

2020 PH-EITI REPORT KEY FINDINGS

ETW



The logo for ETW, with 'E' in blue, 'T' in yellow, and 'W' in green.

2020 PH-EITI REPORT

8TH COMPREHENSIVE REPORT ON MINING, OIL, GAS, AND COAL
INDUSTRIES IN THE PHILIPPINES

FIRST REPORT TO BE LAUNCHED IN AN IN-PERSON CONFERENCE SINCE
THE PANDEMIC

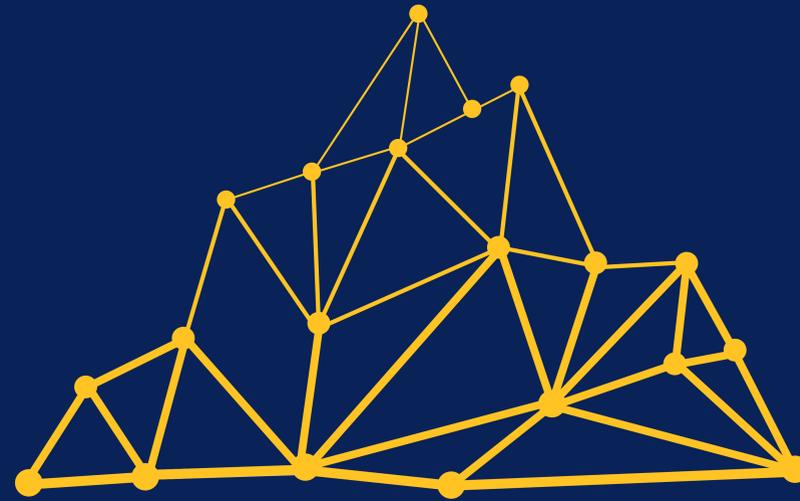


NEW FRONTIERS



**OURS IS A STORY OF
PERSISTENCE &
BREAKTHROUGH**

A STORY OF
CONSISTENCY AND
COMMITMENT



FORGE PH

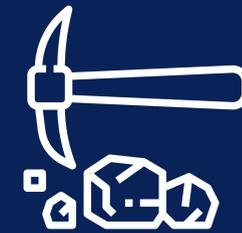
Fostering Open and Responsible
Governance of the Extractives



EITI STANDARD



DATA
RECONCILIATION
(77 PROJECTS)



