

1 **54th Multi-Stakeholder Group (MSG) Meeting**

2 5 October 2018 | 9:00 AM – 1:00 PM

3 CFMO Conference Room, 7/F EDPC Building

4 Department of Finance

5 Roxas Blvd., Manila

6

7 **Attendees:**

8

9 **Government**

10	Undersecretary Bayani Agabin	Department of Finance (DOF)
11	Asst. Secretary Ma. Teresa Habitan	Department of Finance (DOF)
12	Engr. Romualdo Aguilos	Department of Environment and Natural
13		Resources -Mines and Geosciences Bureau
14		(DENR-MGB)
15	Dir. Anna Liza Bonagua	Department of the Interior and Local
16		Government (DILG)
17	Ms. Maricor Ann Cauton	Union of Local Authorities of the Philippines
18		(ULAP)
19		
20	Mr. Shan Barros	Department of Energy (DOE)
21	Mr. Earl Nera	DOE
22	Mr. Anselmo Pascua	DOE
23	Ms. Ann Kathleen Uayan	DOE

24

25 **Industry**

26	Atty. Ronald Rex Recidoro	Chamber of Mines of the Philippines (COMP)
27	Mr. Anthony Ferrer	Petroleum Association of the Philippines
28	Atty. Francis Ballesteros	Philex Mining Corporation, Inc.
29	Mr. Bradley Norman	OceanaGold Philippines, Inc.

30

31 **Civil Society Organization (CSO)**

32	Ms. Maria Kristina Pimentel	Bantay Kita – Publish What You Pay Philippines
33		(BK-PWYP)
34	Mr. Buenaventura Maata, Jr.	Philippine Grassroots Engagement in Rural
35		Development Foundation, Inc. (PhilGrassroots-
36		ERDF)
37	Mr. Chito Trillanes	Social Action Center – Ecology Desk, Diocese of
38		Tandag, Surigao del Sur
39	Ms. Aniceta Baltaar	Concerned Citizens of Abra for Good
40		Governance

1	Mr. Augusto Blanco	Kaimunan Lumad Sang Compostela
2	Ms. Esther Roxanne Veridiano	Philippine Task Force for Indigenous People's
3		Rights
4	Dr. Glenn Pajares	Sectoral Transparency Alliances on Natural
5		Resource Governance in Cebu, Inc.
6	Atty. Jansen Jontila	Environmental Legal Assistance Center, Inc.
7	Dr. Nelson Conigundo Cuaresma	Concerned Advocates Saving Terrestrial and
8		Marine Ecosystems (COASTLINE), Inc.

10	Ms. Leonora Garcia	BK-PWYP
11	Ms. Angelica Dacanay	BK-PWYP

13

14 **PH-EITI Secretariat**

15 Atty. Maria Karla Espinosa

16 Ms. Joylin Saquing

17 Ms. Roselyn Salagan

18 Mr. Marco Zaplan

19 Ms. Mary Ann Rodolfo

20 Mr. Ryan Justin Dael

21 Mr. Eastword Manlises

22 Ms. Odessa Taguibao

23 Ms. Rhoda Aranco

24 Ms. Rhea Bagacay

25 Mr. Jaime Miguel

26 Mr. Ricardo Evora

27 Ms. Angelina Alba

28 Ms. Irish Angel Lugay

29

30 **Agenda:**

- 31
- 32 • Approval of the agenda
 - 33 • Approval of the minutes of the 53rd meeting
 - 34 • Matters arising from previous meetings
 - 35 • Main business
 - 36 • Report on the 2nd meeting of the TWG on Beneficial Ownership (BO) and
 - 37 Mainstreaming plus 5th Report matters (presentation of the agreed BO reporting
 - 38 template, mainstreaming survey questionnaire, reporting template for SSM)
 - 39 • Progress report on production of the 5th Report
 - 40 • Updates on the draft Contextual Information
 - 41 • Other Matters

- 1 • PH-EITI vis-a-vis USAID FPI project
- 2 • PH-EITI as organizer of FGD on responsible mining
- 3 • PH-EITI and the DILG-PPEI project

4

5 **1. Call to Order**

6

7 DOF Undersecretary Bayani Agabin chaired the 54th MSG meeting. There being a
8 quorum, the meeting started at 9:12 a.m.

