic sector, Region XIII received the most for safe and health followed by CAR amounting to PhP106m or 35% and PhP104m or 34% of the total reconciled expenditure for annual safety and health program, respectively. For Region XIII, Platinum Group Metals Corporation for MPSA No. 007-92-X (PhP32m), Cagdianao Mining for MPSA No. 078-97-XIII (SMR) (PhP29m) and Taganito Mining Corporation for MPSA No. 266-2008-XIII (SMR) (Amended) (PhP27m) are the top contributors and Lepanto Consolidated Mining for MPSA No. 001-90-CAR (PhP61m) and are Philex Mining for MPSA No. 276-2009-CAR (PhP44m) for CAR. Other top mining projects Apex Mining for MPSA No. 225-2005-XI (PhP30m) in Region XI and TVI Resource Development for MPSA No. 086-97-IX in Region IX (PhP15m). For the non-metallic sector, PhP17m or 980% of the total reconciled annual safety and health was spent in Region IVA with Republic Cement for MPSA-29-95-IV contribution amounted to PhP17m.

**Environmental protection.** Similar to safety and health, for the metallic sector, Region XIII, received the highest amount of expenditure for environmental protection with PhP563bn or 34% of the total reconciled mandatory expenditures for environmental protection followed by CAR with PhP278m or 17% of the total reconciled environmental expenditure. Top metallic mining projects are Philex Mining for MPSA No. 276-2009-CAR (PhP278m), Platinum Group Metals Corporation for MPSA No. 007-92-X (PhP144m), and Carmen Copper for MPSA No. 210-2005-VII (PhP139m). The non-metallic sector, on the other hand, spent the most for environmental protection on Region VII amounting to PhP49m or 35% of the total reconciled environmental expenditure with Apo Land and Quarry Corporation for MPSA No. 013-93-VII contributing to PhP24m or 50% of the total expenditure on Region VII.

**Social development.** Region XIII received the highest amount of expenditure for social development for the metallic sector amounting to PhP275m or 35% of the total reconciled social expenditures, followed by Region II with PhP153m or 20%. Top metallic mining projects were Carmen Copper for MPSA No. 210-2005-VII of Region VII (PhP120m) and FCF Minerals for FTAA No. 04-2009-II of Region II (PhP109m). For the non-metallic sector, Region III receives the highest amount of expenditure for social development amounting to PhP17m or 40% followed by Region VII with PhP10m or 24% total reconciled social expenditures. Republic Cement & Building Materials, Inc. for MPSA No. 026-94-III contributed PhP7m to Region III, and Eagle Cement for MPSA No. 181-2002-III contributed PhP5m to Region III.

For more details on the reconciliation results of safety and health, environmental and social expenditures, refer to Annex VIII.

#### V. LGUs in focus

The LGUs' sources of revenues may be classified into indirect payments, such as shares in national wealth and from internal revenue allocation (IRA), and direct payments such as those collected by LGUs themselves based on national laws and local tax codes. Examples include local taxes on business and real property, community tax, and other taxes and fees.

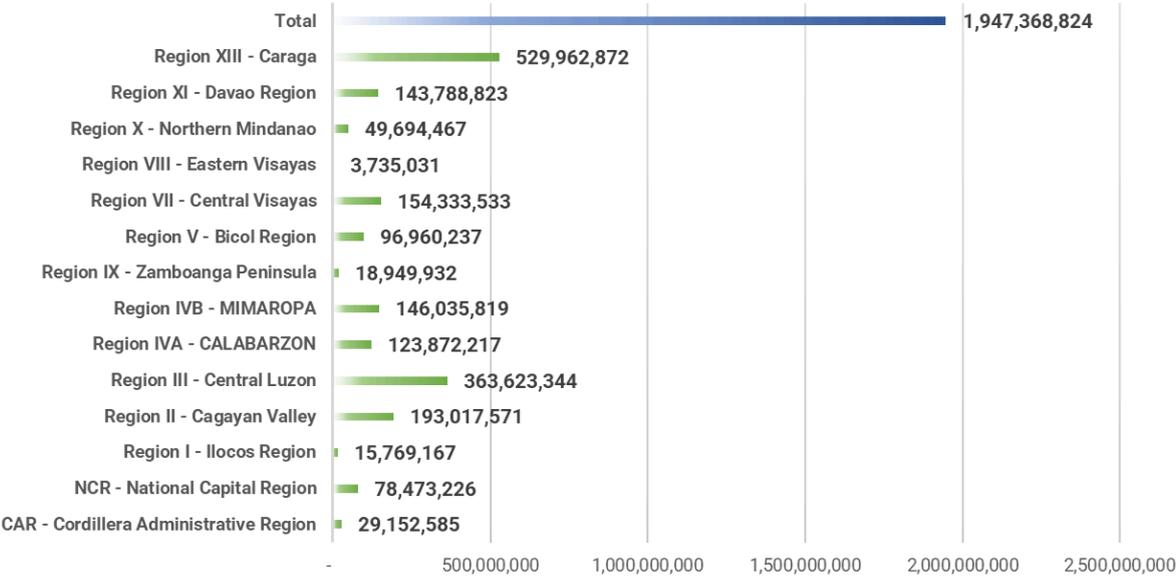
The details of direct LGU payments reconciliation and corresponding analysis are presented in this section. DBM releases of LGU's share in national wealth and MGB allocation of collected royalties on mineral reservation are also covered in this section.

Amounts reconciled are only those for provinces, municipalities, and cities. Reconciliations of LGU figures do not include share in national wealth of barangays as the report focuses on share in national wealth processed for release to provinces, municipalities, and cities.

A. Direct payments to LGUs

In 2022, PhP1.9bn (2019 - PhP1.5bn) were directly remitted to LGUs as hosts of the extractive projects. This is in addition to the LGU's share in national wealth as distributed by the DBM which will be discussed in the 'shares in national wealth' sub-section.

Figure II-11. Distribution of reconciled collections per region



Of the total LGU receipts, Region XIII, which hosts the most number of metallic projects, continued to receive the highest collection of local taxes at PhP539m or almost 27% of total payments in 2022 (2019 - PhP702m or 39%). The significant contributors of local taxes in Region XIII (Caraga) are Platinum (PhP102m), Taganito Mining (PhP97m), Carrascal Nickel (PhP80m), Marcventures (PhP65m), and Philsaga (PhP64.5m).

Following Region XIII is Region III with total reconciled direct payments amounting to PhP364m or almost 19%. Region III host most number non-metallic projects. Eagle Cement contributed to 63% of the total reconciled direct payments.

The succeeding tables summarized the reconciliation of direct LGU payments mapped to respective regions, provinces, and municipalities/cities, accordingly, including disclosures for non-participating projects.

Table II-27. Summary of reconciliation for direct LGU collections disaggregated by municipality/city

Region	Province	Municipality /City	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
Metallic mining							
CAR - Cordillera Administrative Region	Benguet	Bokod	6,069	-	(6,069)	6,069	-
		Itogon	16,764,233	15,297,620	(1,466,613)	16,763,098	-
		Mankayan	8,175,790	2,269,754	(5,906,035)	-	(5,906,035)
	La Union	Tuba	12,383,418	12,854,361	470,942	12,383,418	-
		Baguio City	52,850	-	(52,850)	-	(52,850)
		San Fernando City	464,773	-	(464,773)	-	(464,773)
<b>CAR - Cordillera Administrative Region Total</b>			<b>37,847,133</b>	<b>30,421,735</b>	<b>(7,425,398)</b>	<b>29,152,585</b>	<b>(6,423,659)</b>
Region II - Cagayan Valley	Isabela	Dinapigue	920,688	-	(920,688)	920,688	-
		Nueva Vizcaya	Bambang	1,941,634	-	(1,941,634)	530,501
		Bayombong	525,568	-	(525,568)	525,568	-
		Kasibu	33,540,699	52,029,142	18,488,443	33,540,699	18,488,443
		Nueva Vizcaya	54,780,571	24,106,937	(30,673,634)	-	(30,673,634)
	Quezon		120,928,586	98,591,696	(22,336,890)	120,928,586	-
		Solano	225,771	-	(225,771)	225,771	-
	Quirino	Cabarroguis	15,372,820	-	(15,372,820)	15,372,820	-
		Nagtipunan	20,962,937	-	(20,962,937)	20,962,937	-
	<b>Region II - Cagayan Valley Total</b>			<b>249,199,274</b>	<b>174,727,775</b>	<b>(74,471,500)</b>	<b>193,007,571</b>
Region III - Central Luzon	Zambales	Candelaria	22,726,219	25,070,532	2,344,313	22,681,385	-
		Sta. Cruz	24,276,452	26,606,838	2,330,386	27,568,847	-
<b>Region III - Central Luzon Total</b>			<b>47,002,671</b>	<b>51,677,370</b>	<b>4,674,699</b>	<b>50,250,231</b>	<b>-</b>
NCR - National Capital Region	Metro Manila	Makati	5,648,517	-	(5,648,517)	5,648,517	-

		Makati City	22,691,700	-	(22,691,700)	22,588,705	(1,265,220)
		Mandaluyong	904,811	-	(904,811)	1,043,311	-
		Muntinlupa City	-	-	-	-	-
		Paranaque City	375,000	-	(375,000)	468,750	-
		Pasay City	29,980	40,817	10,837	40,817	(29,980)
		Pasig City	11,215,966	11,157,578	(58,388)	11,157,578	-
		Quezon City	-	-	-	288,295	-
		Taguig City	10,336,518	14,175	(10,322,343)	10,265,121	(35,368)
<b>NCR - National Capital Region Total</b>			<b>51,202,492</b>	<b>11,212,570</b>	<b>(39,989,922)</b>	<b>51,501,093</b>	<b>(1,330,568)</b>
<b>Region IVB - MIMAROPA</b>	<b>Palawan</b>	Bataraza	90,811,842	2,015	(90,809,827)	84,909,789	(12,350,386)
		Brookes Pt.	95,220	-	(95,220)	9,952	-
		Narra	32,153,279	32,153,279	-	32,153,279	-
		Sofronio Española	32,365,111	31,307,341	(1,057,770)	28,962,799	(1,057,770)
<b>Region IVB - MIMAROPA Total</b>			<b>155,425,452</b>	<b>63,462,635</b>	<b>(91,962,817)</b>	<b>146,035,819</b>	<b>(13,408,156)</b>
<b>Region V - Bicol Region</b>	<b>Camarines Norte</b>	Jose Panganiban	4,500	4,821	321	4,500	321
	<b>Masbate</b>	Aroroy	62,337,992	34,879,612	(27,458,380)	34,879,612	-
		Masbate	34,471,399	61,465,046	26,993,647	61,465,046	-
<b>Region V - Bicol Region Total</b>			<b>96,813,892</b>	<b>96,349,480</b>	<b>(464,412)</b>	<b>96,349,159</b>	<b>321</b>
<b>Region VII - Central Visayas</b>	<b>Cebu</b>	Toledo City	121,514,052	24,267,267	(97,246,785)	121,245,565	-
<b>Region VII - Central Visayas Total</b>			<b>121,514,052</b>	<b>24,267,267</b>	<b>(97,246,785)</b>	<b>121,245,565</b>	<b>-</b>
<b>Region VIII - Eastern Visayas</b>	<b>Eastern Samar</b>	Guian	7,177,443	-	(7,177,443)	-	(7,177,443)
		Guiuan	3,622,674	3,622,674	(0)	3,622,674	-
	<b>Leyte</b>	Lapu-Lapu City	58,550	-	(58,550)	58,550	-
		MacArthur	29,200	-	(29,200)	53,807	-
<b>Region VIII - Eastern Visayas Total</b>			<b>10,887,867</b>	<b>3,622,674</b>	<b>(7,265,193)</b>	<b>3,735,031</b>	<b>(7,177,443)</b>
<b>Region IX - Zamboanga Peninsula</b>	<b>Zamboanga Del Sur</b>	Diplahan	18,949,932	-	(18,949,932)	18,949,932	-