KEY HIGHLIGHTS OF
THE EXTRACTIVE
INDUSTRIES'
EXPERIENCE OF
THE PANDEMIC

ETW



The 2020 PH-EITI Report Consultants

Mr. Jerick Aguilar

CONTEXTUAL INFORMATION

Ms. Linnet Chan

INDEPENDENT ADMINISTRATOR

Coverage

ETW



43
metallic
mines



33
non-metallic
mines



1
oil and gas



7
NGAs



57
LGUs

PARTICIPATING NATIONAL AGENCIES



BIR, MGB, DOE, DBM, BLGF, BOC, AND PHILIPPINE PORTS AUTHORITY

Contextual Information Chapter



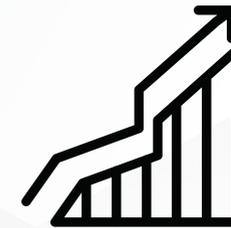
EXTRACTIVE
INDUSTRIES
OVERVIEW



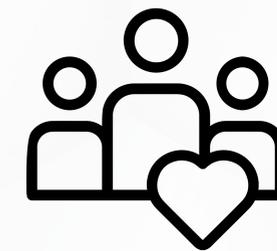
BENEFICIAL
OWNERSHIP
TRANSPARENCY



LEGAL AND
INSTITUTIONAL
FRAMEWORK



CONTRIBUTION
TO THE
ECONOMY



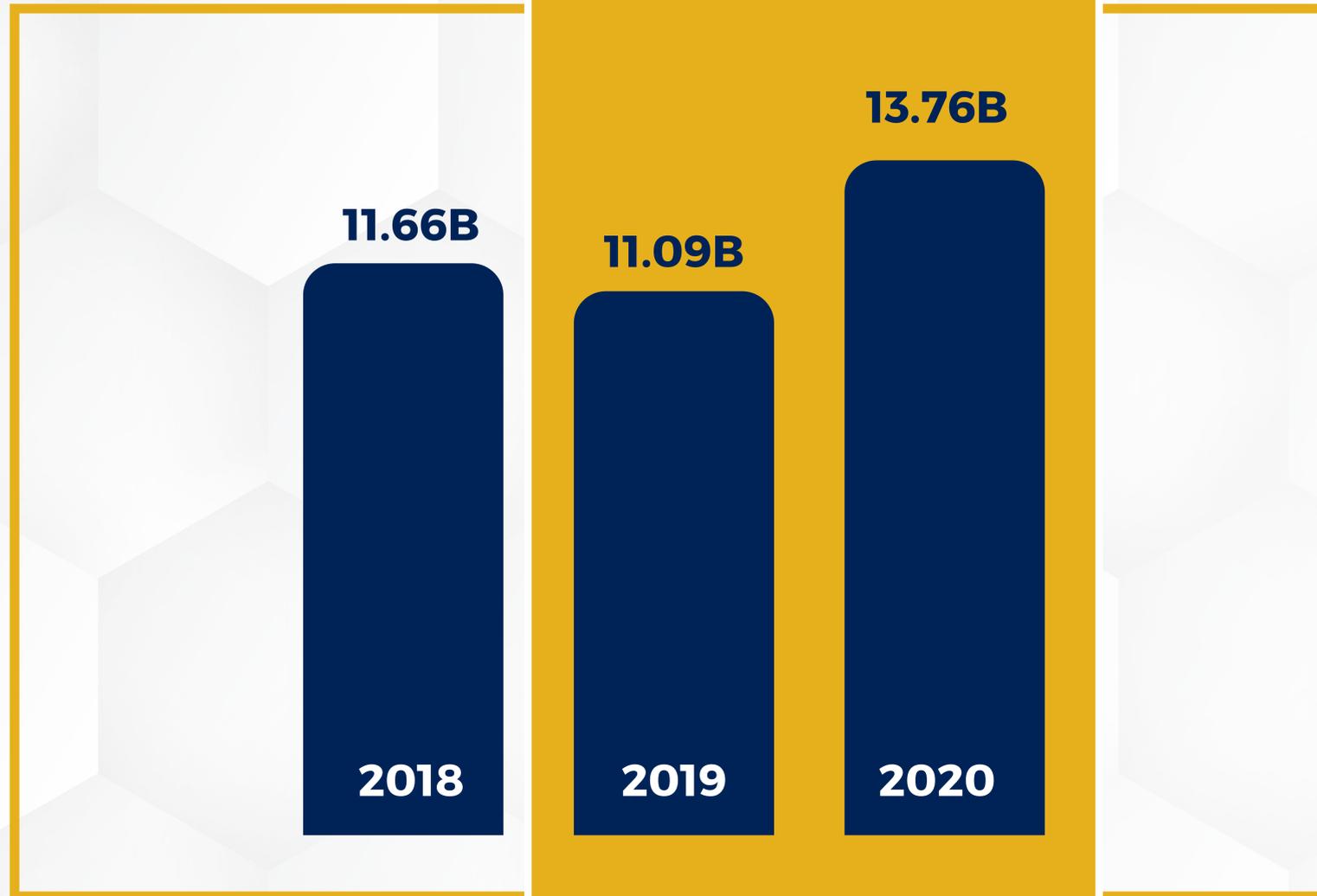
SOCIAL AND
ENVIRONMENTAL
EXPENDITURES



EMPLOYMENT
AND GENDER-
RELATED DATA



Extractive industries as a key growth sector given the Philippines' vast and rich mineral resource deposits



Metallic mining revenue
increased by

24%

in 2020



EMPLOYMENT DATA

16%

INCREASE IN METALLIC SECTOR
EMPLOYMENT



BENEFICIAL OWNERSHIP TRANSPARENCY

63%



50 / 79
COMPANIES
PARTICIPATED
IN BO DATA
DISCLOSURE



SEC MEMORANDUM CIRCULAR NO. 15, S. 2019.

