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## 53<sup>rd</sup> Multi-Stakeholder Group (MSG) Meeting

30 August 2018 | 2:00 PM – 6:00 PM

Aureo La Union, San Fernando

### Attendees:

#### Government

Asst. Secretary Ma. Teresa Habitan	Department of Finance (DOF)
Ms. Febe Lim	DOF
Engr. Romualdo Aguilos	Department of Environment and Natural Resources -Mines and Geosciences Bureau (DENR-MGB)
Engr. Carlos Tayag, Regional Director (sat in per instruction of MGB Director)	DENR-MGB Region I
Ms. Maricor Ann Cauton	Union of Local Authorities of the Philippines (ULAP)
Ms. Rhizzalyn Bautista	Department of the Interior and Local Government (DILG)

#### Industry

Atty. Ronald Rex Recidoro	Chamber of Mines of the Philippines (COMP)
Atty. Francis Ballesteros	Philex Mining Corporation
Mr. Gerard Brimo (waived quorum)	COMP

#### Civil Society Organization (CSO)

Ms. Maria Kristina Pimentel	Bantay Kita – Publish What You Pay Philippines
Mr. Buenaventura Maata, Jr.	Philippine Grassroots Engagement in Rural Development Foundation, Inc. (PhilGrassroots-ERDF)
Mr. Augusto Blanco	IP Representative, Mandaya Tribe, Compostela Valley
Mr. Chito Trillanes	Social Action Center – Ecology Desk, Diocese of Tandag, Surigao del Sur
Ms. Aniceta Baltar	Concerned Citizens of Abra for Good Governance
Ms. Roxanne Veridiano	Philippine Task Force for Indigenous Peoples’ Rights
Mr. Nelson Cuaresma	Concerned Advocates Saving Terrestrial and Marine Ecosystems (COASTLINE), Inc.

1 Mr. Glenn Pajares Sectoral Transparency Alliance on Natural  
2 Resource Governance in Cebu, Inc.  
3

4 **PH-EITI Secretariat**

5 Atty. Maria Karla Espinosa  
6 Ms. Joylin Saquing  
7 Ms. Roselyn Salagan  
8 Mr. Marco Zaplan  
9 Mr. Ryan Justin Dael  
10 Mr. Eastword Manlises  
11 Ms. Odessa Taguibao  
12 Mr. Jaime Miguel  
13 Mr. Ricardo Evora  
14 Ms. Angelina Alba  
15 Ms. Rhea Bagacay  
16 Ms. Marie Lezith Soriano  
17 Ms. Jesusa Calma  
18

19 **Agenda:**

- 20
- 21 • Approval of the Agenda
  - 22 • Approval of the Minutes of the 52nd MSG Meeting
  - 23 • Matters arising from previous MSG Meetings
  - 24 • Main Business
    - 25 ○ Recap of the 2018 Roadshow
    - 26 ○ Report on ORE Launch
    - 27 ○ Updates on the production of the 5<sup>th</sup> Report (ORE Deployment, DAO 201-07
    - 28 implementation)
    - 29 ○ Discussion of draft Contextual Information
    - 30 ○ Transparency Awards 2019 criteria and mechanics
  - 31 • Other Matters
    - 32 ○ EITI partial assumption of PPEI program
    - 33 ○ Updates on ongoing/pending activities/matters including impact survey, APR
    - 34 ratification
    - 35 ○ Setting of next MSG meeting
- 36  
37

38 **1. Call to order**

39  
40 DOF Asst. Secretary Ma. Teresa Habitan chaired the 53<sup>rd</sup> MSG meeting. The secretariat  
41 informed the Chair that Mr. Gerry Brimo would send his waiver of quorum. There being a  
42 quorum, the meeting started at 2:15 p.m.

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## **2. Approval of provisional agenda**

The Chair directed the body’s attention to the provisional agenda and asked the members if there are any other matters they would like to add. A CSO representative requested the matter of a round table discussion on responsible mining to be added to the agenda.

The Chair asked for approval of the agenda and the members moved and seconded the same.

## **3. Approval of the minutes of the 52<sup>nd</sup> MSG meeting**

The Chair reminded the members to send their comments regarding the minutes of the previous meeting within seven (7) days. If no comments are received by the secretariat, the minutes will be deemed approved.