<b>Region IX - Zamboanga Peninsula Total</b>			<b>18,949,932</b>	<b>-</b>	<b>(18,949,932)</b>	<b>18,949,932</b>	<b>-</b>
<b>Region XI - Davao Region</b>	<b>Davao De Oro</b>	Maco	100,385,475	99,092,709	(1,292,766)	100,385,475	-
	<b>Davao Del Sur</b>	Davao City	15,733,269	-	(15,733,269)	15,704,879	-
	<b>Davao Oriental</b>	Makati City	-	-	-	-	-
		Mati	9,165	-	(9,165)	3,960	-
	<b>Metro Manila</b>	Pasig City	-	-	-	-	-
<b>Region XI - Davao Region Total</b>			<b>116,127,909</b>	<b>99,092,709</b>	<b>(17,035,200)</b>	<b>116,094,314</b>	<b>-</b>
<b>Region XIII - Caraga</b>	<b>Agusan Del Norte</b>	Butuan City	92	92	0	92	-
	<b>Agusan del Sur</b>	Bunawan	66,591,070	90,103,462	23,512,391	62,576,462	(4,014,609)
		Rosario	4,001,279	3,112,104	(889,175)	2,000,640	(2,000,640)
	<b>Cebu</b>	Mandaue City	1,212,417	-	(1,212,417)	1,212,417	-
	<b>Dinagat Islands</b>	Cagdianao	44,920,798	44,920,798	-	44,920,798	-
		Dinagat Islands	-	25,860,867	25,860,867	-	15,343,656
		Libjo	8,162,632	8,144,062	(18,570)	9,080,247	(78,153)
		Loreto	8,721,974	8,603,918	(118,057)	8,721,974	1,250,861
		Tubajon	6,023,234	6,648,316	625,082	1,164,504	(1,557,503)
	<b>Surigao del Norte</b>	Claver	223,808,071	321,130,132	97,322,061	223,716,883	-
		Guiuan	75,645	-	(75,645)	75,644	-
		Mainit	4,577,875	-	(4,577,875)	4,578,518	-
		Surigao City	-	4,257	4,257	-	4,257
		Tagana-an	20,741,541	20,741,541	-	20,741,541	-
		Tubod	6,153,446	6,153,446	-	6,153,446	-
	<b>Surigao del Sur</b>	Cantilan	63,235,177	15,271	(63,219,906)	49,820,125	-
		Carrascal	95,199,917	128,026,035	32,826,118	95,199,581	33,566,810
<b>Region XIII - Caraga Total</b>			<b>553,425,167</b>	<b>663,464,300</b>	<b>110,039,133</b>	<b>529,962,872</b>	<b>42,514,680</b>
Subtotal - Metallic mining			1,458,395,841	1,218,298,515	(240,097,326)	1,356,284,173	1,989,985
Subtotal - Non-metallic mining							
<b>Region I - Ilocos Region</b>	<b>La Union</b>	Bacnotan	-	-	-	-	-

	Balaoan	-	-	-	23,160	-	
	Sto. Tomas	23,925	-	(23,925)	-	(23,925)	
<b>Pangasinan</b>	Agno	-	-	-	-	-	
	Malasiqui	98,535	-	(98,535)	32,962	(65,573)	
	Mangatarem	80,083	-	(80,083)	88,977	-	
	Pozorrubio	203,285	-	(203,285)	-	(203,285)	
	Sison	61,403,780	-	(61,403,780)	15,481,632	(45,922,149)	
	Sual	142,436	-	(142,436)	142,436	-	
	Villasis	271,949	-	(271,949)	-	(271,949)	
<b>Region I - Ilocos Region Total</b>		<b>62,223,992</b>	<b>-</b>	<b>(62,223,992)</b>	<b>15,769,167</b>	<b>(46,486,881)</b>	
<b>Region III - Central Luzon</b>	<b>Bulacan</b>	Bataan	61,627	-	(61,627)	61,627	-
		Doña Remedios Trinidad	3,481,015	-	(3,481,015)	3,481,015	-
		Mandaluyong	8,657,257	-	(8,657,257)	8,615,580	-
		Norzagaray	99,360,535	131,814,922	32,454,387	74,073,257	(1,027,191)
		San Ildefonso	225,773,761	-	(225,773,761)	227,141,634	-
		San Jose del Monte	-	-	-	-	-
<b>Region III - Central Luzon Total</b>		<b>337,334,195</b>	<b>131,814,922</b>	<b>(205,519,272)</b>	<b>313,373,113</b>	<b>(1,027,191)</b>	
<b>NCR - National Capital Region</b>	<b>Metro Manila</b>	Makati City	2,461,408	-	(2,461,408)	2,453,495	-
		Mandaluyong	-	-	-	23,862	-
		Mandaluyong City	-	-	-	-	-
		Paranaque City	-	-	-	-	-
		Quezon City	-	-	562,607	-	-
		Taguig City	4,771,416	-	(4,771,416)	24,153,266	-
<b>NCR - National Capital Region Total</b>		<b>7,232,825</b>	<b>-</b>	<b>(6,670,218)</b>	<b>26,630,623</b>	<b>-</b>	
<b>Region IVA - CALABARZON</b>	<b>Batangas</b>	Ibaan	150,964	-	(150,964)	150,964	-
		Taysan	57,890,865	50,713,893	(7,176,972)	57,890,865	-

	<b>Cavite</b>	Imus	13,800	-	(13,800)	13,800	-
	<b>Rizal</b>	Angono	13,744,619	4,230,202	(9,514,418)	4,254,234	(4,752,879)
		Antipolo City	11,078,194	8,528,556	(2,549,639)	8,211,430	(914,407)
		Binanongan		-	-	-	-
		Rodriguez	5,000	-	(5,000)	5,000	-
		Teresa	54,250,577	1,028,306	(53,222,271)	53,195,925	(26,346)
<b>Region IVA - CALABARZON Total</b>			<b>137,134,019</b>	<b>64,500,956</b>	<b>(72,633,064)</b>	<b>123,722,217</b>	<b>(5,693,631)</b>
<b>Region IVB - MIMAROPA</b>	<b>Palawan</b>	Bataraza	5,868,885	-	(5,868,885)	-	-
<b>Region IVB - MIMAROPA Total</b>			<b>5,868,885</b>	<b>-</b>	<b>(5,868,885)</b>	<b>-</b>	<b>-</b>
<b>Region V - Bicol Region</b>	<b>Albay</b>	Camalig	594,497	-	(594,497)	550,823	-
		Legaspi City	125,066	-	(125,066)	60,256	-
<b>Region V - Bicol Region Total</b>			<b>719,563</b>	<b>-</b>	<b>(719,563)</b>	<b>611,079</b>	<b>-</b>
<b>Region VII - Central Visayas</b>	<b>Bohol</b>	Garcia Hernandez	2,583,749	2,583,749	-	2,583,749	-
		Jagna	125	-	(125)	125	-
	<b>Cebu</b>	Alcoy	958,550	963,977	5,426	958,550	-
		Carmen	-	-	-	-	-
		Dalaguete	29,615	-	(29,615)	30,279	-
		Danao City	7,774,779	-	(7,774,779)	7,774,759	-
		Mandaue City	717,755	-	(717,755)	802,029	-
		Minglanilla	-	-	-	-	-
		Naga City	10,457,014	9,847,038	(609,976)	10,467,116	-
		San Fernando	18,337,461	-	(18,337,461)	1,688,453	(13,674,496)
		Talisay City	722,769	-	(722,769)	698,217	-
	<b>Negros Oriental</b>	Ayungon	-	-	-	-	-
	<b>Siquijor</b>	Lazi	1,597,682	-	(1,597,682)	1,576,858	-
<b>Region VII - Central Visayas Total</b>			<b>43,179,500</b>	<b>13,394,764</b>	<b>(29,784,736)</b>	<b>26,580,135</b>	<b>(13,674,496)</b>
<b>Region X - Northern Mindanao</b>	<b>Lanao del Norte</b>	Iligan City	50,155,684	-	(50,155,684)	49,694,467	-

	<b>Misamis Oriental</b>	Iligan City	3,213,246	-	(3,213,246)	-	(3,213,246)
<b>Region X - Northern Mindanao Total</b>			<b>53,368,930</b>	-	<b>(53,368,930)</b>	<b>49,694,467</b>	<b>(3,213,246)</b>
<b>Region XI - Davao Region</b>	<b>Davao del Sur</b>	Davao City	-	-	-	27,694,508	-
<b>Region XI - Davao Region Total</b>			-	-	-	<b>27,694,508</b>	-
Subtotal - Non-metallic mining			647,061,909	209,710,642	(436,788,660)	584,075,309	(70,095,444)
Oil and gas							
<b>Region II - Cagayan Valley</b>	<b>Cagayan</b>	Cagayan River Basin	-	-	-	-	-
	<b>Isabela</b>	Cauayan City	18,997	-	(18,997)	10,000	-
<b>Region II - Cagayan Valley Total</b>			<b>18,997</b>	-	<b>(18,997)</b>	<b>10,000</b>	-
<b>NCR - National Capital Region</b>	<b>Metro Manila</b>	Taguig City	868,808	-	(868,808)	341,511	-
<b>NCR - National Capital Region Total</b>			<b>902,491</b>	-	<b>(902,491)</b>	<b>341,511</b>	-
<b>Region IVA - CALABARZON</b>	<b>Batangas</b>	<b>Batangas</b>	-	-	-	<b>150,000</b>	-
<b>Region IVA - CALABARZON Total</b>			-	-	-	<b>150,000</b>	-
Subtotal - Oil and gas			921,488	-	(921,488)	501,511	-
<b>Total</b>			<b>2,106,379,238</b>	<b>1,428,009,157</b>	<b>(677,807,474)</b>	<b>1,940,860,992</b>	<b>(68,105,459)</b>

For reconciliation disaggregated by province, municipality/city, participating projects and respective companies, refer to Annex IX.

#### B. Share in national wealth

LGUs are entitled to a 40% share in national wealth. These shares are released to the LGUs by the DBM. The succeeding tables show a summary of LGU shares as reported by the DBM and the LGUs hosting extractive operations. Similar to the prior reports, reconciliation of the shares in national wealth proves to be challenging given the current level data of disaggregation and the availability of information to the LGUs regarding their shares in national wealth.

Discrepancies between the amount transferred and the amount calculated in accordance with the relevant revenue sharing formula can be attributed to the cap in the amount that can be allocated to a specific LGU.

The amount allocated by the DBM is limited to the amount of share in national wealth programmed into the LGUs' current year budget. Should the amount of share in national wealth allocated to an LGU exceed the programmed amount in the LGU's current year budget, the excess would be distributed to the LGU in the subsequent year. On the other hand, there is also no minimum amount

that should be allocated to an LGU, as this is entirely based on the amount allocated by the BIR and/or MGB.

By regulation, share of mining taxes is released automatically, with no further action needed, to the concerned provincial, city, municipal or barangay treasurer. However, there are instances wherein the shares of certain LGUs are not released. This happens when there are uncertain details on the LGU to whom the share is allocated. For example, if the name of the barangay to be given the allocation is not specified by the BIR/MGB, this will be investigated by the DBM and will not be released until the uncertain detail has been disposed of.