LEGISLATIVE AND ADMINISTRATIVE MEASURES



**Mandanas-
Garcia Ruling**



**CREATE
Act**



**EO 130, s.
2021**



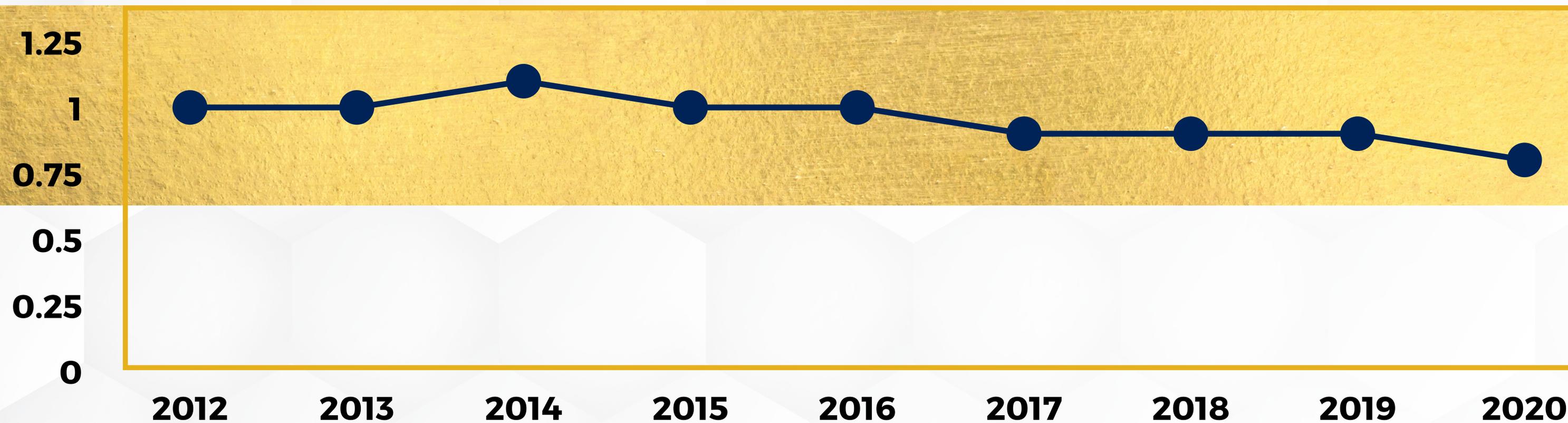
**DENR DAO
No. 2021-40**



**New Mining
Fiscal Regime**

EXTRACTIVE INDUSTRIES SHARE IN GDP

Percent share to GDP at constant 2018 prices



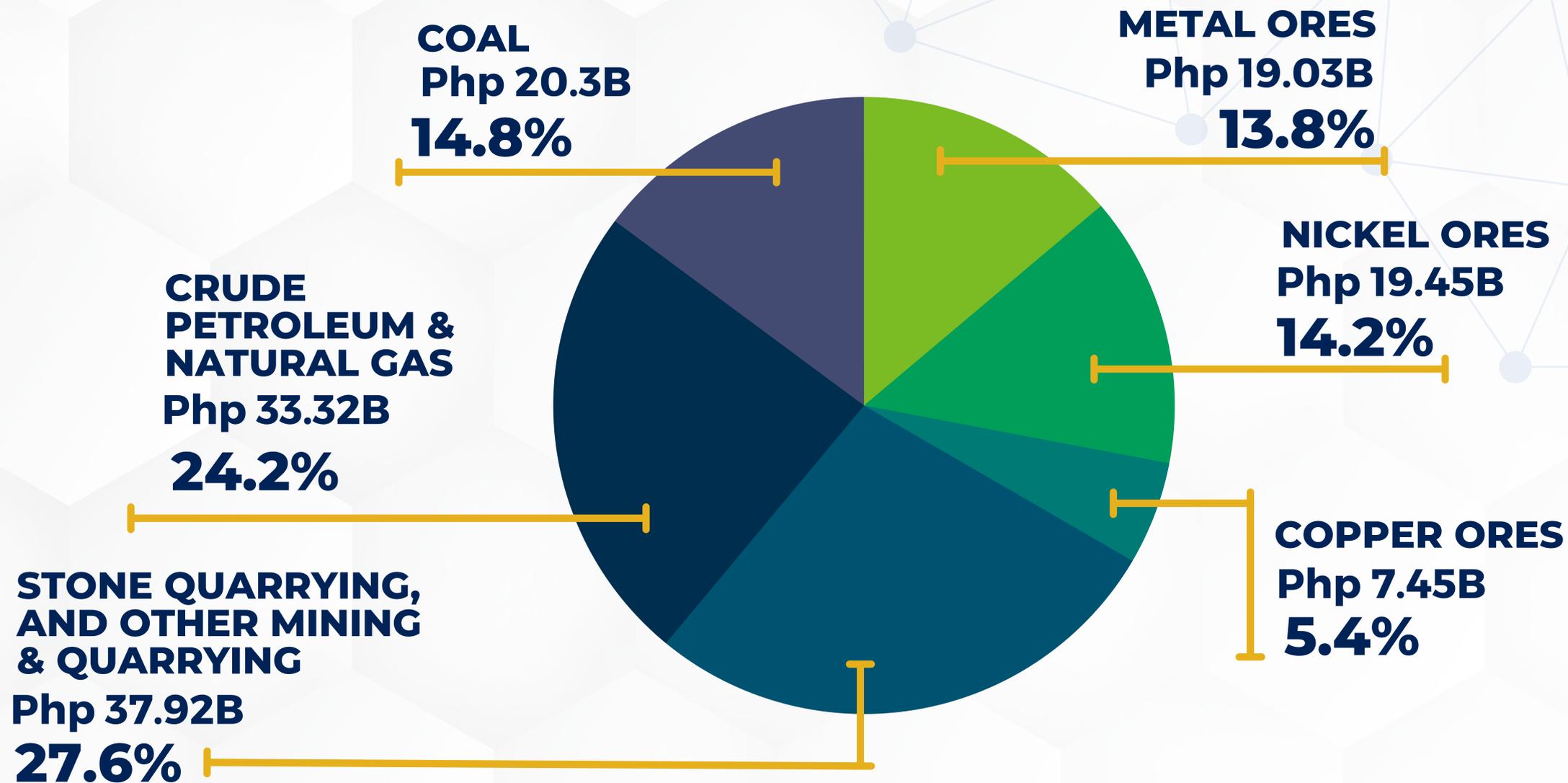
Total GVA

Php 137.5B

Mining and
Quarrying (MAQ)

Top contributors - 2020

- 1 *non-metallic mines*
- 2 *crude petroleum*
- 3 *natural gas*



OVERALL GOVERNMENT REVENUE

2020

44.7B

TOTAL RECONCILED GOV'T REVENUE

**lower by 27% than the reconciled revenues reported for 2019*

OIL AND GAS
50.1%

METALLIC
30.7%

NON-METALLIC
19.1%

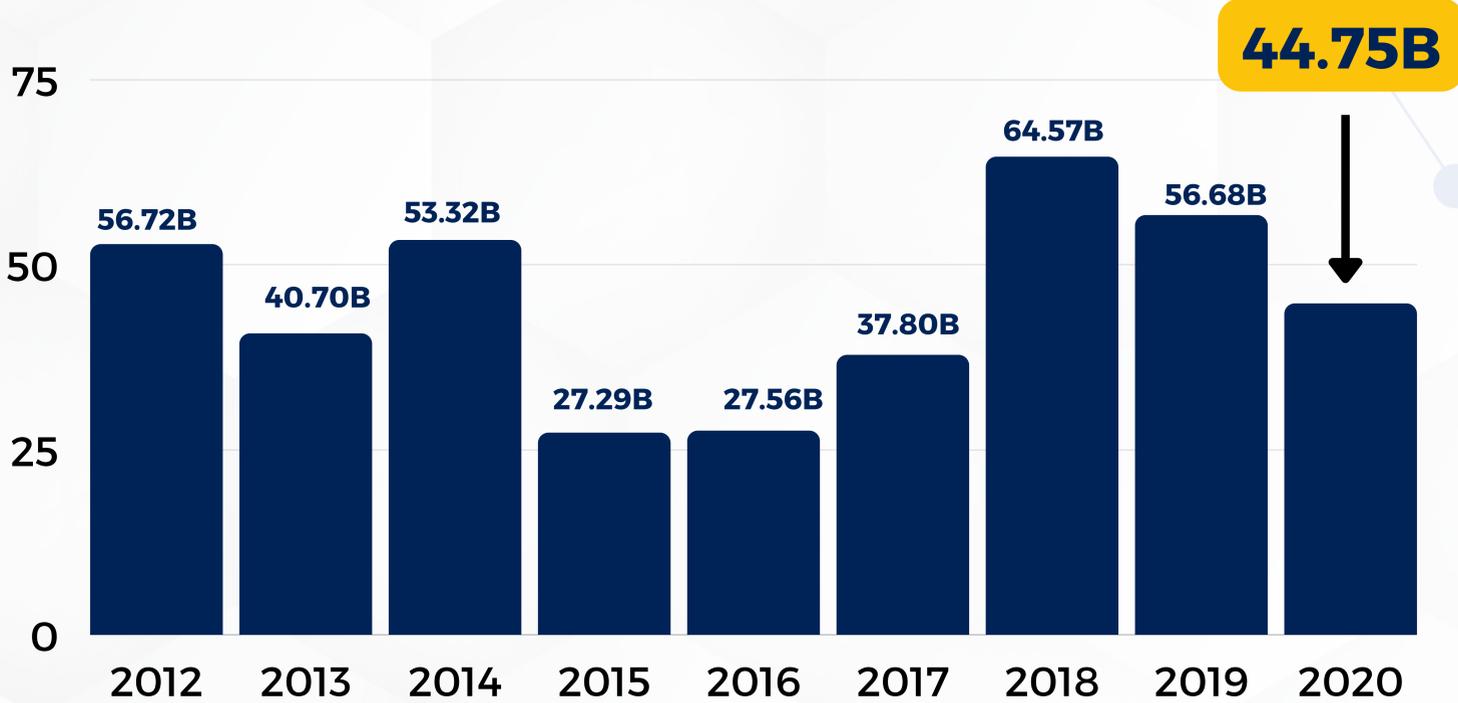


OVERALL GOVERNMENT REVENUE

405.4B

TOTAL RECONCILED GOV'T REVENUE
SINCE THE PH-EITI IMPLEMENTATION

2012 - 2020





Revenue streams covered in the mining sector

- Corporate income tax
- Customs duties
- Excise tax on minerals
- Government share from oil and gas production
- Improperly accumulated earnings tax (IAET)
- Local business taxes
- Output Vat
- Real property tax – Basic
- Real property tax – Special Education Fund (SEF)
- Royalty on mineral reservation
- Value added tax on importations
- Withholding tax on foreign shareholder dividends
- Withholding tax on profit remittance to principal
- Withholding tax on royalties to claim owners
- Royalty to Indigenous Peoples (IPs)