9

10 **2. Approval of agenda**

11

12 The provisional agenda was flashed on the projector screen, and, without any additional
13 items proposed by the members, the Chair asked for approval. MSG members moved for
14 the same and were seconded.

15

16 **3. Approval of the minutes of the 53rd meeting**

17

18 The Chair reminded the members to send within seven days their comments, if any, on
19 the minutes of the 53rd meeting. If the comment pertains to format and style, it will be
20 adopted by the secretariat. If the comment is substantive, it will be opened for
21 discussion. If no comment is received by the secretariat, the minutes will be deemed
22 approved.

23

24 **4. Matters arising from previous meetings**

25

26 The secretariat reported that the matters arising from previous meetings all have to do
27 with courtesy meetings with the Secretaries of the Department of Energy (DOE),
28 Department of the Interior and Local Government (DILG), and the Securities and
29 Exchange Commission (SEC). Particularly, the secretariat seeks to brief the DOE Secretary
30 on PH-EITI and discuss engagement of the coal sector, brief the DILG Secretary and
31 discuss EITI concerns pertaining to LGUs, and brief the SEC and encourage them to
32 champion beneficial ownership (BO) disclosure.

33

34 A CSO representative inquired why the courtesy meetings remain pending.

35

36 The secretariat explained that plans for the courtesy meetings have been suspended for
37 purposes of consolidating PH-EITI's or the MSG's agenda for meeting with each of the
38 Secretaries. Also, secretariat work is currently focused on the production of the 5th
39 Report.

40

41 The Chair instructed that the remarks column detail the actions that have been taken

1 instead of simply stating that a matter remains “pending”. He requested the secretariat
2 to propose an agenda to be discussed with each Secretary and present the same in the
3 next MSG meeting as part of the agenda.

4
5 The secretariat asked if the MSG would want to join the meetings. The Chair said that the
6 MSG should be informed of the meetings but the secretariat can represent PH-EITI.

7 8 **5. Main Business**

9 10 *Report on 2nd meeting of TWG on BO and mainstreaming plus 5th Report matters*

11
12 The secretariat reported that Engr. Romy Aguilos of the MGB chaired the TWG meeting that
13 took place on 3 October 2018 at the DOF. The meeting was attended by Ms. Tina Pimentel
14 of BK, Atty. Ronald Recidoro of COMP, and members of the secretariat. The meeting
15 threshed out matters pertaining to the reporting templates for beneficial ownership (BO)
16 and small-scale mining (SSM). Updates on the mainstreaming initiative and production of
17 the 5th Report were also presented and discussed.

18 19 *On the BO reporting template*

20
21 The secretariat presented the TWG-agreed template and said that it would be incorporated
22 in the Online Reporting in the Extractives (ORE) tool, making it easier for reporting entities
23 to fill out.

24
25 A copy of the template presented is found in the ANNEXES of this minutes.

26
27 The secretariat reported that the TWG recommended that the BO declaration cover
28 shareholders with at least 5% share in an extractive company. If a shareholder is a
29 corporation, the corporation will be asked to declare its 5% shareholders, and so on until a
30 natural person owner of a company is reached. The secretariat went over the fields of the
31 template. They also flagged possible privacy issues with some fields in the declaration form,
32 such as those asking for residential address and names of children and spouse.

33
34 After the presentation, the Chair asked if there are any companies that have volunteered to
35 fill out the form. The secretariat said that there are no official volunteers yet but recalled
36 that Philex and Nickel Asia have expressed willingness to participate. Shell, too, has said that
37 they see no issue with BO disclosure.