Tables II-28 to Table II-31 details the reconciliation of shares released by DBM and shares received by LGU for mining taxes, royalty on mineral reservations, energy sources and forestry charges.

i. Mining taxes

Table II-28. Reconciliation of shares in national wealth from mining taxes

Region	Province	City / Municipality	Amount released by DBM	Amount released by LGU	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
CAR - Cordillera Administrative Region	Benguet	Baguio City	81,536	57,278	24,258	-	24,258
		Benguet	50,023,401	50,023,400	1	50,023,401	-
		Itogon	54,927,776	37,321,942	17,605,834	-	17,605,834
		Mankayan	2,736,285	2,736,285	0	2,736,285	-
		Tuba	54,888,591	54,888,590	1	54,888,591	-
Region IVB - MIMAROPA	Occidental Mindoro	Mamburao	6,226	8,595	(2,369)	-	(2,369)
		Occidental Mindoro	8,595	8,595	-	8,595	-
		Magsaysay	2,848	-	2,848	-	2,848
		Sablayan	675	-	675	-	675
		San Jose	9,589	9,589	-	9,589	-
	Palawan	Bataraza	36,969,077	90,099,792	(53,130,715)	-	(53,130,715)
		Narra	13,212,624	13,212,623	0	13,212,624	-
		Palawan	38,271,194	32,935,470	5,335,724	-	5,335,724
		Quezon	19,894,838	22,453,538	(2,558,700)	-	(2,558,700)
		Sofronio Española	16,033,649	16,033,649	(0)	16,033,649	-
Region I - Ilocos Region	Pangasinan	Pangasinan	1,788,516	1,788,516	0	1,788,516	-
		San Nicolas	13,296	-	13,296	-	13,296
		Santa Maria	72	-	72	-	72
		Sison	4,009,992	4,009,992	0	4,009,992	-
		Tayug	801	-	801	-	801

Region III - Central Luzon	Bataan	Balanga	158,785	-	158,785	-	158,785
	Bulacan	Bulacan	2,287,979	2,287,979	(0)	2,287,979	-
		San Ildefonso	5,147,952	3,707,133	1,440,819	-	1,440,819
	Zambales	Candelaria	15,238,975	7,357,113	7,881,862	-	7,881,862
		Santa Cruz	42,294,218	42,294,217	0	42,294,218	-
		Zambales	25,570,308	25,613,966	(43,658)	-	(43,658)
Region IVA - CALABAR ZON	Rizal	Angono	2,401,472	2,401,472	(0)	2,401,472	-
		Antipolo City	2,581,583	2,581,583	0	2,581,583	-
		Rizal	1,067,321	1,067,321	0	1,067,321	-
		Tanay	-	47,625	(47,625)	-	(47,625)
Region IX - Zamboan ga Peninsula	Zamboanga a Del Sur	Bayog	6,839,444	6,839,444	(0)	6,839,444	-
		Zamboanga Del Sur	3,039,753	3,039,753	0	3,039,753	-
Region V - Bicol Region	Albay	Albay	475,121	488,551	(13,430)	-	(13,430)
		Camalig	31,015	-	31,015	-	31,015
		Daraga	116,034	116,034	-	116,034	-
		Jovellar	522,574	246,031	276,543	-	276,543
		Legazpi City	625,634	631,847	(6,213)	-	(6,213)
		Rapu-Rapu	399,399	178,185	221,214	-	221,214
		Camarines Sur	Iriga City	290	290	-	290
	Catanduan es	Virac	-	2,179	(2,179)	-	(2,179)
		Masbate	Aroroy	245,624,658	278,825,520	(33,200,862)	-
	Masbate		109,166,515	109,166,515	(0)	109,166,515	-
Sorsogon	Sorsogon	9,780	8,261	1,519	-	1,519	
	Casiguran	18,588	-	18,588	-	18,588	
Region VI - Western Visayas	Antique	Antique	115,301,354	548,173,164	(432,871,810)	-	(432,871,810)
		Caluya	259,428,046	1,162,321,218	(902,893,172)	-	(902,893,172)
	Negros Occidental	Cadiz	7,513	-	7,513	-	7,513
		Calatrava	-	229	(229)	-	(229)
		Negros Occidental	-	86,670	(86,670)	-	(86,670)

		Sagay City	4,077	1,331	2,746	-	2,746
	Negros Oriental	Negros Oriental	5,876	-	5,876	-	5,876
	Bohol	Ayungon	13,222	-	13,222	-	13,222
Region VII - Central Visayas	Bohol	Bohol	624,000	192,000	432,000	-	432,000
		Garcia Hernandez	1,404,000	864,000	540,000	-	540,000
	Cebu	Alcantara	190	-	190	-	190
		Alcoy	2,053,980	2,053,980	0	2,053,980	-
		Argao	22,008	806,456	(784,449)	-	(784,449)
		Carcar	10	-	10	-	10
		Cebu	960,199	960,199	(0)	960,199	-
		Dalaguete	3,023	55,049	(52,026)	-	(52,026)
		Danao City	-	13,420	(13,420)	-	(13,420)
		Minglanilla	70,127	9,418	60,709	-	60,709
		Naga City	17,688	7,584	10,105	-	10,105
		Pinamungajan	11,119	232	10,887	-	10,887
		Talisay	37,750	-	37,750	-	37,750
		Toledo	224,109,591	-	224,109,591	-	224,109,591
	Siquijor	Siquijor	288,910	-	288,910	-	288,910
		Lazi	650,047	-	650,047	-	650,047
Region VIII - Eastern Visayas	Leyte	Javier	-	88,568	(88,568)	-	(88,568)
		Macarthur	-	3	(3)	-	
	Northern Samar	Northern Samar	2,446	-	2,446	-	2,446
		Allen	1,950	-	1,950	-	1,950
		Bobon	482	-	482	-	482
		Catarman	720	-	720	-	720
		Las Navas	58	-	58	-	58
		Lavezares	436	-	436	-	436
		Pambujan	161	-	161	-	161
		San Roque	1,697	-	1,697	-	1,697
Region X - Northern	Lanao Del Norte	Lanao Del Norte	619	-	619	-	619

Mindanao		Baroy	1,334	1,334	(0)	1,334	-
		Iligan	166,778	-	166,778	-	166,778
		Salvador	59	-	59	-	59
Region XI - Davao Region	Mismamis Oriental	Cagayan De Oro	35,471	-	35,471	-	35,471
	Davao De Oro	Davao De Oro	-	2,118,073	(2,118,073)	-	(2,118,073)
		Compostela Valley	2,118,073	-	2,118,073	-	2,118,073
		Maco	4,765,664	4,765,664	(0)	4,765,664	-
Region XII - SOCCSKS ARGEN	Sultan Kudarat	Sultan Kudarat	-	180,660	(180,660)	-	(180,660)
Region XIII - Caraga	Agusan Del Norte	Agusan Del Norte	40,042,451	40,081,384	(38,933)	-	(38,933)
		Santiago	15,901,616	15,901,616	0	15,901,616	-
		Tubay	74,193,899	84,193,899	(10,000,000)	-	(10,000,000)
	Agusan Del Sur	Agusan Del Sur	45,545,876	45,545,877	(1)	45,545,876	-
		Bunawan	102,478,221	102,478,222	(1)	102,478,221	-
	Dinagat Islands	Cagdianao	66,492,286	66,492,288	(2)	66,492,286	-
		Dinagat Islands	32,856,084	17,894,375	14,961,709	-	14,961,709
		Loreto	4,701,336	3,434,476	1,266,860	-	1,266,860
		Tubajon	2,732,567	-	2,732,567	-	2,732,567
	Surigao Del Norte	Claver	228,491,057	228,491,058	(1)	228,491,057	-
		Surigao Del Norte	114,389,394	66,277,604	48,111,790	-	48,111,790
		Tagana-An	28,885,079	44,887,645	(16,002,566)	-	(16,002,566)
	Surigao Del Sur	Barobo	-	56,648	(56,648)	-	(56,648)
		Bislig City	-	1,112,637	(1,112,637)	-	(1,112,637)
		Carrascal	121,588,392	121,588,393	(1)	121,588,392	-
		Madrid	-	16,170	(16,170)	-	(16,170)
		Surigao Del Sur	54,039,286	38,431,482	15,607,804	-	15,607,804
			2,300,943,196	3,412,071,891	(1,111,128,695)	900,784,471	(1,111,128,690)

ii. Royalty on mineral reservation

Table II-29. Reconciliation of shares in national wealth from royalty on mineral reservation

Region	Province	City / Municipality	Amount released by DBM	Amount released by LGU	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	
CAR - Cordillera Administrative Region	Benguet	Itogon	-	17,605,834	(17,605,834)	-	(17,605,834)	
Region III - Central Luzon	Zambales		9,953,014	9,953,014	0	9,953,014	-	
		Santa Cruz	22,394,282	22,394,282	(0)	22,394,282	-	
Region V - Bicol Region	Albay	Manito	-	2,680,916	(2,680,916)	-	(2,680,916)	
Region XII - SOCCSKSARGEN	Sarangani	Sarangani	-	351,495	(351,495)	-	(351,495)	
Region XIII - Caraga	Dinagat Islands		22,268,593	37,230,301	(14,961,708)	-	(14,961,708)	
		Cagdianao	35,784,230	35,784,232	(2)	35,784,230	-	
		Libjo	4,360,836	-	4,360,836	-	4,360,836	
		Loreto	7,147,902	7,147,902	0	7,147,902	-	
		Tubajon	2,811,365	-	2,811,365	-	2,811,365	
		Surigao Del Norte	64,742,163	112,853,956	(48,111,793)	-	(48,111,793)	
	Surigao Del Sur	Claver	129,676,449	129,676,448	1	129,676,449	-	
		Taganaan	15,993,417	-	15,993,417	-	15,993,417	
			33,439,507	49,047,308	(15,607,801)	-	(15,607,801)	
	REGION IX - Zamboanga Peninsula	Zamboanga Sibugay	Carrascal	75,238,891	75,238,888	3	75,238,891	-
			Diplahan	-	60,987	(60,987)	-	(60,987)
			Payao	-	195,553	(195,553)	-	(195,553)
				423,810,648	500,221,117	(76,410,469)	280,194,768	(76,410,471)

iii. Energy sources

Table II-30. Reconciliation of shares in national wealth from energy sources

Region	Province	Municipality /City	Amount released by DBM	Amount received by LGU	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
CAR - Cordillera Administrative Region	Benguet		7,488,555	-	7,488,555	-	7,488,555
		Bakun	13,840	-	13,840	-	13,840
		Bokod	8,955,576	-	8,955,576	-	8,955,576

	Itogon	7,532,717	10,174,413	(2,641,696)	-	(2,641,696)
	La Trinidad	279,369	-	279,369	-	279,369
	Sablan	57,051	-	57,051	-	57,051
	Tuba	84,945	15,777	69,168	-	69,168
	Ifugao	737,631	737,631	0	737,631	-
	Aguinaldo	1,823,227	1,823,227	0	1,823,227	-
	Alfonso Lista	2,123,047	2,123,047	0	2,123,047	-
	Lagawe	1,282,604	1,282,604	0	1,282,604	-
	Lamut	1,278,454	1,278,454	(0)	1,278,454	-
	Mayoyao	1,063,445	573,401	490,044	-	490,044
	Kalinga	15,381	9,610	5,771	-	z
	Tabuk	34,607	1,047,061	(1,012,454)	-	(1,012,454)
	Mountain Province	355,336	-	355,336	-	355,336
	Sabangan	799,506	636,059	163,447	-	163,447
Region I - Ilocos Region	Ilocos Norte	7,945,138	7,945,138	(0)	7,945,138	-
	Bangui	2,287,065	935,624	1,351,441	-	1,351,441
	Burgos	8,100,855	7,998,365	102,490	-	102,490
	Currimao	922,501	402,270	520,231	-	520,231
	Pagudpud	6,566,140	-	6,566,140	-	6,566,140
	Pangasinan	-	1,168,393	(1,168,393)	-	(1,168,393)
Region II - Cagayan Valley	Isabela	4,687,344	4,687,344	0	4,687,344	-
	Cordon	2,018,672	-	2,018,672	-	2,018,672
	Ramon	2,710,610	-	2,710,610	-	2,710,610
	Nueva Vizcaya	1,468,458	-	1,468,458	-	1,468,458
	Alfonso Castañeda	201,541	-	201,541	-	201,541
	Bagabag	1,927,504	-	1,927,504	-	1,927,504
	Diadi	1,075,188	-	1,075,188	-	1,075,188
Region III - Central Luzon	Aurora	37,007	-	37,007	-	37,007
	Maria Aurora	497,169	-	497,169	-	497,169
	Bataan	239,637	-	239,637	-	239,637