Mandatory environmental and social expenditures

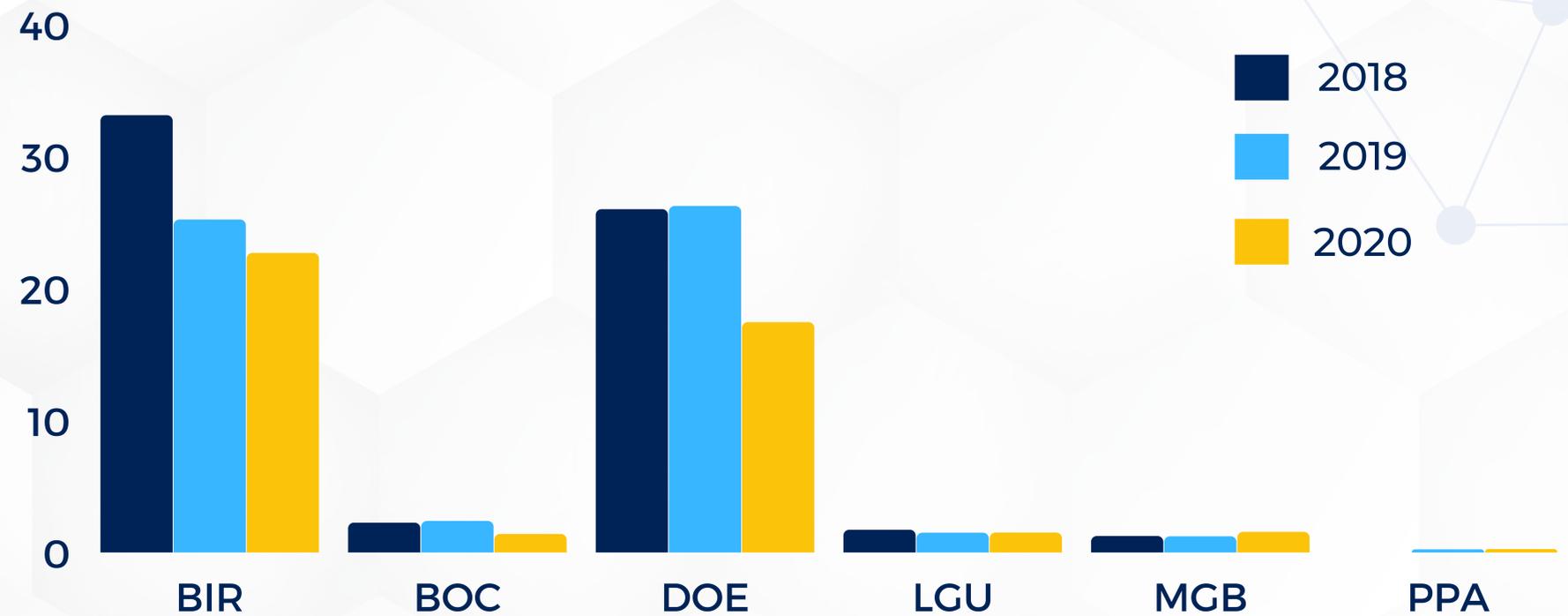
- Annual EPEP - Environmental Protection and Enhancement Program
- Annual Work and Financial Plan (WFP) for FMR/DP - Actual Expenditure
- Compensation for claims for Damages from MWTF
- Environmental Trust Fund - Actual expenditure
- Final Mine Rehabilitation and/or Decommissioning Fund - Actual expenditure
- Mine wastes & Tailing fees (MWTF)
- Monitoring Trust Fund - Actual expenditure
- Rehabilitation Cash Fund - Actual expenditure
- Safety and Health Programs - Actual expenditure
- Annual SDMP - Social Development and Management Programs
 - DHNC - Development of Host and Neighboring Communities
 - DMTG - Development of Mining Technology and Geosciences
 - IEC - Information, Education & Communication

PERCENT SHARE IN RECONCILED REVENUE

MAJOR COLLECTING AGENCIES

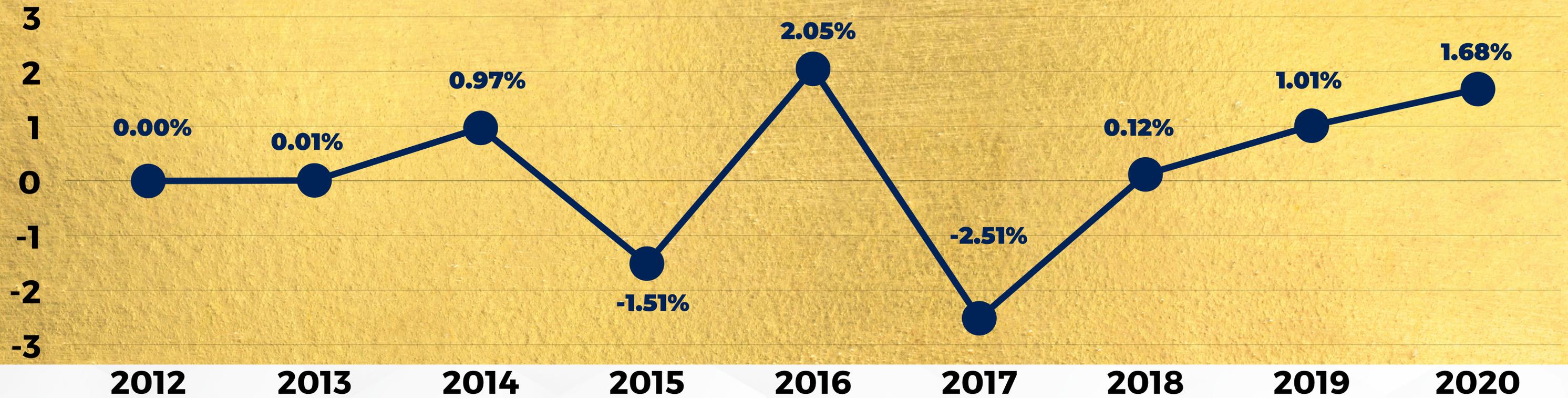
BIR - 51%
DOE - 39%

COVID-19 highly affected the energy sector widening the gap between overall BIR and DOE collection contribution