## **4. Matters arising from previous MSG meetings**

The secretariat reported that there are only three items in the list of matters arising from previous meetings, and all have to do with courtesy meetings with the Secretaries of the Department of Energy (DOE) and the Department of Interior and Local Government (DILG) and the Securities and Exchange Commission (SEC). Although these agencies had been contacted, requesting for the meetings has been temporarily suspended pending consolidation of the agenda which the MSG may want to define or refine, considering recent developments in EITI, such as mainstreaming. The letters will incorporate the agenda and be signed by DOF Undersecretary Agabin as MSG Chair.

## **5. Recap of 2018 Roadshow**

The secretariat delivered a video and Powerpoint presentation for the recap of the 2018 Roadshow that was just concluded the day before in Baguio City.

The secretariat thanked the MSG members for taking part in the roadshow as resource persons and speakers. The secretariat then presented statistics on participant turnout and feedback from the seven legs of the roadshow held in the last two months (July – August). The numbers reported included the following:

- In total, there were 25 provinces, 55 municipalities, and 18 cities (total of 98 LGUs) that participated in the roadshow.

- National government agencies (MGB, EMB, BLGF, NCIP, DBM), both central offices and regional offices in 15 regions also participated.
- Industry representatives from 63 mining companies were also present. Representatives from civil society organizations, academe and media were also present.
- The roadshow participants numbered 804 in total, broken down as follows:

Regions Covered	Date	Venue	No. of Participants
IV-A, IV-B, NCR	July 9	Manila	126
III	July 12	Clark	78
VI, VII, VIII	July 24	Cebu	116
IX, X, XI, XII, ARMM	July 26	Davao	104
XIII	August 7	Surigao	191
V	August 15	Masbate	59
CAR, I, II	August 29	Baguio	130

The secretariat noted what have been added to this year's roadshow coverage compared to last year's: Region XII because of their best practices in small-scale mining (South Cotabato), which will be included in the next country report; and Region V as a separate leg in order to give due attention to the mining-related concerns in Bicol, which move received positive feedback from the LGUs of the region.

- The number of targeted LGUs vis-à-vis the number of actual attendees was presented:

Regions Covered	Venue	Target	Actual
CAR, I, II	Baguio	12	10
III	Clark	7	6
IV-A, IV-B, NCR	Manila	21	13
V	Masbate	4	2
VI, VII, VIII	Cebu	18	12
IX, X, XI, XII, ARMM	Davao	11	9 (+3)
XIII	Surigao	26	25

The full list of attendees of the roadshow can be found in the Annex.

1 The secretariat proceeded to report the results of the feedback form filled out by  
2 participants of the roadshow:

- 3
- 4 • The form was completed by 472 respondents, giving a response rate of 58.71%.
- 5 • The Surigao leg has the highest response rate of 29.87% (141 responses),
- 6 followed by the Baguio leg with 18.64% (88 responses). Majority of respondents
- 7 was from the LGU and industry sectors.
- 8 • Overall assessment of the event: 87% of respondents rated the event as
- 9 *excellent* and *very good*.
- 10 • Content of the program: 83.69% of respondents rated the content of the
- 11 conference (as a whole) as *excellent* and *very good*.
- 12 • Quality of the speakers/ resource persons: 82% of respondents rated quality of
- 13 speakers as *excellent* and *very good*.
- 14 • Quality of the discussion: 80.72% of respondents rated the quality of discussions
- 15 had for each session as *excellent* and *very good*.
- 16 • Structure and format of the sessions: 76% of respondents rated the structure and
- 17 format of the sessions as *excellent* and *very good*.
- 18 • Logistics of the forum/workshop: 85% of respondents rated the logistics of the
- 19 conference as *excellent* and *very good*.
- 20 • Comments included expressions of affirmation and congratulations and
- 21 suggestions to give more time for open forum and to include BIR and NCIP as
- 22 resource persons. There was also a suggestion to do at least a two-day program
- 23 for better and more productive discussions.
- 24
- 25

26 A CSO representative recalled that Mayor Pichay of the municipality of Cantilan in  
27 Surigao del Sur approached him during the roadshow and asked if PH-EITI can visit  
28 Cantilan, since they are planning to create an ordinance on EITI implementation  
29 there.