	Hermosa	517,153	-	517,153	-	517,153	
	Morong	22,029	-	22,029	-	22,029	
Bulacan		255,056	-	255,056	-	255,056	
	Doña Remedios Trinidad	-	2,005,591	(2,005,591)	-	(2,005,591)	
	San Ildefonso	504,637	504,637	0	504,637	-	
	San Miguel	69,238	-	69,238	-	69,238	
Nueva Ecija		848,249	-	848,249	-	848,249	
	Carranglan	578,030	-	578,030	-	578,030	
	Cabanatuan	88,722	-	88,722	-	88,722	
Pampanga		815,828	-	815,828	-	815,828	
	Mabalacat	393,925	-	393,925	-	393,925	
	Mexico	1,441,688	-	1,441,688	-	1,441,688	
Tarlac		1,124,247	-	1,124,247	-	1,124,247	
	Concepcion	578,778	-	578,778	-	578,778	
	Tarlac City	1,950,778	-	1,950,778	-	1,950,778	
Zambales		59,218	15,560	43,658	-	43,658	
	Palauig	133,240	-	133,240	-	133,240	
NCR - National Capital Region	Metro Manila	Quezon City	42,488	-	42,488	-	42,488
		Valenzuela	428,544	-	428,544	-	428,544
Region IV-A - MIMAROPA	Batangas		5,464,464	65,669,107	(60,204,644)	-	(60,204,644)
		Balayan	-	1,570,388	(1,570,388)	-	(1,570,388)
		Batangas City	-	152,300,842	(152,300,842)	-	(152,300,842)
		Calaca City	-	7,353,839	(7,353,839)	-	(7,353,839)
		Calatagan	2,329,637	2,329,637	(0)	2,329,637	-
		Lian	83,280	-	83,280	-	83,280
		Santo Tomas	9,039,389	9,039,389	0	9,039,389	-
		Taysan	-	213,233	(213,233)	-	(213,233)
Laguna			4,161,172	-	4,161,172	-	4,161,172
		Bay	3,602,664	3,602,664	0	3,602,664	-

	Biñan	9,015	9,015	-	9,015	-
	Calamba	1,018,804	1,018,804	0	1,018,804	-
	Calauan	5,139,369	-	5,139,369	-	5,139,369
	Cavinti	-	10,481,291	(10,481,291)	-	(10,481,291)
	Kalayaan	-	6,500,259	(6,500,259)	-	(6,500,259)
	Los Baños	290,721	-	290,721	-	290,721
	Luisiana	-	437,957	(437,957)	-	(437,957)
	Lumban	-	6,595,935	(6,595,935)	-	(6,595,935)
	Nagcarlan	52,139	-	52,139	-	52,139
	Majayjay	68,378	42,471	25,907	-	25,907
	Pagsanjan	-	9,418,343	(9,418,343)	-	(9,418,343)
	San Pablo	24,283	-	24,283	-	24,283
	Oriental Mindoro	236,119	-	236,119	-	236,119
	San Teodoro	531,268	531,268	0	531,268	-
	Rizal	1,055,342	1,055,342	0	1,055,342	0
	Pililla	2,374,520	-	2,374,520	-	2,374,520
	Romblon	6,882	-	6,882	-	6,882
	San Fernando	15,485	-	15,485	-	15,485
Region V - Bicol Region	Albay	7,152,973	7,152,973	0	7,152,973	-
	Manito	1,774,394	-	1,774,394	-	1,774,394
	Rapu-Rapu	747,003	506,012	240,991	-	240,991
	Tiwi	9,177,010	9,177,010	(0)	9,177,010	-
	Camarines Sur	6,183	6,183	-	6,183	-
	Buhi	13,912	-	13,912	-	13,912
	Catanduanes	38,362	38,362	-	38,362	-
	Caramoran	29,959	-	29,959	-	29,959
	San Miguel	56,356	-	56,356	-	56,356
	Sorsogon	2,357,438	2,362,205	(4,767)	-	(4,767)
	Sorsogon City	9,700,016	4,675,524	5,024,492	-	5,024,492
Region VII - Central Visayas	Bohol	28,341	-	28,341	-	28,341

	Loboc	32,372	32,372	-	32,372	-
	Sevilla	31,395	-	31,395	-	31,395
Cebu		610,869	610,869	0	610,869	-
	Alegria	505,375	-	505,375	-	505,375
	Argao	784,449	-	784,449	-	784,449
	Dalaguete	64,073	-	64,073	-	64,073
	Danao	20,559	-	20,559	-	20,559
Guimaras		632,537	-	632,537	-	632,537
	San Lorenzo	1,423,209	-	1,423,209	-	1,423,209
Negros Occidental		3,334,400	-	3,334,400	-	3,334,400
	Bacolod	19,234	-	19,234	-	19,234
	Cadiz	4,744,407	-	4,744,407	-	4,744,407
	Calatrava	229	-	229	-	229
	Kabankalan	15,593	-	15,593	-	15,593
	La Carlota	277,879	-	277,879	-	277,879
	San Carlos	2,391,273	-	2,391,273	-	2,391,273
	Silay	38,244	-	38,244	-	38,244
	Victorias	15,540	-	15,540	-	15,540
Negros Oriental		13,501,659	13,501,660	(0)	13,501,659	-
	Bais	1,115,988	76,032	1,039,956	-	1,039,956
	Valencia	29,254,959	23,909,358	5,345,601	-	5,345,601
Aklan		410,007	-	410,007	-	410,007
	Kalibo	7,303	-	7,303	-	7,303
	Malay	522,580	-	522,580	-	522,580
	Nabas	392,633	-	392,633	-	392,633
Antique		432,871,825	-	432,871,825	-	432,871,825
	Caluya	973,809,086	-	973,809,086	-	973,809,086
	Bugasong	152,520	-	152,520	-	152,520
Iloilo		7,699	-	7,699	-	7,699
	Iloilo City	17,324	-	17,324	-	17,324

Region VI -  
Western  
Visayas

Region VIII - Eastern Visayas	Leyte		14,293,775	14,293,775	0	14,293,775	-	
		Kananga	31,707,127	31,707,128	(1)	31,707,127	-	
		Dumaguete	7,787	-	7,787	-	7,787	
		Ormoc	20,731,080	20,731,080	(0)	20,731,080	-	
Region IX - Zamboanga Peninsula	Zamboanga Sibugay		121,021	21,874	99,147	-	99,147	
		Diplahan	60,987	-	60,987	-	60,987	
		Imelda	15,756	-	15,756	-	15,756	
		Payao	195,553	-	195,553	-	195,553	
Region X - Northern Mindanao	Bukidnon		1,602,253	-	1,602,253	-	1,602,253	
		Baungon	82,343	-	82,343	-	82,343	
		Impasug-On g	328,259	1,218,629	(890,370)	-	(890,370)	
		Kibawe	295,831	-	295,831	-	295,831	
		Libona	116,397	-	116,397	-	116,397	
		Manolo Fortich	2,782,239	4,896,953	(2,114,714)	-	(2,114,714)	
		Maramag	-	554,621	(554,621)	-	(554,621)	
		Valencia	29,254,959	4,795,940	24,459,019	-	24,459,019	
		Lanao Del Norte		-	5,801,166	(5,801,166)	-	(5,801,166)
			Baloi	-	2,354,487	(2,354,487)	-	(2,354,487)
			Matungao	-	2,291,127	(2,291,127)	-	(2,291,127)
			Misamis Oriental	278,134	278,134	(0)	278,134	-
			Claveria	265,435	450,301	(184,866)	-	(184,866)
	Jasaan	118,570	-	118,570	-	118,570		
	Villanueva	241,796	-	241,796	-	241,796		
Region XI - Davao Region	Davao Del Norte		11,744	11,744	-	11,744	-	
		Tagum	26,423	28,316	(1,893)	-	(1,893)	
	Davao Del Sur		2,010,715	7,382,425	(5,371,710)	-	(5,371,710)	
		Davao	1,606,218	-	1,606,218	-	1,606,218	
		Digos	210,859	111,981	98,878	-	98,878	
	Santa Cruz	2,707,032	8,143,675	(5,436,643)	-	(5,436,643)		

	Davao Oriental		6,582	6,582	-	6,582	-
	Manay		14,809	-	14,809	-	14,809
Region XII - Soccsksargen	Cotabato		-	1,884,966	(1,884,966)	-	(1,884,966)
	Kidapawan		4,241,170	4,004,283	236,886	-	236,886
	Lanao Del Sur		-	2,364,884	(2,364,884)	-	(2,364,884)
	Saguiaran		-	0	(0)	-	(0)
	North Cotabato		1,884,964	-	1,884,964	-	1,884,964
	South Cotabato		62,130	62,130	-	62,130	-
	Surallah		139,792	-	139,792	-	139,792
Region XIII - Caraga	Agusan Del Norte		38,932	-	38,932	-	38,932
	Santiago		87,598	87,598	-	87,598	-
	Surigao Del Sur		535,619	330,083	205,535	-	205,535
	Bislig		1,112,637	-	1,112,637	-	1,112,637
	Lanuza		3,766	-	3,766	-	3,766
	Lingig		88,739	-	88,739	-	88,739
			1,735,341,095	499,396,429	1,235,944,667	135,665,798	1,235,944,668

iv. Forestry charges

Table II-31. Reconciliation of shares in national wealth from forestry charges

Region	Province	Municipality/City	Amount released by DBM	Amount received by LGU	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
CAR - Cordillera Administrative Region	Apayao		16,459	-	16,459	-	16,459
		Flora	37,033	-	37,033	-	37,033
	Mountain Province		7,426	7,426	-	7,426	-
		Bontoc	713	713	-	713	-
		Paracelis	7,095	7,095	(0)	7,095	-
		Sagada	1,489	-	1,489	-	1,489
		Tadian	7,410	-	7,410	-	7,410
Region II - Cagayan Valley	Nueva Vizcaya		485,994	-	485,994	-	485,994
	Alfonso Castañeda		10,857	-	10,857	-	10,857

		Diadi	212	-	212	-	212
		Kasibu	320,207	-	320,207	-	320,207
		Kayapa	8,704	-	8,704	-	8,704
		Quezon	753,505	-	753,505	-	753,505
	Isabela	Ilagan City	5,351	-	5,351	-	5,351
		Cordon	823	-	823	-	823
		Dinapigue	7,636	-	7,636	-	7,636
		San Mariano	5,004	-	5,004	-	5,004
NCR - National Capital Region	Metro Manila	Malabon City	-	560	(560)	-	(560)
Region IVB - MIMAROPA	Oriental Mindoro	Naujan	-	203,380	(203,380)	-	(203,380)
Region IVA - CALABARZON	Batangas	Ibaan	-	4	(4)	-	-
	Laguna	Calamba City	-	1,200	(1,200)	-	(1,200)
		Cavinti	-	8,400	(8,400)	-	(8,400)
		Luisiana	-	36,560	(36,560)	-	(36,560)
		Majayjay	-	42,840	(42,840)	-	(42,840)
		Siniloan	-	14,580	(14,580)	-	(14,580)
Region V - Bicol Region	Albay		79,598	69,020	10,578	-	10,578
		Bacacay	2,944	-	2,944	-	2,944
		Camalig	4,008	22,896	(18,887)	-	(18,887)
		Daraga	6,745	6,475	270	-	270
		Guinobatan	6,860	29,860	(23,000)	-	(23,000)
		Jovellar	9,247	20,412	(11,165)	-	(11,165)
		Legazpi City	97,282	97,282	0	97,282	-
		Libon	531	-	531	-	531
		Ligao City	9,122	6,280	2,842	-	2,842
		Manito	3,286	-	3,286	-	3,286
		Oas	5,463	-	5,463	-	5,463
		Polangui	76	-	76	-	76
		Rapu-Rapu	9,661	-	9,661	-	9,661
		Santo Domingo	70	-	70	-	70

	Tiwi	-	5,080	(5,080)	-	(5,080)
Camarines Norte		722	-	722	-	722
	Basud	1,624	-	1,624	-	1,624
Camarines Sur		741	721	21	-	21
	Balatan	-	4,320	(4,320)	-	(4,320)
	Libmanan	185	-	185	-	185
	Tigaon	1,436	-	1,436	-	1,436
Catanduanes		19,781	20,041	(259)	-	(259)
	Bagamanoc	-	1,800	(1,800)	-	(1,800)
	Bato	2,423	360	2,063	-	2,063
	Caramoran	16,895	2,943	13,952	-	13,952
	Gigmoto	2,805	-	2,805	-	2,805
	Panganiban	-	8,760	(8,760)	-	(8,760)
	San Andres	6,250	6,250	-	6,250	-
	Viga	6,601	13,081	(6,480)	-	(6,480)
	Virac	2,179	-	2,179	-	2,179
Masbate	Dimaslang	-	46,080	(46,080)	-	(46,080)
	Palanas	-	13,860	(13,860)	-	(13,860)
Sorsogon		13,399	6,297	7,102	-	7,102
	Bulan	-	115,360	(115,360)	-	(115,360)
	Bulusan	-	71,600	(71,600)	-	(71,600)
	Casiguran	-	79,920	(79,920)	-	(79,920)
	Castilla	29	36,180	(36,151)	-	(36,151)
	Donsol	-	10,960	(10,960)	-	(10,960)
	Gubat	-	53,062	(53,062)	-	(53,062)
	Irosin	2,908	82,240	(79,332)	-	(79,332)
	Juban	2,707	222,807	(220,100)	-	(220,100)
	Pilar	-	9,440	(9,440)	-	(9,440)
	Prieto Diaz	193	24,633	(24,440)	-	(24,440)
	Santa Magdalena	-	34,740	(34,740)	-	(34,740)