VARIANCE

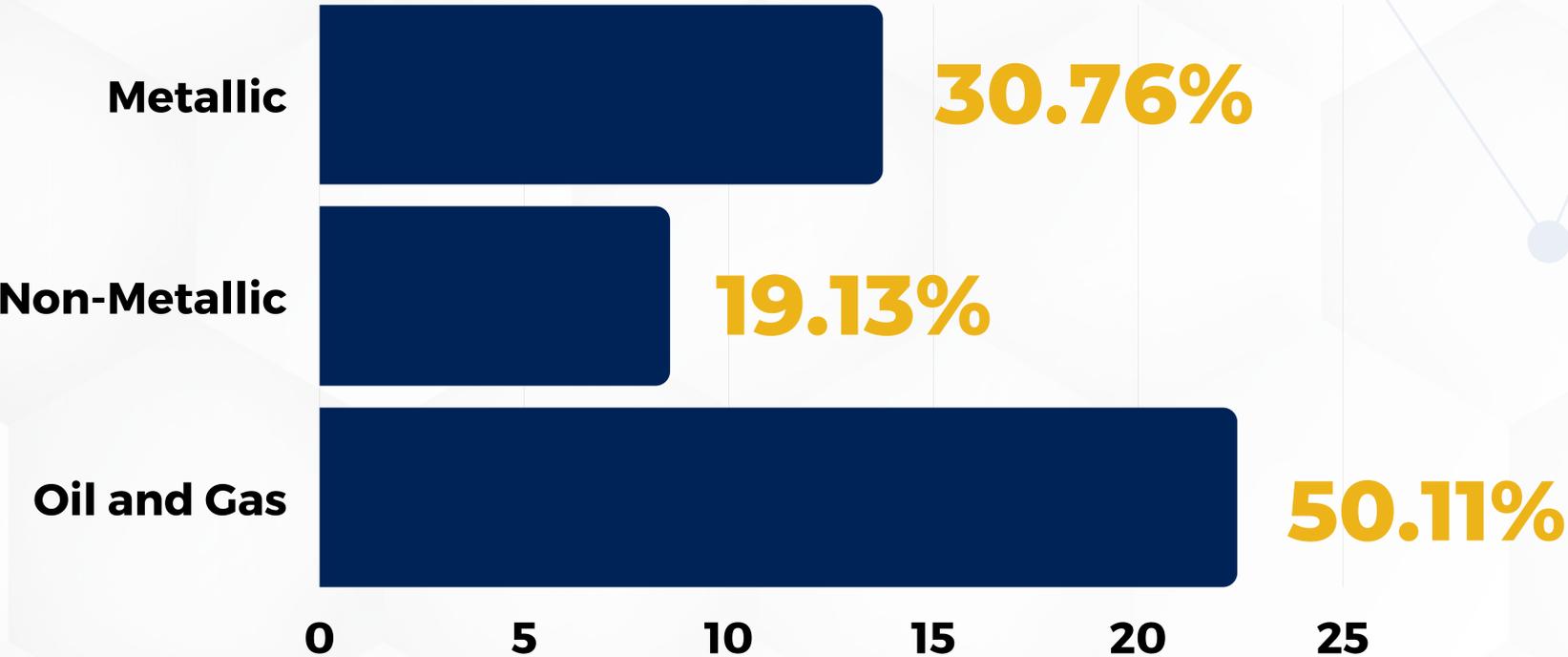
Overall variance went up due to the challenges in submission of supporting documents