38
39 The Chair noted that the reporting template looks easy enough, but pointed out that, when
40 a company is listed, ownership changes every now and then. He also asked what the action
41 would be should a corporation holding 5% share in an extractive company refuse to declare
42 its 5% shareholders.

43
44 The secretariat said that the fields would be maintained for consistency with EITI
45 requirements despite apparent issues with filling them out. After implementation, PH-EITI

1 will submit to the International Secretariat a documentation of the outcomes and challenges
2 of the BO pilot reporting.

3
4 A CSO representative expressed support for the template and suggested that it be given a
5 try to see the results or feedback.

6
7 Another CSO representative commented that the purpose of BO disclosure should be for
8 transparency and not mere compliance with the EITI Standard. He suggested looking for
9 specific uses of the information to move PH-EITI forward.

10
11 An industry representative highlighted that BO is complex information, that many have
12 attempted to capture the data but with little success. Nevertheless, he said that his
13 company would be ready to disclose the data that it has.

14
15 The Chair acknowledged all the comments to be valid and said that the template is a work-
16 in-progress. He said that it is a workable draft, subject to privacy issues.

17
18 The secretariat mentioned that the National Privacy Commission showed interest in the
19 project, and agreed to subject the template to a privacy audit.

20
21 The Alternate Focal Person who sits as a member of the EITI international Board (as
22 implementing country representative) then shared that she will be attending a Board
23 meeting in Senegal this October and asked if there are any concerns/messages that the MSG
24 wishes to communicate to the Board, including about requirements like BO disclosure.

25
26 The Chair encouraged the MSG to approve the draft template so that it can be
27 implemented already and 3 to 4 companies can be requested to accomplish it.
28 OceanaGold, who was represented in the meeting, volunteered. After completing the
29 template, the volunteer companies could give feedback to the MSG as well as to the EITI
30 Board.

31
32 An industry representative said that they will try to get a private company to accomplish
33 the form.

34
35 The Chair requested COMP to encourage its members to try the template and give
36 feedback.

37
38 A CSO representative commended COMP's commitment but inquired about how non-
39 COMP members could be urged to participate.

40
41 The Chair said that that would require reaching out to non-COMP members and explaining
42 to them the benefits of BO disclosure.

43
44 A CSO representative said that it was envisioned that the template could be adopted by the
45 SEC as part of the requirements for company registration. She cited the case of the UK,
46 where BO declaration had been a struggle but ceased to be a big issue after volunteers
47 completed the form, and the data came out.

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Another CSO representative remarked on the possibility of establishing a reward system to encourage companies to participate, saying that they might participate if the government would recognize them as compliant. The Chair said that participation could be counted as extra point to earn a PH-EITI Transparency Award.

Another CSO representative suggested to encourage non-metallic mining companies to participate in the pilot reportings as they might have a different perspective on the matter. It was pointed out, however, that the non-metallic sector has just begun to be covered by PH-EITI and is not yet represented in the MSG.

ULAP representative asked about what the MSG would do should BO reporting surface a politically-exposed person or PEP. The Chair said that having a share in a mining company is not necessarily wrong. He also said that it is not the MSG's task to police.

A government representative said that what the MSG is after is information.

The Chair then asked for the approval of the template, and the MSG approved.

On mainstreaming

The Chair requested the secretariat to give the MSG members a briefer/refresher on the idea of mainstreaming. After a brief explanation, the Chair's initial impression was that the MSG will lose its relevance upon implementation of EITI mainstreaming.

To further clarify what mainstreaming is, the secretariat played a video on mainstreaming produced by the International Secretariat.

To provide more context, the Alternate Focal Person explained that among the constraints in EITI reporting is funding, which is needed, for example, to hire an independent administrator (IA) and print copies of the country report. With mainstreaming, the MSG's focus will no longer be on data collection, but more on data analysis and policy formulation.

The Alternate Focal Person further said that each implementing country can work at its own pace, and in its own context. In the Philippines, for instance, space is still needed for more civilized discussion of contentious issues. That part, she said, could be retained in the MSG. She also said that mainstreaming is beneficial for the country as it will encourage timely reports and reduce cost associated with EITI reporting.

