

PH-EITI 4th MSG MEETING
9:00 AM- 12:00 NN | June 13, 2013
Multi-Purpose Room, Boncodin Hall,
Department of Budget and Management (DBM Bld.),
General Solano St., Manila

Attendees:

Secretary Elisea G. Gozun

Usec. Jeremias N. Paul Jr.

Febe J. Lim

Charmaine Bagacay

Asec. Daniel A. Ariaso, Sr.

Margie M. Quinto

Engr. Romualdo Aguilos

Michael Joseph U. Juan

Dr. Cielo Magno

Prof. Jay Batongbacal

Prof. Maria Aurora Teresita W. Tabada

Roldan Gonzales

Ronald Allan A. Barnacha

Nelia C. Halcon

Atty. Casiana N. Dalangin

Sebastian C. Quiniones, Jr.

Atty. Gay Alessandra V. Ordenes

Abigail D. Ocate

Babes M. Ancheta

Focal person for EITI/ Office of the Presidential Adviser for
Climate Change (OPACC)

Department of Finance (DOF)

DOF

DOF

Department of Energy (DOE)

DOE

Mines and Geosciences Bureau—Department of
Environment and Natural Resources (MGB-DENR)

Union of Local Authorities of the Philippines (ULAP)

Bantay Kita

University of the Philippines, College of Law

Visayas State University

GITIB Inc.

Philippine Rural Reconstruction Movement (PRRM)/ North
Luzon

Chamber of Mines of the Philippines (COMP)

CTP Construction and Mining Corporation

Shell Philippines Exploration BV (SPEX)/ Petroleum

Association of the Philippines (PAP)

Secretariat

Secretariat

Secretariat

AGENDA:

- Minutes of the 3rd MSG Meeting
- Matters Arising from the 3rd MSG Meeting
- Multi-Donor Trust Fund Grant Request
- Draft Executive Order Creating EITI

- Draft waiver from BIR
- Congress of LGUs in July

1. Call to Order:

1.1. The Philippine Extractive Industries Transparency Initiative (PH-EITI) Multi-Stakeholder Group (MSG) meeting was called to order and the MSG members including the Secretariat introduced themselves.

The agenda presented was approved by the body.

1.2. The National Coordinator, Atty. Alessandra Ordenes was officially introduced to the MSG members.

2. Minutes of the 3rd MSG Meeting

2.1. It was pointed out that the minutes was sent out to the Multi-Stakeholder Group (MSG) Members after the third MSG meeting but no comments were received by the Secretariat meaning the minutes is approved.

The body agreed.

3. Matters Arising from the 3rd MSG Meeting

3.1. The key matters arising from the previous meeting are the draft Executive Order establishing PH-EITI, the waiver drafted by the Bureau of Internal Revenue (BIR), as well as the participation of the MSG members in the EITI Global Conference.

3.2. The MSG members who participated in the Sydney Conference were asked to share their key impressions to both EITI Global Conference and Mining for Development Conference.

3.3. It was noted that the new rules of the EITI was one of the most important matters discussed during the conference specifically the rules in encouraging the disclosure of contract and the inclusion of disclosure on social spending. It was also shared that the European Union has followed the United States in terms of legislating the requirement for disclosure all payments and revenues including operations in other countries.

3.4. The body agreed to the inclusion of social spending in the PH-EITI first report since the Social Development Management Program (SDMP) is already required by law.

3.5. All members of the MSG will ask their respective legal advisers to look into the issue of contract disclosure to ascertain whether there are any legal impediments to the same. The MSG members have fifteen (15) days to give their comments and feedback regarding contract disclosure.

3.6. The body decided to adopt the Chatham House Rules, which was also discussed in Sydney, in MSG discussion and meetings.

4. Multi-Donor Trust Fund Grant Request

4.1. It was discussed that the funding for PH-EITI will be coming from the Government and that the budget request for 2013 and 2014 were already officially submitted by the Department of Finance (DOF) to the Department of Budget and Management (DBM).

4.2. It was also announced that the British Embassy will also be giving 10,338,633.44 pesos for the implementation of PH-EITI. There will be a signing of a Memorandum of Understanding for the granted funds of British Embassy that will be held on June 14, 2013 (Friday).

4.3. It was shared with the body that other development partners that expressed their commitment to support EITI are AusAID, Canadian International Development Agency (CIDA) and the United Nations Development Programme (UNDP) through the Philippine Poverty Environment Initiative (PPEI).