GOVERNMENT REVENUE PER SECTOR

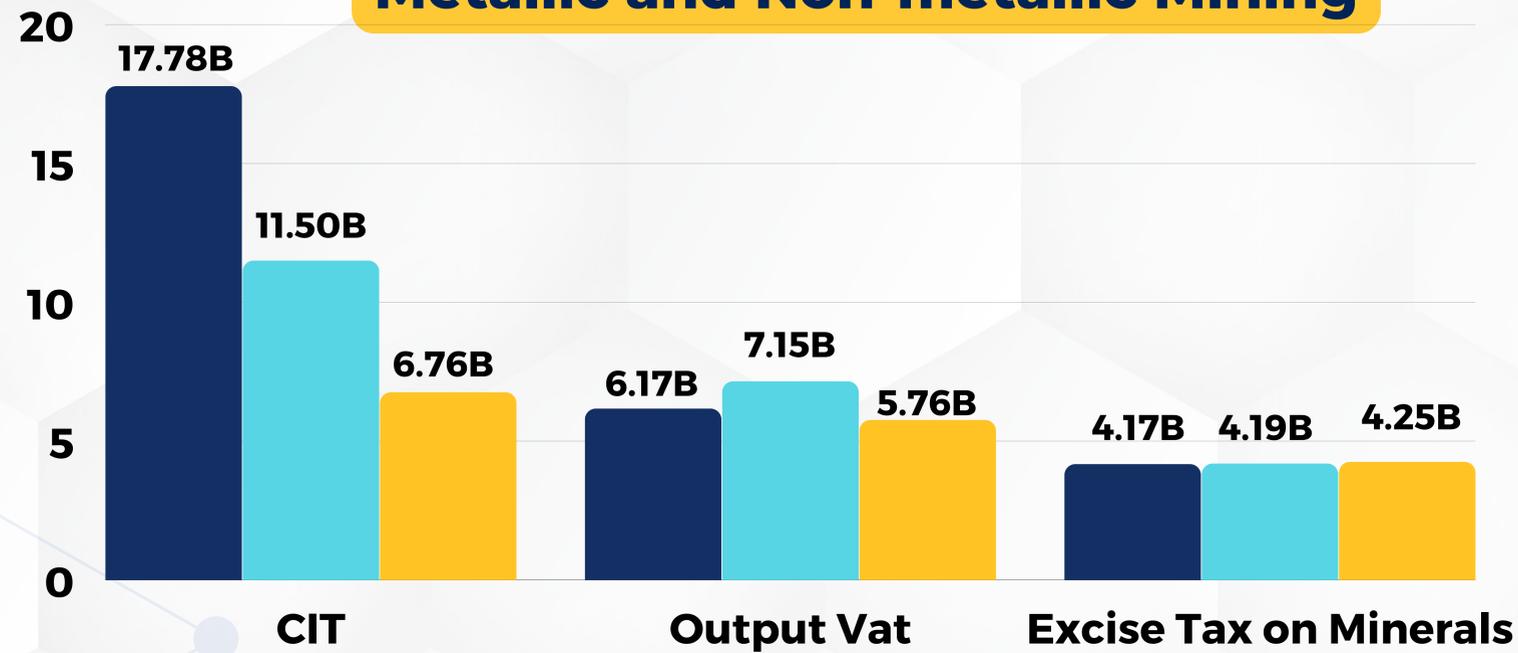
Php 44.7B

Total reconciled revenue

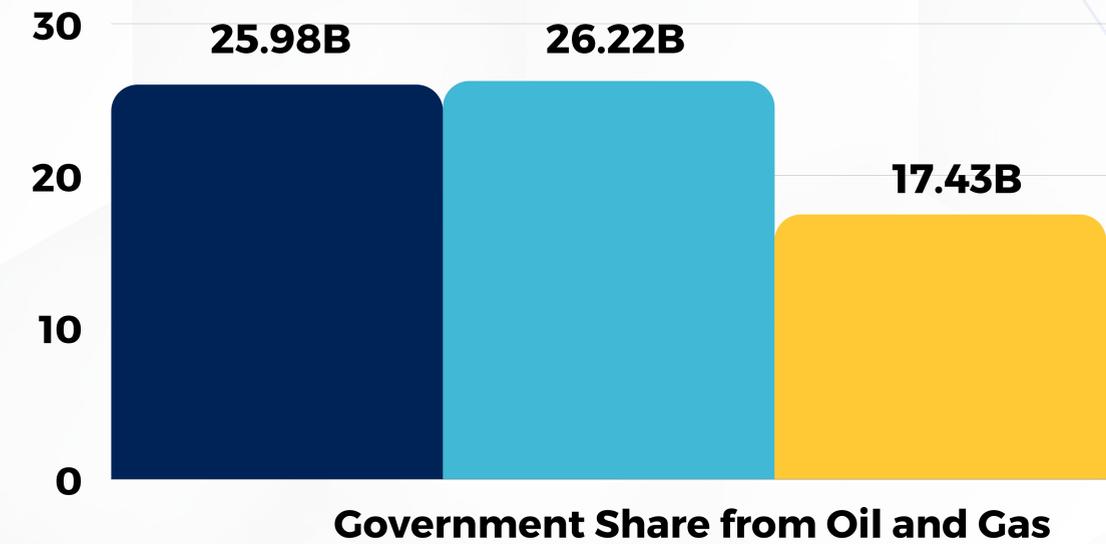


REVENUE STREAM HIGHEST COLLECTION

Metallic and Non-metallic Mining



Oil and Gas

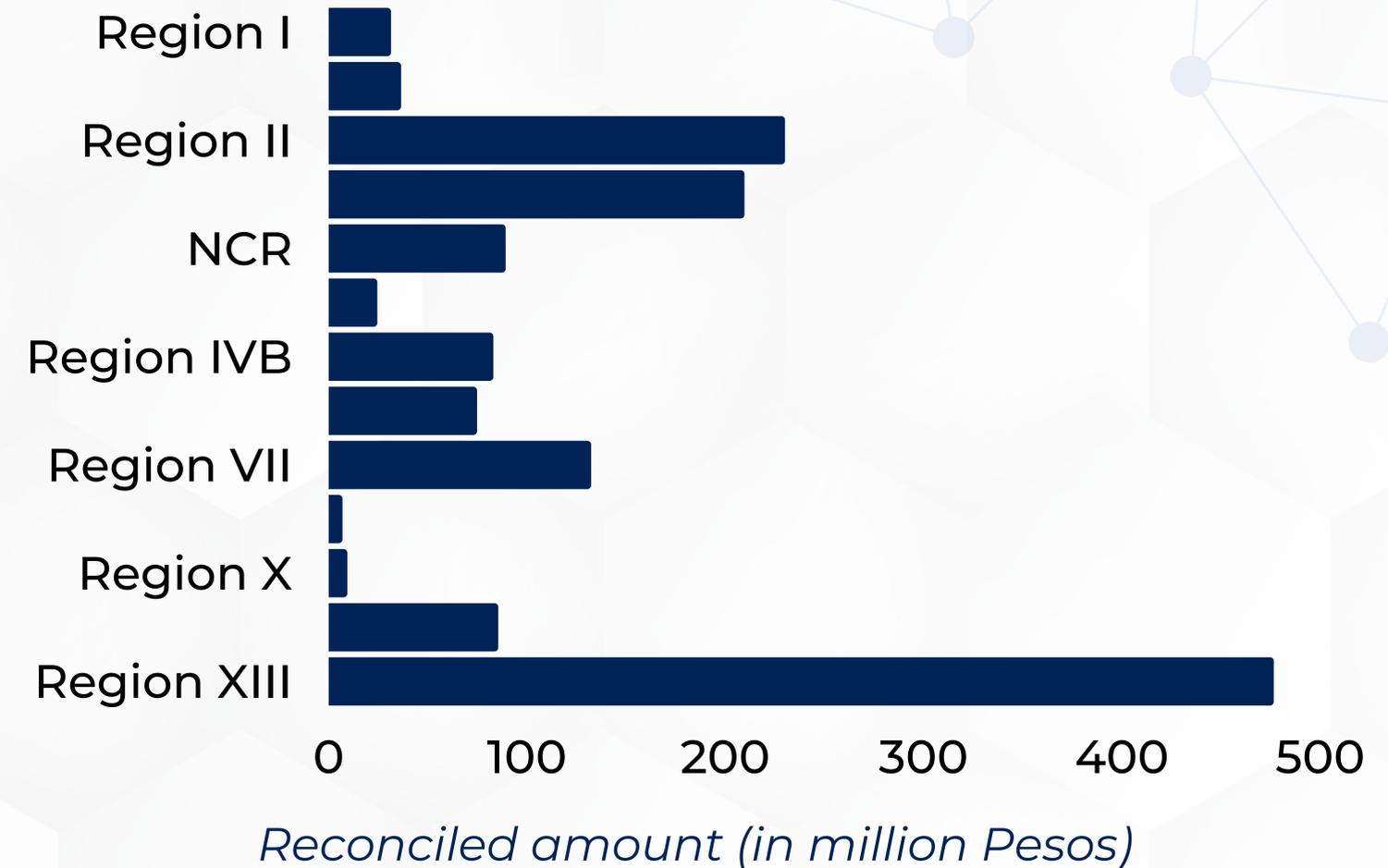


■ 2018 ■ 2019 ■ 2020

LGU COLLECTIONS

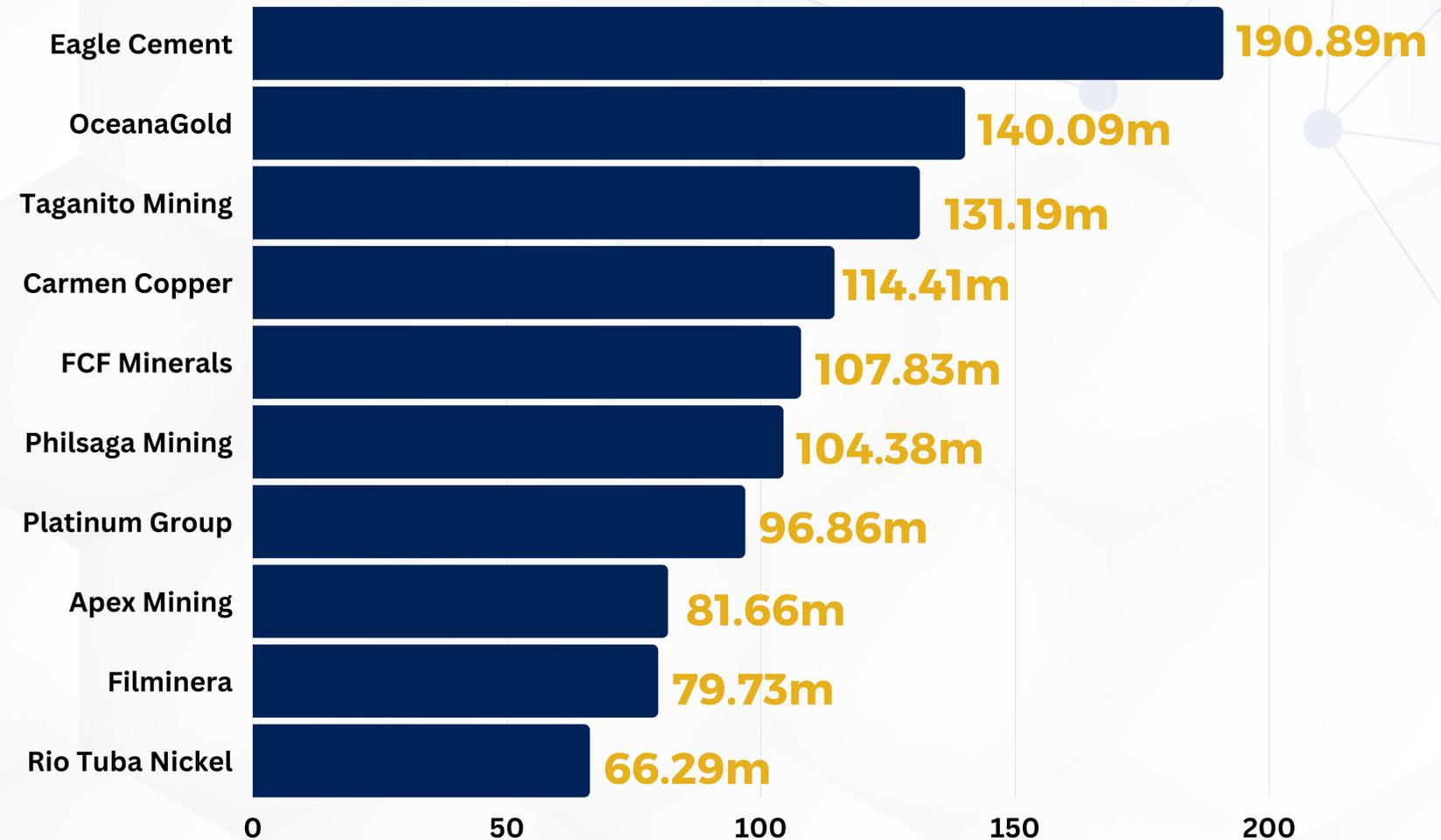
Php 1.5B

Region 13 / CARAGA
remained the highest
earner among regions : **476m**



Companies with Highest Contribution to LGU