The secretariat shared that according to the International Secretariat, there is no one model for mainstreaming. The Philippines can develop its own model. Mainstreaming does not necessarily equate to the MSG being eradicated or made irrelevant. The secretariat is developing a "model" based on MSG discussions and agreements on mainstreaming during meetings. The secretariat aims to present a roadmap for mainstreaming by December 2018.

1 To guide PH-EITI's idea of mainstreaming, the Chair asked members for inputs to first
2 identify goals for mainstreaming in the Philippines. The Chair also asked for achievable
3 activities for the time being.

4
5 The secretariat recalled that in previous MSG meetings, the MSG instructed the secretariat
6 to proceed with the pre-work for PH-EITI mainstreaming after the Roadshow, or beginning
7 September. The secretariat reported that the pre-work will now begin with a feasibility
8 survey. It also reminded the MSG that it has agreed to banner or call the PH-EITI
9 mainstreaming effort the “Systematic Extractives Electronic Disclosure” or “SEED” initiative.

10
11 To recall, SEED is conceptualized as a package of innovations developed by PH-EITI and/or
12 its partner agencies and organizations to mainstream extractives transparency in the
13 Philippines. These are meant to ‘sow the *seed*’ of mainstreaming and start building a model
14 that is appropriate to the Philippine context.

15
16 At present, SEED includes the *Environment and Natural Resource Data Management Tool*
17 (ENRDMT), the online reporting tool for LGUs that PH-EITI jointly developed with the DOF-
18 BLGF and DILG-PPEI, and which has been made part of the Electronic Statement of Receipts
19 and Expenditures (eSRE) system for Local Treasurers and enhanced by virtue of DOF
20 Department Order Nos. 49-2016 and 078-2017.

21
22 SEED also includes the *Mines and Geosciences Bureau Central Database System* (MGB CDS),
23 an online portal that allows access to all MGB databases (status of mining applications,
24 mining tenements/permits issued, mineral resources data, mining technology-related data,
25 mineral industry reports, etc.) with search and filtering functions; *Extractives Disclosure*
26 *Generator* (EDGE), an online database of PH-EITI data (as disclosed in the PH-EITI Reports) in
27 open format; and *Online Reporting for the Extractives* (ORE), an online tool that makes
28 reporting more efficient and cost-effective by enabling companies and agencies to submit
29 data and report electronically.

30
31 PH-EITI activities are being directed to promote SEED, beginning with Roadshow 2018 (July-
32 August 2018), which not only communicated the Fourth Report to local stakeholders but
33 also presented to them the innovations to systematize data disclosure and facilitate
34 people’s access to and use of extractives information.

35
36 An industry representative commented that he understood mainstreaming to be the
37 devolution of the EITI reporting function to relevant government agencies. His concern is
38 that the framework takes the MSG out of the picture. He reminded the body that the power
39 of the MSG to recommend policies stems from the collection and ownership of data.

40
41 The Chair asked whether the agencies would be willing to take on the task of regular
42 reporting, and whether they have the capacity to do so.

43
44 A CSO representative remarked that the essence of the MSG will not be lost if it can focus
45 on policy recommendations, on real issues on the ground.

1 Another CSO representative requested for a report on Norway’s mainstreaming, so that the
2 Philippines could have a basis for its own mainstreaming. He said, though, that
3 mainstreaming is, in fact, already being done in the Philippines. Reporting entities need only
4 to have a unified framework for it.

5

6 The secretariat then presented the draft online form/questionnaire that will be used for the
7 feasibility survey. The secretariat said that upon MSG approval of the form, it can
8 immediately run the survey and be able to report the results on the next MSG meeting,
9 which can then serve as basis for crafting ways forward.