30  
31 The secretariat acknowledged the conversation with Mayor Pichay and shared other  
32 comments from LGU officials during the Roadshow, like a Board Member of Bulacan  
33 who asked if PH-EITI had a draft ordinance for EITI localization that he could sponsor.

34  
35 The Chair remarked that PH-EITI is creating impact in the local level.

36  
37 This was followed by a series of comments from MSG members regarding PH-EITI's  
38 roadshow or local outreach:

- 39
- 40 • A CSO representative suggested that the registration form include a field for IP
- 41 tribe/group affiliation.
- 42 • An industry representative suggested that a town hall type of forum be done at
- 43 the community level.
- 44 • A government representative commented that a town hall forum is promising
- 45 but would be quite challenging due to general lack of facilities. She suggested

1 Dinagat Island as a possible pilot area for this type of roadshow, since the LGU  
2 has access to a large covered court and electricity.

- 3 • The Chair suggested that a pilot be done in one area for next year’s roadshow.
- 4 • Another CSO representative supported the proposal to have more time for open  
5 discussion with the community where positive impact of the roadshow can be  
6 more felt.
- 7 • A government representative mentioned that if the proposal is pursued, the  
8 materials to be used should be localized or in the local language.
- 9 • A CSO representative said that the town hall meeting can be complemented with  
10 a mine site and community visit.
- 11 • The secretariat mentioned that they have been conducting mine site and  
12 community visits since last year. PH-EITI has gone to Brgys. Ampucao in Benguet,  
13 Didipio in Nueva Vizcaya (OceanaGold), Don Andres Soriano in Cebu (Carmen  
14 Copper), Hayanggabon and Taganito in Surigao del Norte (Taganito Mining  
15 Corporation), Maco in Compostela Valley (Apex Mining Co.), Filminera, Aroroy in  
16 Masbate (Filminera Resources and Masbate Gold Project), Tubay in Agusan del  
17 Norte. This year, aside from meeting with barangay/community and municipality  
18 officials/leaders, PH-EITI also turned over two (2) *Bayaminahan* Boards or  
19 transparency boards formatted for the municipalities (Maco and Aroroy) to  
20 enable them to monitor their revenues from extractives.
- 21 • Another CSO representative suggested to include BIR in the roadshow, which is  
22 consistent with participant feedback from the roadshow, as local stakeholders  
23 are interested in their share in national wealth.
- 24 • Another CSO representative lauded the giving of transparency boards to the  
25 LGUs and asked if this can be done for IP communities to help them know how  
26 much they are getting.
- 27 • Another CSO representative shared his experience where, before conducting a  
28 forum, they did a radio program where they called the community and a  
29 resource person by phone patch. This helped prepare the stakeholders to  
30 participate in the forum.

31  
32 The Chair thanked the MSG members for their comments and suggestions and  
33 stated that the general idea is for EITI to go deeper down and communicate  
34 effectively. She then directed the body’s attention to the video presentation  
35 recapping the 2018 Roadshow. The video lasted for about 19 minutes. The Chair  
36 thanked the secretariat for the video production/presentation.

## 37 38 **6. Report on ORE Launch**

39  
40 The secretariat reported that the launch of the ORE (Online Reporting in the Extractives)  
41 tool held on August 24 had a 95% turnout rate with positive overall rating (*good* to  
42 *excellent*) of 93%. Participants rated the tool as useful and easy-to-use.

1  
2 The secretariat thanked the MSG members who attended and supported the launch.  
3 They also reported that ORE would soon be deployed, with data collection set to take  
4 place from September 3 to October 1. Enhancement of the ORE tool, based on  
5 comments from the targeted users, was ongoing.  
6

## 7 **7. Updates on production of the 5<sup>th</sup> Report**

8

9 The secretariat proceeded to give updates on the progress of 5<sup>th</sup> Report production:  
10

- 11 • The 5<sup>th</sup> Report is envisioned to be more concise and reduced to the most  
12 relevant data, with possible disaggregation of data per region and LGU. It will just  
13 make references to previous reports and online portals, as  
14 appropriate/necessary.
  - 15 • Status of BIR waivers – 56% submission as of the August 24 deadline (37 out of  
16 68 companies; 74 projects)
  - 17 • Summary of submissions –
    - 18 ○ Submissions: 37
      - 19 ▪ Metallic: 29
      - 20 ▪ Nonmetallic: 5
      - 21 ▪ Coal: 0
      - 22 ▪ Oil and Gas: 3
    - 23 ○ Non-submissions: 31
      - 24 ▪ Metallic: 14
      - 25 ▪ Nonmetallic: 9
      - 26 ▪ Coal: 1
      - 27 ▪ Oil and Gas: 7
- 28