1. Eagle Cement
2. Oceanagold
3. Taganito Mining Corporation



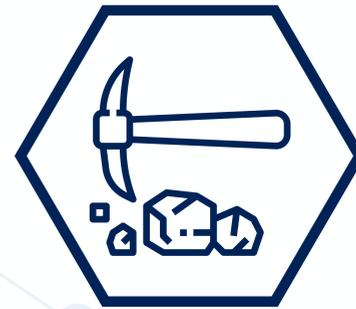
Reconciled amount (in million Pesos)

COVID-19 support from extractive industries



PHP 2.1 billion

from metallic sector



PHP 760.8 million

from non-metallic sector



PHP 2.2 billion

from oil and gas

assistance to individuals, households, and frontliners
during the lockdowns

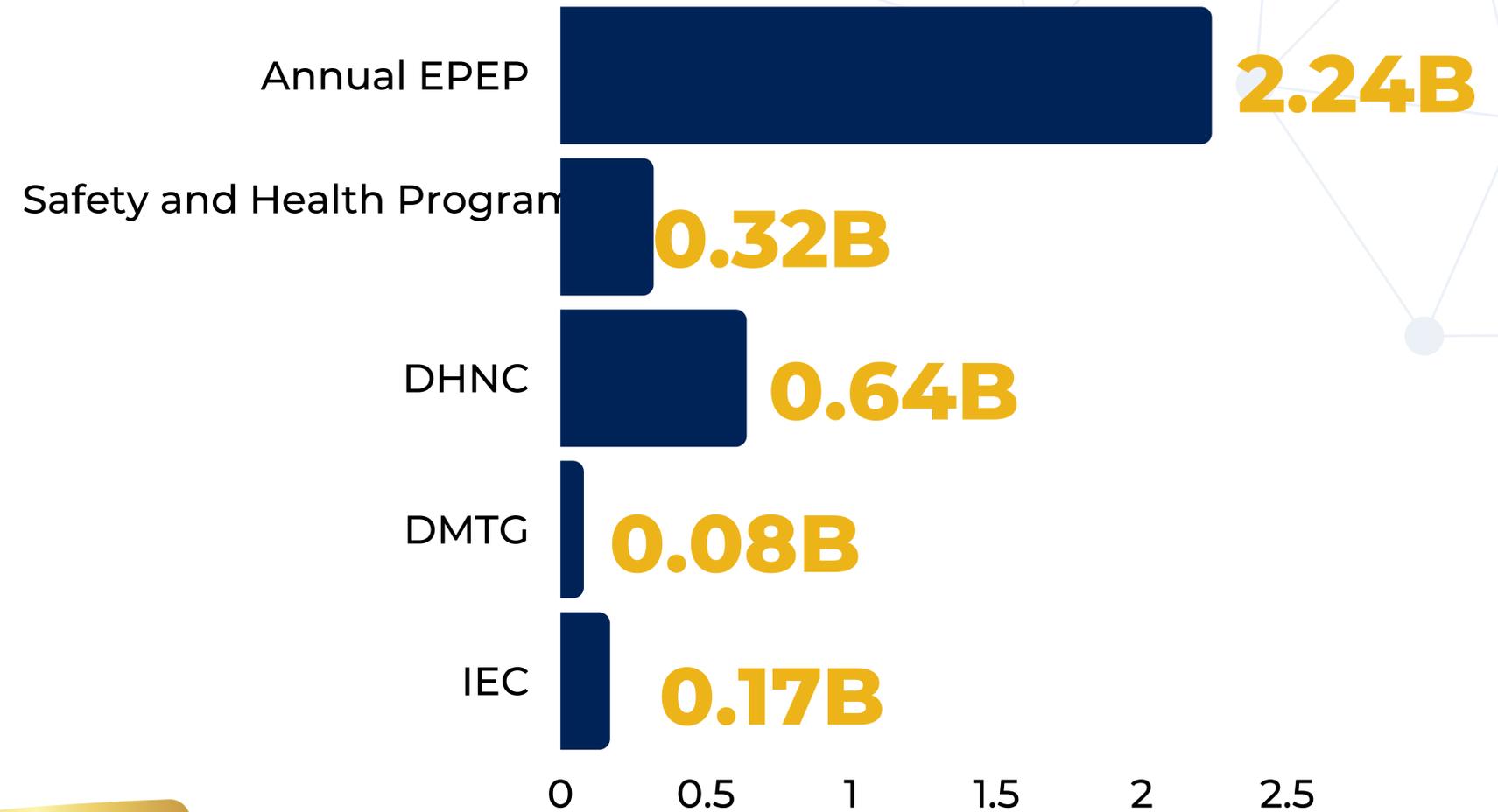
COVID-19 support from extractive industries