		Sorsogon City	18,658	5,043,150	(5,024,492)	-	(5,024,492)
Region VII - Central Visayas	Bohol	Mabini	-	4,280	(4,280)	-	(4,280)
	Cebu	Alcantara	-	40,000	(40,000)	-	(40,000)
		Argao	-	29,960	(29,960)	-	(29,960)
		Asturias	-	24,060	(24,060)	-	(24,060)
		Borbon	-	6,800	(6,800)	-	(6,800)
		Catmon	-	9,480	(9,480)	-	(9,480)
		Dalaguete	-	33,800	(33,800)	-	(33,800)
		Dumanjug	-	57,660	(57,660)	-	(57,660)
		Ginatilan	-	8,360	(8,360)	-	(8,360)
		Pinamungajan	-	5,000	(5,000)	-	(5,000)
		Ronda	-	111,800	(111,800)	-	(111,800)
		Samboan	-	1,230	(1,230)	-	(1,230)
		Santa Fe	-	8,640	(8,640)	-	(8,640)
		Sibonga	-	2,120	(2,120)	-	(2,120)
		Tudela	-	8,100	(8,100)	-	(8,100)
Region VIII - Eastern Visayas	Biliran	Almeria	-	71,640	(71,640)	-	(71,640)
		Caibiran	-	78,780	(78,780)	-	(78,780)
	Eastern Samar	Borongan City	-	34,080	(34,080)	-	(34,080)
	Leyte	Javier	-	35,040	(35,040)	-	(35,040)
		Julita	-	680	(680)	-	(680)
	Northern Samar	Lapinig	-	287,680	(287,680)	-	(287,680)
		Las Navas	-	191,160	(191,160)	-	(191,160)
		Pambujan	-	44,280	(44,280)	-	(44,280)
	Samar	Calbayog City	-	44,520	(44,520)	-	(44,520)
Paranas		-	70,380	(70,380)	-	(70,380)	
Region IX - Zamboanga Peninsula	Zamboanga Del Norte	Dapitan City	-	1,610,800	(1,610,800)	-	(1,610,800)
		Katipunan	-	20,880	(20,880)	-	(20,880)
Region X - Northern Mindanao	Bukidnon		-	6,910	(6,910)	-	(6,910)
		Valencia City	-	540	(540)	-	(540)

Camiguin	Sagay	-	29,900	(29,900)	-	(29,900)
Lanao Del Norte	Baloi	-	3,000	(3,000)	-	(3,000)
	Lala	-	152,120	(152,120)	-	(152,120)
	Linamon	-	31,000	(31,000)	-	(31,000)
	Maigo	-	201,100	(201,100)	-	(201,100)
	Sapad	-	24,000	(24,000)	-	(24,000)
	Misamis Occidental	Aloran	-	9,400	(9,400)	-
Bonifacio		-	4,000	(4,000)	-	(4,000)
Misamis Oriental	Gingoog City	-	12,000	(12,000)	-	(12,000)
	Jasaan	-	2,425,354	(2,425,354)	-	(2,425,354)
	Libertad	-	1,800	(1,800)	-	(1,800)
	Opol	-	440	(440)	-	(440)
Region XI - Davao Region	Davao Oriental	95,377	81,588	13,789	-	13,789
	Banaybanay	64,714	-	64,714	-	64,714
	Lupon	118,859	-	118,859	-	118,859
Region XII - Soccsksargen	Cotabato	Alamada	-	22,481	(22,481)	(22,481)
		Kidapawan City	-	77,960	(77,960)	(77,960)
		Libungan	-	12,561	(12,561)	(12,561)
South Cotabato	Tampakan	-	1,400	(1,400)	(1,400)	
Region XIII - Caraga	Agusan Del Norte	Buenavista	-	11,600	(11,600)	(11,600)
		Butuan City	-	75,400	(75,400)	(75,400)
		Carmen	-	41,060	(41,060)	(41,060)
		Jabonga	-	78,180	(78,180)	(78,180)
		Kitcharao	-	25,840	(25,840)	(25,840)
		Las Nieves	-	13,200	(13,200)	(13,200)
		Magallanes	400	4,600	(4,200)	(4,200)
		Nasipit	-	4,440	(4,440)	(4,440)
		Remedios T. Romualdez	-	12,880	(12,880)	(12,880)
		Santiago	-	46,240	(46,240)	(46,240)

Agusan Del Sur	Tubay	-	60,420	(60,420)	-	(60,420)
	Bayugan City	-	12,160	(12,160)	-	(12,160)
	Bunawan	-	15,000	(15,000)	-	(15,000)
	Esperanza	-	12,960	(12,960)	-	(12,960)
	Loreto	-	4,500	(4,500)	-	(4,500)
	Prosperida d	-	3,400	(3,400)	-	(3,400)
	Rosario	-	15,000	(15,000)	-	(15,000)
	San Francisco	-	15,620	(15,620)	-	(15,620)
	Santa Josefa	-	880	(880)	-	(880)
	Sibagat	-	4,880	(4,880)	-	(4,880)
	Trento	-	9,440	(9,440)	-	(9,440)
	Veruela	-	1,520	(1,520)	-	(1,520)
Surigao Del Norte	24,812	-	24,812	-	24,812	
Alegria	-	1,200	(1,200)	-	(1,200)	
Bacuag	-	22,160	(22,160)	-	(22,160)	
Burgos	-	196,500	(196,500)	-	(196,500)	
Claver	37,343	437,782	(400,440)	-	(400,440)	
Dapa	-	720	(720)	-	(720)	
Del Carmen	-	7,880	(7,880)	-	(7,880)	
General Luna	-	12,120	(12,120)	-	(12,120)	
Gigaquit	-	2,680	(2,680)	-	(2,680)	
Mainit	-	505,200	(505,200)	-	(505,200)	
Malimono	-	13,320	(13,320)	-	(13,320)	
Pilar	-	12,000	(12,000)	-	(12,000)	
Placer	-	190,360	(190,360)	-	(190,360)	
San Benito	-	1,500	(1,500)	-	(1,500)	
San Isidro	-	23,896	(23,896)	-	(23,896)	
Santa Monica	-	251,400	(251,400)	-	(251,400)	
Sison	-	73,800	(73,800)	-	(73,800)	
Socorro	-	54,000	(54,000)	-	(54,000)	

Surigao Del Sur	Surigao City	-	39,660	(39,660)	-	(39,660)
	Surigao Del Norte	178,182	198,529	(20,347)	-	(20,347)
	Tagana-An	9,148	19,980	(10,832)	-	(10,832)
	Tubod	-	112,920	(112,920)	-	(112,920)
	Barobo	-	79,920	(79,920)	-	(79,920)
	Bayabas	-	42,100	(42,100)	-	(42,100)
	Cagwait	-	6,560	(6,560)	-	(6,560)
	Cantilan	-	32,800	(32,800)	-	(32,800)
	Carmen	-	69,420	(69,420)	-	(69,420)
	Carrascal	-	25,860	(25,860)	-	(25,860)
	Cortes	-	163,200	(163,200)	-	(163,200)
	Hinatuan	-	128,120	(128,120)	-	(128,120)
	Lanuza	-	80,840	(80,840)	-	(80,840)
	Liangá	-	81,600	(81,600)	-	(81,600)
	Lingig	-	24,200	(24,200)	-	(24,200)
	Madrid	-	31,200	(31,200)	-	(31,200)
	Marihatag	-	40,200	(40,200)	-	(40,200)
	San Agustin	-	8,240	(8,240)	-	(8,240)
	San Miguel	2,452	2,040	412	-	412
	Tagbina	-	64,446	(64,446)	-	(64,446)
Tago	-	37,800	(37,800)	-	(37,800)	
Tandag City	-	69,000	(69,000)	-	(69,000)	
		2,541,638	16,061,805	(13,520,167)	118,766	(13,520,163)

v. Expected shares in royalty on mineral reservation

To calculate the expected LGU shares in mining taxes and royalty on mineral reservation, reconciliation was done between the amount which the DBM used as their basis for the distribution of shares in national wealth and the amount which the collecting agencies reported for the PH-EITI exercise.

Tables II-32 and II-33 compare the amount the DBM used as a basis for the 40% share of the LGUs in royalty on mineral reservation and mining taxes distributed in 2020 which pertain to 2019 collections and the amount collected in 2019 as reported by MGB and BIR. Note that only 90% of the amount collected by MGB for royalty on mineral reservation is distributed to LGUs as 10% accrues to MGB as a trust fund and is allotted for special projects and administrative expenses related to the exploration, development, and environmental management of minerals in these reservations as prescribed in DENR Administrative Order No. 2010-21.

Prior to endorsement of the amount collected by the BTr from MGB, to DBM for fund release to the LGUs for their respective shares in national wealth, reconciliation between the collecting agencies and BTr should be accomplished. The amount endorsed to DBM may not be consistent with the data provided by the MGB for PH-EITI exercise due to the delay in the reconciliation and validation performed by the BTr; thus, variance exists. The collections which were delayed will then be distributed in a later period. In addition, the amount distributed to the LGU is also limited by the approved budget for the LGU of a given year.

Table II-32. Basis of DBM for releases to LGU and MGB collections of royalty on mineral reservation

Region	Province	Municipality/ City	Company	Royalty Mineral Reservation		Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	
				per DBM	per MGB				
Region III	Zambales	Sta. Cruz	Benguetcorp Resources Management Corporation	138,236,307	138,236,307	-	138,236,307	-	
Region XIII	Dinagat Islands	Cagdianao	Cagdianao Mining Corporation	220,890,311	277,757,266	(56,866,954)	220,890,311	-	
			Libjo	Alnor Nac's Construction & Development Corporation	1,428,442	1,873,339	(444,897)	1,428,442	-
				Binhai Saymon, Inc.	1,508,952	3,510,640	(2,001,688)	1,508,952	-
				Libjo Mining Corp.	17,354,104	20,883,656	(3,529,552)	17,354,104	-
				Westernshore Nickel Corporation	6,627,245	15,418,560	(8,791,315)	6,627,245	-
	Loreto	AAM-Phil Natural Resources Exploration and Development Corporation Parcel 1	5,816,828	2,671,570.00	3,145,258	5,816,828	-		
		Century Peak Corporation	13,286,871	27,698,163	(14,411,292)	13,286,871	-		
		Oriental Synergy Mining Corporation	10,152,550	23,620,327	(13,467,777)	10,152,550	-		
		Sinosteel Phils. H.Y. Mining Corp.	14,866,600	23,188,535	(8,321,934)	14,866,600	-		
	Surigao del Norte	Tubajon	Libjo Mining Corporation	Libjo Mining Corporation	17,354,104	20,883,656	(3,529,552)	17,354,104	-
				Adnama Mining Resources, Inc.	60,630,535	94,579,738	(33,949,203)	60,630,535	-
		Claver	Claver Mineral Development Corporation	1,486,728	-	1,486,728	1,486,728	-	
			Platinum Group Metals Corporation	286,400,309	321,090,112	(34,689,803)	286,400,309	-	

		Taganito Mining Corp.	451,954,339	622,520,912	(170,566,574)	451,954,339	-
	Tagana-An	Hinatuan Mining Corporation	98,724,794	128,407,814	(29,683,020)	98,724,794	-
Surigao del Sur	Carrascal	Carrascal Nickel Corporation	179,051,981	263,730,887	(84,678,906)	179,051,981	-
		Claver Mineral Development Corp.	1,486,728	-	1,486,728	1,486,728	-
		CTP Construction & Mining Corporation	283,898,886	330,596,445	(46,697,558)	283,898,886	-
<b>Total</b>			<b>1,811,156,615</b>	<b>2,316,667,927</b>	<b>(505,511,312)</b>	<b>1,811,156,615</b>	<b>-</b>

The initial variance noted was due to the adjustment based on approved general appropriation act for shares in national wealth of LGU in 2022

The table below show the reconciliation of the amount released by DBM and the expected shares of LGUs in royalty on mineral reservation in 2022 based on the revenue sharing formula. The basis of the amount used in applying the revenue sharing formula is the amount reconciled in Table II-32.