29 For mining, the secretariat noted that one possible reason for non-submission was that  
30 the companies had no production in 2017. For oil and gas, the biggest service contract  
31 holder, Malampaya, has submitted its waiver, and Galoc already said it will submit a  
32 waiver. The other companies who have not submitted are the five companies who have  
33 traditionally not participated in past PH-EITI reports.  
34

35 Regarding the SSM (small-scale mining) pilot reporting, the secretariat reported that  
36 there is already a working template for the *Minahang Bayan*. A workshop with PMRBs  
37 was conducted on June 25; and there will be a workshop with South Cotabato, the LGU  
38 identified for pilot testing, on September 17. For the BO (beneficial ownership) pilot  
39 reporting, inputs to the BO declaration form were collected in a session during the PH-  
40 OGP (Philippine Open Government Partnership) Week, including from MSG members  
41 who participated in the event. Possible volunteer companies for the pilot reporting were

1 identified during the TWG meeting on May 28.  
2  
3 A CSO representative asked if the companies identified for BO pilot reporting have given  
4 consent to the pilot.  
5  
6 An industry representative said that he is waiting for more information to push the idea  
7 with mining companies.  
8  
9 The secretariat proceeded to inform the MSG members that initial reconciliation for the  
10 5<sup>th</sup> Report can possibly be generated and presented to the MSG during the 54<sup>th</sup> MSG  
11 Meeting.  
12  
13 A CSO representative inquired about the proposed Contextual Information outline  
14 expected by end of August. The secretariat said that the matter is part of the agenda.  
15  
16 A CSO representative raised two questions: (1) What are the targets and timeline for the  
17 report and how can the members help meet them? (2) Has it been made clear to the IA  
18 that it should provide some interpretation of the reconciliation results/data? He also  
19 pointed out that some parts of the (latest) country report are not consistent.  
20  
21 The secretariat said that they will give a timeline based on the TOR, although  
22 bureaucratic realities, particularly as regards procurement, have made identifying a fixed  
23 timeline quite challenging. The original timeline, which targeted report approval by  
24 October 31, had been adjusted at least twice already. As soon as milestones in the  
25 process are fixed, the Secretariat will give a more definite timeline.  
26  
27 The Chair acknowledged that the struggle is real when it comes to getting approvals for  
28 contracts, because of checks and balances that are being implemented. Nonetheless,  
29 best efforts will be done.  
30  
31 As to ensuring the participation of mining companies, a government representative said  
32 that during an MGB ManCom meeting held in August, it was agreed that regional  
33 directors will follow up companies within their respective jurisdictions who have not  
34 submitted waivers, and remind them that DAO 2017-07 is already being enforced.  
35  
36 A CSO representative asked if there is a better mechanism this year to ensure accuracy  
37 of data. She mentioned that not all the data sets or tables in the last report were  
38 accurate or consistent. It may be unfair to the companies and government agencies who  
39 reported correctly but the same is not reflected in the country report.  
40  
41 The secretariat took note of comments and said that they will discuss them with the IA.



1 It was also mentioned that an advantage of a slimmer report is it would be easier to  
2 review and check the content.

3  
4 The secretariat also mentioned that they have created a database to track the  
5 compliance of companies as regards participating in the 5<sup>th</sup> Report. The secretariat edits  
6 and updates the information, but the MSG/public can access and view the information.  
7 This is the link: [www.bit.ly/fifthreport](http://www.bit.ly/fifthreport)

8  
9 The Chair requested for a press release about this database on company compliance  
10 with PH-EITI reporting.

## 11 12 **8. Discussion of the Contextual Information outline**

13  
14 The secretariat directed the members' attention to the outline provided by Dr. Chil  
15 Soriano, the consultant engaged to write the Contextual Information chapter.  
16 Secretariat has met and discussed the 5<sup>th</sup> Report with the consultant.