4.4. The members of the MSG were tasked to review the Multi-Donor Trust Fund (MDTF) documents that will be submitted by DOF with an endorsement from the PH-EITI MSG.

4.5. The Secretariat was asked to make a Gantt Chart of the activities listed in the performance indicator which is a part of the procurement plan for the MDTF. Since many of the activities are to be done simultaneously, a Gantt chart will give a better overall picture of the implementation. It will also be most useful in monitoring what's happening and if any activities are falling behind.

4.6. The body agreed to endorse the MDTF documents as amended.

4.7. The hiring of a Communications Strategist and the drafting of a law institutionalizing PH-EITI will be included in the Key Performance Indicators.

4.8. It was announced to the body that Timor Leste is offering to conduct a training for the PH-EITI MSG on the Petroleum Fund process if the MSG members will go to the said country. The secretariat was tasked to raise funds for its participation in this event.

4.9. The Secretariat was tasked to make an internal process flow to guide the MSG members.

4.10. One proposed agenda in the next meeting is identifying the time frame within which the LGUs, industry and collecting government agencies can submit their data and fill out the reporting template.

4.11. The industries were asked to submit to the Secretariat a list of all their payments to the different collecting agencies of the government. The Malampaya Consortium agreed to submit the list of payments

that they were giving to the Department of Energy (DOE) for the year 2012 so that the template formulation can start.

4.12. ULAP, as the representative of LGUs, was also asked and agreed to submit to the Secretariat a list of all the payments they are collecting from the industries.

4.13. The secretariat was tasked to submit to the MSG a list of accredited reconcilers that may be hired for the EITI report

5. Draft Executive Order (EO) Creating EITI

5.1. All the minor comments, such as wordings and sentence construction, on the draft EO were accepted.

5.2 The body agreed to use lesser words and generic sentences so that the EO will be more flexible.

5.3. It was agreed that the composition of the PH-EITI MSG will be listed in the EO but the mandate of each agency/sector will not be included again for more flexibility.

5.4 As for the terms of the MSG members, the body agreed to simplify the terms in the EO and just leave the manner of ensuring continuity to the respective sectors.

5.5 The body agreed to amend the previous Memorandum of Understanding (MOU) signed by the MSG members and change the quorum for MSG meetings from one (1) representative to the presence of at least three (3) representatives of each sector.

5.6 The Secretariat was tasked to draft the house rules of the MSG and include the definition of consensus in this document to be presented and discussed next MSG meeting.

5.7 It was agreed that the MSG members adapt and endorse to the Office of the President through the MICC co-chairs and through Secretary Butch Abad as the secretary for Cabinet Cluster on Good Governance the draft EO establishing EITI as amended.

5.8. At this juncture, Sec. Gozun formally informed the body of her decision to resign from the government but assured everyone of her continued commitment to this undertaking.

6. Draft waiver from the Bureau of Internal Revenue (BIR)

6.1 The body agreed to defer the discussion of the draft waiver until all comments of the MSG members are submitted to the Secretariat.

6.2 The Secretariat was tasked to make a matrix of all the substantial comments on the draft waiver once the members of the MSG have submitted their inputs.

7. Congress of LGUs in July

7.1 In partnership with Indonesian partners, a national training will be held, tentatively on August 1-3. The targeted participants of this training are Local Government Units who have operating mines, industries (within mining sites), and local Civil Society Organizations. Bantay Kita will be coordinating with the Chamber of Mines of the Philippines (COMP) and Union of Local Authorities of the Philippines (ULAP) on this.

7.2 It was proposed that the MSG officially co-sponsor the briefing of LGUs in Davao regarding EITI, which is an event of Bantay Kita.

7.3 The body agreed to request the International Secretariat to provide the PH-EITI MSG members with a training on the new EITI rules. It was also noted that this event can be conducted back to back with a training on developing the reporting templates that the MSG of Indonesia is willing to provide.

8. Other Matters

8.1 The body agreed that the MSG meeting be only conducted if every sector can participate especially if there is a budget for the Civil Society Organization (CSO) representatives to attend the meeting.

8.2 The members agreed to submit their back to office report in connection with their participation in the EITI International Conference in Sydney and tasked the secretariat to consolidate these reports.

8.3. The new timelines sent by Mr. Wouter Biesterbos of the EITI International Secretariat was presented to the body as follows: November 22, 2014: Deadline for submission of EITI Report; November 22, 2015: deadline for submission of Validation Report.