Table II-33. Expected share in royalty on mineral reservation of LGUs based on revenue sharing formula

Region	Province	Municipality/ City	Company	Amount reconciled in Table 32	Expected share in national wealth of LGUs	Amount released by DBM to LGUs	Variance
Region III	Zambales	Sta. Cruz	BenguetCorp. Nickel Mines, Inc.	138,236,307	49,765,071	55,294,523	-
Region XIII	Dinagat Islands	Cagdianao	Cagdianao Mining Corporation	220,890,311	79,520,512	88,356,125	-
		Libjo	Libjo Mining Corporation	1,428,442	514,239	571,377	-
			Westernshore Nickel Corporation	6,627,245	2,385,808	2,650,898	-
		Loreto	Century Peak Corporation	5,816,828	2,094,058	2,326,731	-
	Oriental Synergy Mining Corporation		10,152,550	3,654,918	4,061,020	-	
	Sinosteel Phils. H.Y. Mining Corporation		14,866,600	5,351,976	5,946,640	-	
	Surigao del Norte	Tubajon	Libjo Mining Corporation	17,354,104	6,247,477	6,941,642	-
		Claver	Adnama Mining Resources, Inc.	60,630,535	21,826,992	24,252,214	-
			Platinum Group Metals Corporation	286,400,309	103,104,111	114,560,124	-
			Taganito Mining Corporation	451,954,339	162,703,562	180,781,736	-
Tagana-An		Hinatuan Mining Corporation	98,724,794	35,540,926	39,489,918	-	
Surigao del Sur	Carrascal	Carrascal Nickel Corporation	179,051,981	64,458,713	71,620,793	-	

CTP Construction & Mining Corporation	283,898,886	102,203,599	113,559,555	-
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<b>Total</b>	<b>1,776,033,232</b>	<b>639,371,964</b>	<b>710,413,293</b>	<b>-</b>
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## VI. Variances and discrepancies

This section provides analysis of the variances noted during the reconciliation process including and excluding non-participating projects.

Table II-34 summarizes the variance on per industry and per government basis.

Table II-34. Variance per industry sector and per government agency

	Government agency amount (excl. non-participating projects)	Variance post-reconciliation (excl. non-participating projects)	% Variance (excl. non-participating projects)	Government agency amount (incl. non-participating projects)	Variance post-reconciliation (incl. non-participating projects)	% Variance (incl. non-participating projects)
<b>Metallic</b>						
BIR	16,250,722,166	156,643,345	1.0%	16,261,632,373	135,339,807	1%
BOC	954,584,401	(2,751,940)	-0.3%	978,004,759	18,989,955	1.9%
LGU	1,218,298,515	1,989,985	0.2%	1,289,543,356	70,351,840	5.5%
MGB	2,174,292,660	(14,390,611)	-1%	2,234,071,221	45,387,950	2%
NCIP	101,181,066	(109,739,874)	0%	105,273,850	(105,647,089)	-100%
<b>Subtotal (including NCIP)</b>	<b>20,699,078,808</b>	<b>31,750,906</b>	<b>0.2%</b>	<b>20,868,525,558</b>	<b>164,422,462</b>	<b>0.8%</b>
<b>Subtotal (excluding NCIP)</b>	<b>20,597,897,742</b>	<b>141,490,779</b>	<b>0.7%</b>	<b>20,763,251,708</b>	<b>270,069,551</b>	<b>1.3%</b>
<b>Non-metallic</b>						
BIR	9,864,757,857	19,259,123	0.2%	9,864,757,857	19,259,123	0.2%
BOC	1,877,781,554	(35,875,576)	-1.91%	1,879,653,329	(34,003,801)	-1.81%
LGU	209,710,642	(70,095,444)	-33.4%	210,052,771	(69,753,315)	-33%
NCIP	-	-	0%	-	-	0%
<b>Subtotal</b>	<b>11,952,250,053</b>	<b>(86,711,897)</b>	<b>-1%</b>	<b>11,954,463,957</b>	<b>84,497,993</b>	<b>-1%</b>
<b>Oil and gas</b>						
BIR	6,542,497,541	-	0%	6,542,497,541	-	0%
BOC	12,855,567	424	0.003%	12,855,567	424	0.003%
DOE	27,062,298,248	-	0%	27,062,298,248	-	0%
LGU	-	-	0%	-	-	0%
<b>Subtotal</b>	<b>33,617,651,356</b>	<b>424</b>	<b>0.00%</b>	<b>33,617,651,356</b>	<b>424</b>	<b>0.00%</b>
<b>Mining and oil and gas</b>						
BIR	32,657,977,564	175,902,468	0.54%	32,668,887,770	154,598,930	0.5%

BOC	2,832,365,956	(38,627,516)	-1%	2,857,658,088	(15,013,846)	-1%
DOE	27,062,298,248	-	0%	27,062,298,248	-	0%
LGU	1,428,009,157	(68,105,459)	-5%	1,499,596,127	598,524	0%
MGB	2,174,292,660	(14,390,611)	-0.7%	2,234,071,221	45,387,950	2%
NCIP	101,181,066	(109,739,874)	-108.5%	105,273,850	(105,647,089)	-100%
<b>Total (including NCIP)</b>	<b>66,268,980,216</b>	<b>(54,960,568)</b>	<b>-0.1%</b>	<b>66,440,640,871</b>	<b>79,924,892</b>	<b>0.1%</b>
<b>Total (excluding NCIP)</b>	<b>66,167,799,151</b>	<b>54,779,305</b>	<b>0.1%</b>	<b>66,335,367,021</b>	<b>185,571,981</b>	<b>0.3%</b>
<b>Total (excluding NCIP and LGU)</b>	<b>64,739,789,994</b>	<b>122,884,765</b>	<b>0.2%</b>	<b>64,835,770,894</b>	<b>184,973,457</b>	<b>0.3%</b>

The remaining unexplained variance, excluding NCIP, in FY2022 is 0.3% which is lower compared to FY2021 which stands at -1.31%. The following subsections will present and discuss discrepancies for each government agency.

A. BIR

i. Revenue streams

	Corporate income tax	Excise tax on minerals	Output VAT	Final withholding tax			
				Foreign shareholders dividends	Branch profit remittance	Royalties to claim owners	Others
Frequency of payment	Quarterly, adjusted in annual filing	Quarterly, when applicable	Monthly and quarterly, when applicable	Monthly and quarterly, when applicable			
Form/document	1702	2200M	2550M, 2550Q	0619F, 1601FQ			
Timing of payment	Quarterly - within 60 days following the close of each of the first 3 quarters of the taxable year  Annual - on or before the 15th day of the 4th month following close of the taxpayer's taxable year	On or before 15 days after the end of the calendar quarter when mineral products were removed	Monthly - on or before the 20 <sup>th</sup> day following the close of each of the month for the  Quarterly - on or before the 25 <sup>th</sup> day following the close of each of the quarter	On or before the 10th day of the month following the month in which withholding was made			
Mode of payment	Tax returns are filed through Electronic Filing and Payment System (EFPS) and Electronic Bureau of Internal Revenue Forms (eBIR) for large and non-large tax payers, respectively. Payments are made through Accredited Agent Banks (AABs) online or over the counter.						

	For participating entities in places where there are no AABs, payments are made to the Revenue Collection Officer or duly Authorized City or Municipal Treasurer located within the Revenue District Office (RDO) where entities are registered.
Remittance from agency	Over the counter and EFPS collections by AABs (except Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP) are remitted to the Central Bank of the Philippines (BSP) on the 6th and 5th day, respectively, from the date of collection.  Collections by LBP and DBP are directly credited to the Bureau of Treasury (BTr).

ii. Findings and causes of variance

Table II-35. Summary of discrepancies for BIR revenue streams

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance
<b>Metallic mining</b>						
Corporate income tax	8,573,805,159	8,478,106,618	(95,698,541)	8,504,282,187	72,972,054	0.86%
Excise tax	6,518,120,981	6,588,354,316	70,233,334	6,265,678,544	92,164,974	1.40%
Withholding tax - Final Withholding tax - Foreign shareholder dividends	670,200,356	987,243,879	317,043,523	678,498,499	3,343,305	0.34%
Withholding tax - Profit remittance to principal	258,789,510	143,000,000	(115,789,510)	260,064,510	-	0.00%
Withholding tax - Royalties to claim owners	-	-	-	-	-	0.00%
Royalties to claim owners	265,449,408	54,017,353	(211,432,054)	253,697,891	(11,836,988)	-21.91%
<b>Total - Metallic mining</b>	<b>16,286,365,415</b>	<b>16,250,722,166</b>	<b>(35,643,249)</b>	<b>15,962,221,632</b>	<b>156,643,345</b>	<b>0.96%</b>
<b>Non-metallic mining</b>						
Corporate income tax	681,955,216	1,094,037,039	412,081,823	1,078,191,338	(2,942,755)	-0.27%
Output VAT	8,603,978,138	8,569,414,648	(34,563,490)	8,585,923,970	22,972,318	0.27%
Withholding tax - Final Withholding tax - Foreign shareholder dividends	198,733,759	201,306,169	2,572,410	199,065,052	(770,441)	-0.38%
Withholding tax - Profit remittance to principal	-	-	-	-	-	0.00%
Withholding tax - Royalties to claim owners	-	-	-	-	-	0.00%
Royalties to claim owners	11,550,999	-	(11,550,999)	11,550,999	-	0.00%
<b>Total - Non-metallic mining</b>	<b>9,496,218,112</b>	<b>9,864,757,857</b>	<b>368,539,745</b>	<b>9,874,731,359</b>	<b>19,259,123</b>	<b>0.20%</b>
<b>Oil and gas</b>						
Corporate income tax	4,907,728,786	4,909,523,481	1,794,695	4,907,728,786	-	0.00%
Withholding tax - Final Withholding tax - Foreign shareholder dividends	1,651,750,229	351,626,003	(1,300,124,225)	350,870,793	-	0.00%
Foreign shareholder dividends	-	-	-	-	-	0.00%

Withholding tax - Profit remittance to principal	8,837,712,405	1,281,348,056	(7,556,364,349)	1,281,348,056	-	0.00%
Withholding tax - Royalties to claim owners	-	-	-	-	-	0.00%
<b>Total - Oil and gas</b>	<b>15,397,191,419</b>	<b>6,542,497,541</b>	<b>(8,854,693,879)</b>	<b>6,539,947,635</b>	<b>-</b>	<b>0.00%</b>
<b>Total</b>	<b>41,179,774,946</b>	<b>32,657,977,564</b>	<b>(8,521,797,382)</b>	<b>32,376,900,627</b>	<b>175,902,468</b>	<b>0.54%</b>

a. Timing difference

Pre-reconciliation variance is mainly due to participating projects and BIR reporting payments based on when the payment is made and not on when the payment is due. These were disposed of during the validation of supporting documents provided by the participating projects.

b. Different accounting period

Few of the participating projects have accounting period that are not calendar or not ending in December 31; thus, they disclose data following their fiscal period while BIR followed the calendar period. These were disposed by obtaining prior submissions of BIR.

c. Improper accomplishment of reporting template

Some participating projects disclosed taxes paid instead of taxes due. For an instance, income taxes were disclosed at net of quarterly payments made and CWTs. Additionally, some also made errors in the encoding of data. Further, BIR includes penalties in their submission while the projects only disclose the actual tax due which is the proper amount to be reported and reconciled.

The resulting variance pre-reconciliation is disposed during the validation of schedules and supporting documents provided by the participating projects.

d. Delayed and non-submission of required schedules and documents to support disclosures made in the templates.

Due to the number of information requested and required level of disaggregation, current accounting and filing systems may have hindered some projects and BIR from readily providing these disclosures and reports for reconciliation and examination. This is specifically true with the validation of variances pertaining to excise tax on mineral production and final withholding taxes given the number of transactions involved as evident in Table 48.