17  
18 According to the secretariat, Dr. Soriano proposed to write separate discussions for  
19 mining and for oil and gas. A third section will tackle common issues related to the  
20 extractive industries. The fourth section will talk about PH-EITI as an organization. Dr.  
21 Soriano sent the provisional outline and asked for MSG members' feedback/comments.  
22 The secretariat related that Dr. Soriano had attended relevant PH-EITI events, including  
23 the roadshow, to get a better sense of the issues and concerns. Dr. Soriano envisioned  
24 the contextual information to read more like a story, which is consistent with previous  
25 comments of the Chair DOF Undersecretary Agabin on the 4<sup>th</sup> Report. The provisional  
26 outline sent by Dr. Soriano is in the Annex.

27  
28 The following comments were given regarding the Contextual Information outline:

- 29
- 30 • A CSO representative asked if EITI International looks at the length of the report  
31 in assessing compliance with the EITI requirements. He asked if PH-EITI can  
32 design and customize a report that is shorter, simplified, and more useful for its  
33 context.
  - 34 • Another CSO representative inquired if the progress report will be included.
  - 35 • An industry representative asked about the discussion on social and  
36 environmental funds. He suggested including boxed stories to add flavor or give a  
37 human face to the report. For example: a story about how a community  
38 maximized the SDMP, or IP's use of their royalties.
  - 39 • A government representative supported the comment of the industry  
40 representative and added that the PESTL format (Political, Environmental,  
41 Sociological, Technological, Legal) format can be followed. She also suggested

- 1 that economies of scale be discussed under mining economic contribution, and  
2 that it be ensured that the terminology used (e.g., GRDP) is consistent.
- 3 • An industry representative suggested that a story may be chosen from the PPI  
4 media fellowship program.
  - 5 • The secretariat mentioned that past country reports had contributions from MSG  
6 members. Present MSG members might have stories they would want included  
7 in the contextual information.
  - 8 • A government representative noted that laws and policy issuances, which used  
9 to be part of contextual information, is missing in the proposed outline.
  - 10 • A CSO representative suggested including the implementation of DAO 2017-07,  
11 what MGB and EMB have done to enforce it, and companies' responses.
  - 12 • A CSO representative mentioned the SDMP and the results of a study showing  
13 that implementation of the SDMP does not make the community self-reliant by  
14 the end of the mine life. He said that LGUs and companies should work together  
15 more closely, especially in local development planning and SDMP programming,  
16 to make good use of the SDMP.
  - 17 • As regards DAO 2017-07 implementation (as to the 4<sup>th</sup> Report), a government  
18 representative related that, as of Aug 30, there has been no reply from  
19 Cambayas and Wellex. The others have either submitted their waiver and  
20 reporting template or replied that they did not have enough time to submit.  
21 Some (e.g., Republic Cement) did express intention to join the next year cycle of  
22 reporting. Semirara sent a reply to the show-cause letter, claiming that it is not  
23 covered by the DAO.
  - 24 • The secretariat then asked about how to treat companies who accomplished the  
25 reporting template but did not submit a BIR waiver.
  - 26 • The Chair said that the template and BIR waiver should go together, because the  
27 data have to be reconciled. Without the waiver, the template is just a unilateral  
28 submission. Also, what is needed is not just submission, but *timely* submission  
29 such that the data can still be reconciled by the IA.
  - 30 • The Chair read the part of the DAO that says "in accordance to the requirements  
31 set by the Philippine Multi-stakeholders [sic] Group". She said that the MSG can  
32 require that the reporting template should come with a waiver.
  - 33 • An industry representative said that based on the wording of the DAO, the MSG  
34 is authorized to provide the guidelines on how companies and agencies should  
35 report in EITI. He suggested coming up with a written set of guidelines to submit  
36 to MGB to serve as basis for determining compliance or non-compliance.
  - 37 • A government representative inquired if the MSG can ask DENR to issue a  
38 clarificatory guideline.
  - 39 • A CSO representative said that the MSG can enumerate the criteria to be  
40 considered compliant.
  - 41 • The secretariat said that they can draft guidelines for approval of the MSG. They

1 just have to wait for the ORE tool/system to go live, then they can start setting  
2 deadlines.