Summary of reconciliation results for social and environmental expenditures

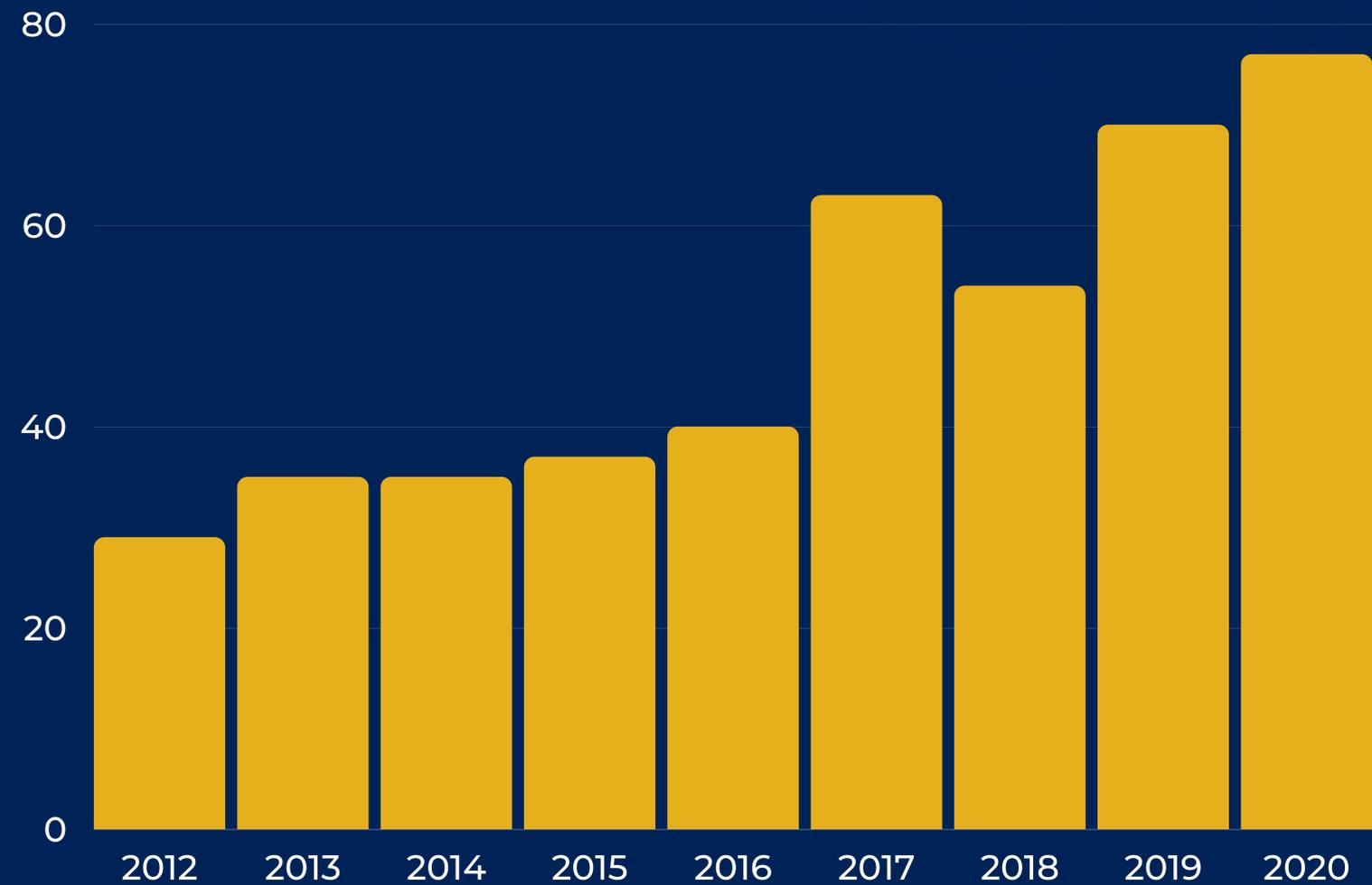
3.4B

Total reconciled amount



85%

Participation Rate in 2020





The final copy of the report will be available
online at the PH-EITI website:

pheiti.dof.gov.ph/country-reports

2021 Report Extractive Industries Participation

as of 3 Nov. 2022



Large-scale
metallic mines



Large-scale
non-metallic
mines



Oil and gas



Coal industry



FY 2021 PH-EITI REPORT

2021 PH-EITI REPORT

MULTI-STAKEHOLDER PARTICIPATION IN EXTRACTIVES GOVERNANCE

NEW INITIATIVES: EXTRACTIVES INTEGRITY AND ENERGY TRANSITION

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