B. BOC

i. Revenue streams

	Custom duties	Value added tax (VAT) on imported materials and equipment
Frequency of payment	Transactional	Transactional
Form/document	Form 236, Import Entry and Internal Revenue Declaration Form	
Timing of payment	Entry must be filed in the Customhouse (i.e. BOC office) within 30 days from the date of discharge of the last package from the vessel, which	

	shall not be extendible. Payments are made after completion of the assessment process by the government agency.
Mode of payment	AABs will be notified by the government agency to debit entities' bank account.
Remittance from agency	Collections through the AABs are remitted to the BTr on a daily basis.

ii. Findings and causes of variance

Table II-36. Summary of discrepancies for BOC revenue streams

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance
<b>Metallic mining</b>						
Customs duties	223,724,084	123,872,122	(99,851,962)	117,446,034	(8,119,561)	-6.55%
VAT on imported materials and equipment	886,588,241	830,712,280	(55,875,961)	737,776,570	5,367,621	0.65%
<b>Total - Metallic mining</b>	<b>1,110,312,324</b>	<b>954,584,401</b>	<b>(155,727,923)</b>	<b>855,222,604</b>	<b>(2,751,940)</b>	<b>-0.29%</b>
<b>Non-metallic mining</b>						
Customs duties	68,635,446	67,236,090	(1,399,356)	59,441,074	(2,544,210)	-3.78%
VAT on imported materials and equipment	1,682,558,866	1,810,545,464	127,986,598	1,260,817,289	(33,331,367)	-1.84%
<b>Total - Non-metallic mining</b>	<b>1,751,194,312</b>	<b>1,877,781,554</b>	<b>126,587,242</b>	<b>1,320,258,363</b>	<b>(35,875,576)</b>	<b>-1.91%</b>
<b>Oil and Gas</b>						
Customs duties	1,400,721	12,855,567	11,454,846	13,857,413	424	0.00%
<b>Total - Oil and Gas</b>	<b>1,400,721</b>	<b>12,855,567</b>	<b>11,454,846</b>	<b>13,857,413</b>	<b>424</b>	<b>0.00%</b>
<b>Total</b>	<b>2,862,907,357</b>	<b>2,845,221,522</b>	<b>(17,685,835)</b>	<b>2,189,338,380</b>	<b>(38,627,093)</b>	<b>-1.36%</b>

a. Timing difference

Pre-reconciliation variance is mainly due to participating projects recording payments to BOC based on when the payment is made while BOC records these transactions upon arrival of imported items. These were disposed of during the validation of supporting documents provided by the participating projects.

b. Different accounting period

Few of the participating projects have accounting period that are not calendar or not ending in December 31; thus, they disclose data following their fiscal period while BOC followed the calendar period. These were disposed of by obtaining prior submissions of BOC.

c. Misclassification of payments

Some participating projects misclassified the revenue streams on both ORE and corresponding supporting schedules. Common error was reporting excise tax on imported materials and equipment and other charges as part of custom duties or VAT on imported materials and equipment. These were disposed of during the validation of supporting documents.

d. Absence of supporting documents for transactions disclosed by BOC

Supporting documents for all noted variance from the participating projects were initially obtained, however, there are few transactions that the supporting documents can't be located which pertain to transactions reported by BOC. The supporting documents that BOC provided are inadequate since these were only screenshots from the system the data provided for the exercise were obtained. These transactions remain unreconciled.

C. DOE

i. Revenue streams

Government share from oil and gas production	
Frequency of payment	Quarterly
Form/document	Quarterly reports
Timing of payment	Payment is made through checks along with submission of quarterly report
Mode of payment	Paid in cash or checks
Remittance from agency	Checks collected will be remitted to BTr by the treasury division within the day of collection or the following day

ii. Findings and causes of variance

Table II-37. Summary of discrepancies for DOE revenue streams

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance
<b>Oil and gas</b>						
Government share from oil and gas production	11,487,158,138	27,062,298,248	15,575,140,111	27,096,587,500	-	0%

a. Improper accomplishment of reporting template

The amount disclosed by Shell Philippines Exploration B.V. for SC38 as the Philippine Peso equivalent for the government share from oil and gas is the amount for the allocation to BIR for income taxes and others. This were disposed of during the validation of supporting schedules.

b. Foreign exchange rate used in reporting the government share in Philippines peso

Minimal variance was noted as a result of the different foreign exchange rates used in converting the government share, originally reported in US dollar, to Philippine Peso. These were disposed of during the validation of supporting schedules.

D. LGU

i. Revenue streams

Revenue streams of LGUs are discussed in page 111, Section III, Scope of the report, of this chapter.

ii. Findings and causes of variance

Table II-38. Summary of discrepancies for LGU revenue streams

Region	Province	Municipality/City	Revenue Stream	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
<b>METALLIC MINING</b>								
CAR - Cordillera Administrative Region	Benguet	Mankayan	Local business tax	2,255,122	2,269,754	14,632	-	14,632
			Real property tax - Basic	3,947,111	-	(3,947,111)	-	(3,947,111)
			Real property tax - SEF	1,973,556	-	(1,973,556)	-	(1,973,556)
	La Union	Baguio City	Real property tax - Basic	35,233	-	(35,233)	-	(35,233)
			Real property tax - SEF	17,617	-	(17,617)	-	(17,617)
		San Fernando City	Real property tax - Basic	309,849	-	(309,849)	-	(309,849)
			Real property tax - SEF	154,924	-	(154,924)	-	(154,924)
	<b>CAR - Cordillera Administrative Region Total</b>				<b>8,693,413</b>	<b>2,269,754</b>	<b>(6,423,659)</b>	<b>-</b>
Region II - Cagayan Valley	Nueva Vizcaya	Kasibu	Real property tax - Basic	-	8,217,086	8,217,086	-	8,217,086
			Real property tax - SEF	-	10,271,357	10,271,357	-	10,271,357
	Nueva Vizcaya	Real property tax - Basic	-	9,926,386	9,926,386	-	9,926,386	
		Real property tax - SEF	54,780,571	14,180,551	(40,600,020)	-	(40,600,020)	
		<b>Region II - Cagayan Valley Total</b>				<b>54,780,571</b>	<b>42,595,380</b>	<b>(12,185,191)</b>
NCR - National Capital Region	Metro Manila	Makati City	Local business tax	1,265,220	-	(1,265,220)	-	(1,265,220)
			Pasay City	Real property tax - Basic	18,980	-	(18,980)	-
		Real property tax - SEF		11,000	-	(11,000)	-	(11,000)
		Taguig City	Real property tax - Basic	17,684	-	(17,684)	-	(17,684)
			Real property tax - SEF	17,684	-	(17,684)	-	(17,684)
		<b>NCR - National Capital Region Total</b>				<b>1,330,568</b>	<b>-</b>	<b>(1,330,568)</b>
Region IVB - MIMAROPA	Palawan	Bataraza	Real property tax - Basic	6,175,193	-	(6,175,193)	-	(6,175,193)
			Real property tax - SEF	6,175,193	-	(6,175,193)	-	(6,175,193)
		Sofronio Española	Real property tax - Basic	3,402,312	2,344,542	(1,057,770)	-	(1,057,770)
			<b>Region IVB - MIMAROPA Total</b>				<b>15,752,698</b>	<b>2,344,542</b>

Region V - Bicol Region	Camarines Norte	Jose Panganiban	Real property tax - Basic	-	161	161	-	161
			Real property tax - SEF	-	161	161	-	161
<b>Region V - Bicol Region Total</b>				<b>-</b>	<b>321</b>	<b>321</b>	<b>-</b>	<b>321</b>
Region VIII - Eastern Visayas	Eastern Samar	Guiuan	Local business tax	7,177,443	-	(7,177,443)	-	(7,177,443)
<b>Region VIII - Eastern Visayas Total</b>				<b>7,177,443</b>	<b>-</b>	<b>(7,177,443)</b>	<b>-</b>	<b>(7,177,443)</b>
Region XIII - Caraga	Agusan del Sur	Bunawan	Real property tax - Basic	8,369,699	6,362,395	(2,007,304)	6,362,395	(2,007,304)
			Real property tax - SEF	8,369,699	6,362,395	(2,007,304)	6,362,395	(2,007,304)
		Rosario	Real property tax - Basic	2,000,640	1,556,052	(444,587)	1,000,320	(1,000,320)
			Real property tax - SEF	2,000,640	1,556,052	(444,587)	1,000,320	(1,000,320)
	Dinagat Islands	Dinagat Islands	Local business tax	-	20,660,833	20,660,833	-	15,343,656
		Libjo	Real property tax - Basic	39,077	-	(39,077)	-	(39,077)
			Real property tax - SEF	39,077	-	(39,077)	-	(39,077)
		Loreto	Local business tax	3,163,530	4,414,391	1,250,861	3,163,530	1,250,861
		Tubajon	Local business tax	5,834,497	4,276,994	(1,557,503)	-	(1,557,503)
		Surigao City	Local business tax	-	4,257	4,257	-	4,257
	Surigao del Sur	Carrascal	Local business tax	-	33,566,810	33,566,810	-	33,566,810
<b>Region XIII - Caraga Total</b>				<b>29,816,858</b>	<b>78,760,179</b>	<b>48,943,321</b>	<b>17,888,959</b>	<b>42,514,680</b>
<b>SUBTOTAL - Metallic Mining</b>				<b>117,551,550</b>	<b>125,970,177</b>	<b>8,418,626</b>	<b>17,888,959</b>	<b>1,989,985</b>
<b>NON-METALLIC MINING</b>								
Region I - Ilocos Region	La Union	Sto. Tomas	Real property tax - Basic	11,963	-	(11,963)	-	(11,963)
			Real property tax - SEF	11,963	-	(11,963)	-	(11,963)
	Pangasinan	Malasiqui	Real property tax - Basic	32,787	-	(32,787)	-	(32,787)
			Real property tax - SEF	32,787	-	(32,787)	-	(32,787)
		Pozorrubio	Real property tax - Basic	101,642	-	(101,642)	-	(101,642)
			Real property tax - SEF	101,642	-	(101,642)	-	(101,642)
		Sison	Real property tax - Basic	22,961,074	-	(22,961,074)	-	(22,961,074)
			Real property tax - SEF	22,961,074	-	(22,961,074)	-	(22,961,074)
		Villasis	Real property tax - Basic	135,974	-	(135,974)	-	(135,974)
			Real property tax - SEF	135,974	-	(135,974)	-	(135,974)

<b>Region I - Ilocos Region Total</b>				<b>46,486,881</b>	<b>-</b>	<b>(46,486,881)</b>	<b>-</b>	<b>(46,486,881)</b>
Region III - Central Luzon	Bulacan	Norzagaray	Real property tax - Basic	40,586,493	40,072,898	(513,595)	-	(513,595)
			Real property tax - SEF	40,586,493	40,072,898	(513,595)	-	(513,595)
<b>Region III - Central Luzon Total</b>				<b>81,172,987</b>	<b>80,145,796</b>	<b>(1,027,191)</b>	<b>-</b>	<b>(1,027,191)</b>
Region IVA - CALABARZON	Rizal	Angono	Local business tax	4,752,879	-	(4,752,879)	-	(4,752,879)
		Antipolo City	Real property tax - Basic	926,919	350,045	(576,874)	-	(576,874)
			Real property tax - SEF	617,946	247,137	(370,809)	-	(370,809)
			Local business tax	336,507	369,783	33,277	-	33,277
		Teresa	Real property tax - Basic	632,791	514,153	(118,638)	-	(118,638)
			Real property tax - SEF	421,861	514,153	92,292	-	92,292
<b>Region IVA - CALABARZON Total</b>				<b>7,688,903</b>	<b>1,995,271</b>	<b>(5,693,631)</b>	<b>-</b>	<b>(5,693,631)</b>
Region VII - Central Visayas	Cebu	San Fernando	Real property tax - Basic	6,837,248	-	(6,837,248)	-	(6,837,248)
			Real property tax - SEF	6,837,248	-	(6,837,248)	-	(6,837,248)
<b>Region VII - Central Visayas Total</b>				<b>13,674,496</b>	<b>-</b>	<b>(13,674,496)</b>	<b>-</b>	<b>(13,674,496)</b>
Region X - Northern Mindanao	Lanao del Norte	Iligan City	Local business tax	2,193,158	-	(2,193,158)	-	(2,193,158)
			Real property tax - Basic	1,020,088	-	(1,020,088)	-	(1,020,088)
<b>Region X - Northern Mindanao Total</b>				<b>3,213,246</b>	<b>-</b>	<b>(3,213,246)</b>	<b>-</b>	<b>(3,213,246)</b>
<b>SUBTOTAL - Non-Metallic Mining</b>				<b>152,236,512</b>	<b>82,141,067</b>	<b>(70,095,444)</b>	<b>-</b>	<b>(70,095,444)</b>
<b>TOTAL</b>				<b>269,788,062</b>	<b>208,111,244</b>	<b>(61,676,818)</b>	<b>17,888,959</b>	<b>(68,105,459)</b>

a. Incomplete data submitted by BLGF

The different LGUs use ENRDMT to report their collections and BLGF generates the data using the same system. Although a reporting system is in place, the reported transactions remain to be incomplete mainly due to non-submission and/or incorrect submission of the different LGUs into the system. For an instance, only one (1) or two (2) quarterly payments were disclosed in the report submitted by BLGF for participating projects who availed of the quarterly payments for local business tax and real property tax. There were also cases wherein the participating project was able to provide multiple official receipts (OR) for real property tax while only 1 was listed in the data submitted by BLGF and the OR number indicated is the same as the OR number for the local business tax which does not and should not happen.