- 3 • The Chair thanked all the MSG members for their inputs and requested them to  
4 send via email any additional suggestions they may have on the Contextual  
5 Information outline.
- 6 • A CSO representative asked if the contextual information can include a discussion  
7 on conflicting government issuances, as this can provide a platform for the MSG  
8 to discuss these issuances and how to harmonize them. She gave as an example  
9 the DENR issuance on FPIC which is in conflict with an NCIP issuance – DENR  
10 requires FPIC only during the initial stage, while NCIP can require FPIC at any  
11 stage.
- 12 • The Chair acknowledged the issue and said that it has to be discussed, since we  
13 have only one government.

## 14 15 **9. Criteria and Mechanics for Transparency Awards 2019**

16  
17 The Secretariat explained that the Transparency Awards was included in the agenda to  
18 give ample time for the MSG to prepare for next year’s awarding, as well as for the  
19 secretariat to be able to comply with administrative deadlines within DOF.

20  
21 The secretariat presented the background of the Transparency Awards, including its  
22 history (started in 2016; given annually during the National Conference), purpose  
23 (recognition, incentive, and branding), and criteria and mechanics used in previous years  
24 (for the *Excellence in Reporting* award and the *Special Citation: Outstanding*  
25 *Commitment to Transparency* award). Details can be found in the presentation annexed  
26 hereto.

27  
28 The secretariat then proceeded to present the draft proposed criteria and mechanics for  
29 the Transparency Awards in 2019.

30  
31 The following are the proposed awards for 2019:

- 32  
33 A. The *Seal of Transparency* (SOT) – given when a reporting entity achieves a set  
34 score (e.g., 80% and above) based on set criteria
  - 35 ▪ The top 3 awardees will, in addition, be conferred the *Excellence in Reporting*  
36 award
  - 37 ▪ The highest ranked “newbie” (new participant) will, in addition, be conferred  
38 the “*Rising Star*” (tentative name) award
- 39 B. *Transparency Champion/s*

1 SOT MECHANICS AND CRITERIA

- 2     ▪ All reporting entities are automatically candidates for the SOT.
- 3     ▪ The categories used in previous years will be the same (NGA, LGU, companies
- 4         [metallic mining, non-metallic mining, oil & gas])
- 5     ▪ General criteria for judging :
  - 6         • Timeliness of submission
  - 7         • Data quality (comprehensiveness/completeness)
  - 8         • Least discrepancy (c/o IA)

9  
10 SOT JUDGING/EVALUATION PROCESS

11  
12     Level 1: Pre-screening

- 13         • BIR waiver
- 14         • Early/timely ORE submission
- 15         • Data quality – comprehensiveness/completeness of schedule of payments
- 16         • Least discrepancy (c/o IA)

17  
18     Level 2: Seal of Transparency

- 19         • Shortlist based on threshold score (e.g., above 80%)

20  
21     Level 3: Excellence in Reporting

- 22         • Ranking of shortlist; factoring of “best practices”

23  
24  
25 TRANSPARENCY CHAMPION MECHANICS AND CRITERIA

- 26     ▪ An individual or organization can be a candidate for this award.
- 27     ▪ Criteria:
  - 28         1. **Participation:**  
Active role in the implementation of EITI in the Philippines
  - 29         2. **Leadership:**  
Has pioneered or led a program, project, or activity that has significantly and concretely contributed to improving transparency and accountability in the extractives and natural resource governance in the country
  - 30         3. **Inclusiveness/Pluralism:**  
Has adopted a multi-stakeholder or inclusive approach, ensuring the broadest participation or involvement of relevant sectors

31 The Secretariat requested for feedback/comments and suggestions from the MSG, and  
32 the following were given:

- 33     • A CSO representative said that transparency is part of the reporting; the acid test  
34         is utilization of the data. She said that a champion should demonstrate how  
35         he/she/they are using the data for the communities. She suggested that this be

1 added to the criteria for Transparency Champion. The secretariat noted this.

- 2 • An industry representative asked if, in the judging process, the nominees would  
3 know at some point that they were nominated and are being evaluated? Can  
4 they be asked to submit documentation to support their best practices? Can they  
5 be asked for information on any innovations they might have that would merit  
6 excellence in reporting?
- 7 • A CSO representative inquired if there are incentives/prizes given to the winners.  
8 The secretariat said that the awards are more symbolic and for recognition,  
9 honor, and prestige.
- 10 • A CSO representative said that there should be a clear incentive to motivate the  
11 companies to comply.
- 12 • The secretariat explained that even for government agencies, winning/losing is a  
13 big deal, citing DOE and Shell reactions to not receiving the award in the past.
- 14 • The Chair commented on informing shortlisted nominees. She said that it would  
15 be better to surprise them, eliminating any bias in the process.
- 16 • A government representative commented that the title “Rising Star” be changed  
17 to something extractives-related like “Rising Gem”.
- 18 • A government representative suggested that the awardees for Seal of  
19 Transparency can receive a seal that can be put on their websites. When the seal  
20 is clicked, the reason they received the seal will appear. This is similar to BIR’s  
21 Seal of Honesty.
- 22 • A CSO representative said that there may be a possible tie up with the DILG’s  
23 Seal of Good Local Governance (SGLG). The secretariat responded that, according  
24 to the DILG, PH-EITI compliance or transparency is part of the SGLG criteria.
- 25 • A CSO representative said that efforts to implement EITI at the local/subnational  
26 level should be included in the criteria, since this was often mentioned during the  
27 roadshows.
- 28 • An industry representative commented that incentivizing the mining companies  
29 is easy. They like winning awards and they prepare for them seriously. He also  
30 mentioned that it has been agreed that compliance with PH-EITI will be made  
31 part of the criteria for the upcoming Presidential Mineral Industry Environmental  
32 Award.

## 33 34 **10. Others Matters**

- 35  
36 • EITI partial assumption of the PPEI program

37  
38 The secretariat gave a brief background of the matter, relating that DILG’s PPEI  
39 (Philippine Poverty-Environment Initiative) program, in which PH-EITI had been involved,  
40 has ended last year. Hence, PH-EITI has been requested to adopt/continue some of  
41 PPEI’s mechanisms. The response to the request was to bring up the matter in an MSG

1 meeting and seek MSG approval.

2

3 A DILG representative enumerated PPEI's advocacy/programs:

4 1. Enhanced guidelines on national wealth

5 2. Enhanced guidelines on SDMP

6 3. Improved (LGU) access to funds

7 4. Green investment study

8 5. Green investment guidelines.

9

10 An ULAP representative said that the MSG might not be well-versed in the items  
11 enumerated. She requested for the DILG representative to send the MSG members  
12 documents relevant to the PPEI programs mentioned.

13

14 The Chair inquired as to the legal basis for PH-EITI assumption of PPEI. Is there any MOA  
15 for the transfer? What will the transfer look like?

16

17 The DILG representative said that she will ask her principal for the next steps and  
18 requested that this matter be again included in the agenda of the next MSG meeting.

19

- 20 • Updates on pending bills

21

22 The secretariat reported that EITI bills are still pending in both houses of Congress (2 in  
23 the Senate and 1 in the House of Representatives). The House Bill has been substituted  
24 and is now with the Committee on Appropriations.

25

26 The secretariat said that they conducted a signature campaign in support of EITI  
27 institutionalization (by means of legislation) during the roadshow. They also said that  
28 TOR for an Advocacy Specialist (who would monitor and shepherd the EITI bills) has  
29 been drafted, should the MSG deem it necessary to engage one.

30

31 The Chair recalled that it has been mentioned in previous MSG meetings that a person  
32 who knows how to navigate Congress and work behind the scene is needed. She asked if  
33 there are names shortlisted for the position already. The secretariat mentioned Mr.  
34 Bong Arreza. A CSO representative said that he can provide Mr. Arreza a background on  
35 EITI, since he knows him.

36

37 A CSO representative suggested submitting names and resumés to the secretariat and  
38 shortlisting candidates in one MSG meeting.