b. Timing difference

Another factor for pre-reconciliation variance are the advance payments made by projects usually for real property taxes. These advance payments occur in the year before and it would no longer be included in current year submission of BLGF, but the projects include these in their disclosure which is appropriate since these payments are for the current year. These were disposed of during the validation of supporting documents provided by the participating projects and obtaining prior submissions of BLGF.

c. Different accounting period

Few of the participating projects have accounting period that are not calendar or not ending in December 31; thus, they disclose data following their fiscal period while LGUs followed the calendar period. These were disposed by obtaining prior submissions of BLGF.

d. Misclassification of payments

Some participating projects included other administrative and regulatory fees as part of local business tax. These were disposed of during the validation of supporting documents.

e. Absence of supporting documents

Similar to the case of excise tax and final withholding tax, the volume of transactions for real property tax incurred in the mine site have hindered the participating projects to produce the documents. The remaining variances were due to the absence of supporting document

E. MGB

i. Revenue streams

*10% share of royalty payment*

Mining companies pay various taxes and fees directly to the LGUs including royalty payments. Section 82 of the Philippine Mining Act of 1995 (RA 7942) and Section 290 of the Local Government Code (LGC) indicate that the LGU's share in royalty payments on mineral reservation is 40% of the 90% of balance after 10% of the payment goes to a special account in the General Fund (Fund 151) which is appropriated annually for the operating expenses of the DENR-MGB.

Section 5 of RA 7942 likewise stipulates that 10% of the amount collected will accrue to the MGB for "special projects and other administrative expenses related to the exploration and development of other mineral reservations". The other 90% will be divided between the national government (60%) and the local government units (40%) where the minerals are located

ii. Findings and causes of variance

Table II-39. Summary of discrepancies for MGB revenue streams

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance
<b>Metallic mining</b>						
<b>Nickel</b>						
Royalty on mineral reservation	2,214,154,956	2,174,292,660	(39,862,296)	1,191,748,299	(14,390,611)	-1%

a. Timing difference

On the initial variance noted, the most common cause pertains to the timing of recognizing the royalty on mineral reservation. MGB and some projects included royalty for prior years not covered by the scope of the report, but were only paid in 2020.

b. Different accounting period

Few of the participating projects have accounting period that are not calendar or not ending in December 31; thus, they disclose data following their fiscal period while MGB followed the calendar period. These were disposed by obtaining prior submissions of MGB.

c. Non-submission of required supporting schedules

The remaining variance pertains to MPSA No. 078-97-XIII (SMR) of Cagdianao Mining Corporation which failed to provide supporting schedules.

F. NCIP

i. Other taxes

Other taxes monitored by NCIP are discussed in page 111, Section III, Scope of the report, of this chapter.

ii. Findings and causes of variance

Table II-40. Summary of discrepancies for NCIP revenue streams

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance
<b>Metallic mining</b>						
<b>Nickel</b>						
Royalty for IPs	424,140,430	5,300,265	(418,840,165)	195,978,011	(81,574,840)	-19%
<b>Gold / Silver / Copper</b>						
Royalty for IPs	222,329,830	95,880,801	(126,449,029)	208,216,663	(28,165,034)	-13%
<b>Total - Metallic mining</b>	<b>646,470,259</b>	<b>101,181,066</b>	<b>(545,289,194)</b>	<b>404,194,673</b>	<b>(109,739,874)</b>	<b>-17%</b>
<b>Limestone</b>						
Royalty for IPs	2,155,734	-	(2,155,734)	2,155,734	-	0%
<b>Total - Metallic mining</b>	<b>648,625,993</b>	<b>101,181,066</b>	<b>(547,444,927)</b>	<b>406,350,407</b>	<b>(109,739,874)</b>	<b>-17%</b>

a. Minimal participation of NCIP

Only a few NCIP regional offices submitted data due to the unavailability of information at the central office. Because of this, the supporting documents from the participating projects were obtained to arrive at the reconciled amount.

b. Non-submission of supporting documents

Some of the amounts could not be validated due to lack of supporting documents to reconcile amounts disclosed by participating projects.

## **VII. Audit procedures**

### *A. Participating projects*

Reporting templates submitted by the participating projects require senior management signoff. These templates are prepared and endorsed by finance officers responsible for the day to day recording of transactions, preparation of financial reports, and compilation of data. Companies of participating projects use Philippine Financial Reporting Standards (PFRS) or PFRS for Small and Medium-sized Entities as the accounting framework in recording transactions, which is the major source of information for the reporting templates. These standards are adopted from the International Financial Reporting Standards issued by the International Accounting Standards Board.

As required by the SEC, companies prepare annual financial statements that are required to be audited by an external auditor and submitted on or before the 15th of the fourth month following annual period end. External audit involves obtaining sufficient and appropriate audit evidence about the amounts and disclosures in the financial statements and are conducted in accordance with Philippine Standards on Auditing, adopted from International Standards on Auditing.

By signing off the reporting templates, participating projects represent that the data provided in the templates are actual and valid transactions obtained from the projects' records and reconcile with that presented in the audited financial statements.

### *B. Government agencies*

Government agencies prepare periodic reports in accordance with Philippine Public Sector Accounting Standards. Audit is performed by COA in accordance with the Government Auditing and Accounting Manual (GAAM) and is conducted in two (2) phases:

1. Annual financial audit performed in accordance with PD 1445 obtaining evidence on each government agency's revenues and expenditures.
2. Monthly review of collections and disbursements performed by resident auditors of each government agency.

COA's audit procedures over revenues are focused on agreeing collections with remittances to the national treasury.

Reporting templates submitted by each government agency are signed off by the head of the agency (assistant secretary or higher position) to signify that amounts reported are the actual collections as recorded in their accounting system.

Accordingly, reporting templates of all participating projects and government agencies were ascertained to comply with the above procedures; hence deemed reliable and comprehensive with no exceptions identified other than those gaps included as part of recommendations under Section VIII, Recommendations. Recommendations noted in the Report were limited to areas covering administrative functions of each of the government agency that would not impact the reported revenues.

It is noteworthy to emphasize that companies of participating projects and government agencies provided quality assurances by certifying the following, as duly stated in the last section of the reporting templates:

1. The signatory is the duly authorized and designated representative of either the project or government agency; and
2. All information disclosed and documents submitted in satisfaction of the EITI initiative are considered authentic and complete, and all statements and information provided therein are true and correct.

There were no identified exceptions or instances of non-compliance on the above.

## VIII. Recommendations

### *Improving EITI implementation*

#### A. MSG and PH-EITI Secretariat

The succeeding discussions are fundamentally similar to points raised in the sixth PH-EITI Country Report with additional recommendations on the data collection process and ORE reporting.

**Timeliness and timing.** The PH-EITI exercise should start by May or June following the covered year; thus, the start of the production of the PH-EITI report covering fiscal year 2024 should begin in May or June 2025. Data collection should end by July and reconciliation begins in August lasting until November. By December of the same year, the report is finalized and published. In this timeline, companies would also have their full attention on the exercise since it does not coincide with the tax season (January - April).

**Data collection.** On the onset, a discussion should be conducted with all parties, companies and government agencies, to debrief the events that transpired during the previous report, to discuss the common sources of variances, to obtain updates from recommendations from the previous report, and to discuss the process for the current exercise and changes, if any. It is also important to highlight and reiterate to participating projects and government agency that the EITI implementation follows the accrual basis of reporting which means that government payments due in 2022 although paid in 2021 or 2023 should be included in the reported amounts and payments made in 2022, but due for other year should be excluded. In addition, ensure participating projects to submit detailed supporting schedules for all payments to different government agencies for efficient reconciliation. Further, requests of audited financial statements to the SEC should be made once the targeted projects have already been finalized.

**Strict implementation of DAO No. 2017-07.** The issuance of the administrative order mandating mining contractors to participate in the PH-EITI project clearly shows the commitment of DENR-MGB to ensure more transparency and accountability from the sector. Show cause orders should be sent immediately to mining projects who did not participate and not after the report has been published. If reasons for non-participation is unjustified, there should be consequences.

**Participation of oil and gas and coal sectors.** While the oil and gas sector has been consistently well represented in the previous PH-EITI reports, we still recommend that the DOE issue an administrative order similar to DAO No. 2017-07 to further promote accountability and transparency in the sector.

**Criteria for participation.** Submission of schedule of payments should be considered as mandatory submission for participation since it is an integral part of the reconciliation process. Any delay in submission of the schedule of payments can lead to lower reconciled amount and higher post-reconciliation variance.

**Improvement of ORE.** Technical issues were experienced during the data collection for this cycle. The supporting schedules and supporting documents uploaded by the projects were not retrieved which led to requesting these via email which contributed to the delay in the reconciliation.

**Data centralization.** Constraints due to infrastructure limitations (e.g. none or slow internet bandwidth) have been the primary source of issue on accessibility of data. While satellite and regional offices periodically report to head offices (i.e., NCR/ Metro Manila), delays in the data were

the primary cause of variances and delays in the reconciliation procedures. MGB implemented measures (i.e. workshops, direct involvement in the gathering of data from the regional offices) that contributed to the improvement in the reconciled MGB revenue streams. However, MGB continues to struggle when it comes to monitoring for safety and health, social and environmental expenditures. MGB should enforce the regional office to report these expenditures together with their collections. Meanwhile, NCIP continues to have difficulty with gathering data from regional offices wherein most locations do not have readily available information on the royalty for IPs. In lieu of a centralized reporting system, the national office of NCIP should establish formal policies that will require regular reporting of regional offices. The national office of NCIP should institute policies and programs to monitor royalty for IPs paid by mining companies. These policies and procedures should also encompass tracking of the projects and programs paid for by these royalties.

B. Government agencies

Observation/s	Recommendation/s
<b>Bureau of Internal Revenue (BIR)</b>	
<p>Consistent source of variance for the BIR is timing difference where projects disclose tax due for the covered period regardless of when it was paid (accrual basis) while BIR discloses taxes paid in the covered period (cash basis)</p> <p>Refer to page 167, Section VI, Variances and discrepancies for details.</p>	<p>Reiterate to the BIR that the basis of reporting is accrual which should encompass taxes due for the covered period regardless of when it was paid.</p>
<b>Bureau of Local Government Finance (BLGF)</b>	
<p>In the reconciliation process, it was still observed that the data submitted by BLGF was incomplete. This is mainly due to the several system breakdown of ENRDMT, the main system used by the different LGUs for reporting.</p> <p>Refer to page 167, Section VI, Variances and discrepancies for details.</p>	<p>DOF, through MSG, could help BLGF in the assessment and improvement of ENDRMT since MSG is set to continuously improve ORE. Aside from the improvement of ENDRMT, focus should also be placed on training the personnel of the different LGUs on how to properly use the ENRDMT and how their work impact the PH-EITI exercise.</p>
<b>National Commission on Indigenous Peoples (NCIP)</b>	
<p>For the past 10 reports, NCIP has been consistently struggling in providing disclosures to PH-EITI,.</p>	<p>An urgency should be placed on the implementation of NCIP monitoring tool for IP royalties.</p>