39

40 The Chair acknowledged the suggested actions to move the bill/s forward.

41

- 1           • Impact survey update  
2

3           The secretariat briefly discussed the impact survey being undertaken together with the  
4           UP School of Statistics, and said that initial findings will be presented during the 54<sup>th</sup>  
5           MSG meeting.  
6

- 7           • Request for Annual Progress Report Ratification  
8

9           The secretariat proceeded with a request for MSG ratification of the published Annual  
10          Progress Report (APR) for the period 1 July 2017 – 30 June 2018. Background on the APR  
11          as an EITI requirement (under Requirements 7.4 and 8.4) was given, followed by an  
12          explanation for the delay in the publication of the PH-EITI APR for the mentioned period.  
13          The deadline for publication is July 1, and the secretariat was able to publish and submit  
14          only on August 10 largely due to voluminous work and simultaneous activities up to the  
15          end of June 2018. The complete text of the APR (no layout and design yet) was  
16          submitted to the International Secretariat on August 5, however. The secretariat  
17          expressed their apologies and requested for understanding and ratification.  
18

19          The Chair acknowledged the explanation and thanked the secretariat for their efforts.  
20

21          The following comments/suggestions were given by MSG members:  
22

- 23           • A CSO representative said that she is interested to read about the local  
24           engagements, especially the local issues and concerns that emerged, not just a  
25           narration of the activities.  
26           • The secretariat explained that EITI requires only a summary of the activities and  
27           that there is separate documentation for each of the activities. Still, the  
28           Secretariat took note of the suggestion and undertook to incorporate the same  
29           in the next APR.  
30           • Another CSO representative suggested that MSG members can submit articles  
31           highlighting specific activities.  
32           • An industry representative said that the APR should be a tripartite effort and that  
33           MSG members can submit reports of activities and results.  
34           • A CSO representative raised a clarification on the CSO alternate focal persons.  
35           Another CSO representative clarified that for CSOs in the Visayas, formal  
36           communication will be transmitted to identify the alternate and regular focal  
37           persons.  
38

39          The Chair noted all the comments and said that PH-EITI will endeavor to put more meat  
40          in the way the APR is done in order to better show impact and progress.  
41

1 The Chair requested for MSG members to ratify the APR.

2  
3 A CSO representative said that it was a good report and commended the secretariat for  
4 it. He moved to ratify the report, and the other MSG members seconded the motion.  
5 The PH-EITI APR for July 2017 – June 2018 was ratified and approved.

- 6  
7 • Proposed roundtable discussion on responsible mining

8  
9 A CSO representative proceeded to discuss the request for PH-EITI to co-organize or  
10 participate in a roundtable discussion (RTD) on responsible mining. The proposed  
11 activity arose from the observation that there is no shared understanding of  
12 “responsible mining” amongst government, industry, and civil society. The matter had  
13 been discussed by Bantay Kita with the UP School of Economics Program on  
14 Environment, Natural Resources, and Development (PENRED) and the Ateneo Political  
15 Science Department. The RTD aims to provide a safe space to discuss the concept of  
16 responsible mining among multi-sectoral stakeholders; identify points of convergence  
17 and conflict surrounding the concept, best practices, and parameters to take  
18 commitment holders to task; and contribute to a working definition of responsible  
19 mining as a foundation for policy development. The idea of the RTD had also been  
20 informally communicated to the secretariat.

21  
22 The same CSO representative proposed that Bantay Kita and industry and government  
23 representatives have an initial meeting to outline objectives, discuss mechanics, raise  
24 questions. The proposed schedule for the TWG/pre-workshop/brainstorming is on  
25 September 12, 9am to 12nn.

26  
27 A government representative from MGB said that he will discuss the matter with the  
28 MGB Director, since MGB has a TWG for responsible mining. It was also mentioned that  
29 the MGB ManCom, in one meeting, discussed having one IEC (program) for the whole  
30 Philippines.

31  
32 The Chair said that DOF can host the preliminary meeting. She recognized that there is a  
33 need to come up with a clear understanding of responsible mining.

34  
35 The Chair proceeded to set the schedule for the next MSG meeting.

36  
37 The Secretariat said that, as previously agreed upon by the MSG, the next meeting  
38 should be on October 5. It was also mentioned that there may be another offsite  
39 meeting in November in Cebu, in view of the possibility of having a site visit to the  
40 Alegria onshore oil field.

41  
42 Without any other matters to be discussed, the 53<sup>rd</sup> MSG meeting was adjourned at  
43 5:56pm.