10

11 The survey has two parts: (1) on mainstreamed disclosures, to identify or highlight
12 disclosures already being done and to ask respondents to assess the extent of disclosure as
13 ‘fully disclosed’, ‘partially disclosed’, or ‘not disclosed’; (2) on assessing how the sectors
14 value mainstreaming using certain indicators (knowledge and perception of the concept and
15 its benefits, self-assessment of capacity, etc.).

16

17 The Chair asked if it is possible to come up with a statistically representative sample, as the
18 more active stakeholders may inadvertently skew the results of the survey. The secretariat
19 said that respondents from the industry (companies) could be randomized, but the
20 government agencies are targeted. As for the CSOs, Bantay Kita can help in identifying the
21 respondents, or the survey could just be opened to everyone interested to take it.

22

23 A CSO representative is keen to know how the sampling will be done, and asked that the
24 procedure be written and included in the reporting of the results. He also voiced concerns
25 over “survey fatigue” of the targeted respondents.

26

27 The secretariat said that the draft survey is easy to fill out, and that respondents would not
28 have to input much data. The secretariat said that it would be helpful if the companies
29 represented in the MSG could participate in the survey. The results of the survey will serve
30 as basis for setting objectives for the PH-EITI mainstreaming initiative or roadmap.

31

32 For oil and gas, an industry representative said that it does not see any problem with the
33 survey. He only suggested that the Department of Energy (DOE) do all the reporting when it
34 comes to mainstreaming, since oil and gas companies are 100% audited by DOE.

35

36 The MSG approved the proposed survey, and the Chair noted the participation of all EITI
37 implementing agencies and CSO and industry MSG members.

38

39 *On the SSM reporting template*

40

41 The secretariat reported the results of the TWG discussion on the reporting template for
42 SSM. The TWG-agreed template, which would be pilot-tested in South Cotabato after MSG
43 approval, is largely based on an MGB form already being filled out by those who have
44 permit to operate small-scale mines in the province. Incorporated in it are inputs from the
45 TWG, the South Cotabato Provincial Environment Management Office (PEMO), the PMRB
46 consultation workshop in June 2018, and the EITI Standard requirements. The template has

1 seven parts: (1) General Information, (2) Project Details, (3) Production Data, (4) Sales
2 Marketing Data, (5) Employment Data, (6) Payments Data, and (7) Certification.

3
4 A copy of the template presented is found in the ANNEXES of this minutes.

5
6 A CSO representative recalled that during the TWG meeting, it was suggested and agreed to
7 identify and be consistent in the unit of measure to be used in the template. It was also
8 agreed that data on Occupational Safety and Health or OSH be included, and the
9 employment data be disaggregated to show regular and contractual employees. For
10 payments data, both local and national collection will be covered, and the data should be
11 reconciled. The secretariat noted these comments.

12
13 The secretariat said that upon MSG approval of the SSM reporting template, the next step
14 would be for the secretariat, together with the IA and MGB, to go to South Cotabato to
15 collect FY 2017 data. The secretariat said that they do not expect to get data on certain
16 (national) revenue streams such as the excise tax, but they will try to get information just
17 the same.

18
19 The secretariat related that as regards SDMP, it is the SSM association that complies for its
20 member mining contractors who are individual miners. At present, there are 156 individual
21 miners in the pilot site.

22
23 A CSO representative recalled that during the TWG meeting, it was agreed that SSM
24 reporting will be per individual except for the environmental and social data which will be
25 sourced from the association.

26
27 Another CSO representative suggested that the template data on IPs be further
28 disaggregated to migrant and non-migrant IPs, as in the case of the Cordilleras where there
29 are migrant IPs from Bontoc and Ifugao. The secretariat noted this suggestion.

30
31 An industry representative asked if it is the local government that will implement the
32 template. The secretariat replied that it (PEMO) will be the one to collect data for the pilot
33 reporting, but the aim is for the PMRB to adopt the template for subsequent reporting.

34
35 A CSO representative asked if information on SSM association functions, officers, and
36 protocols for addressing conflict could also be gathered. The secretariat said that a section
37 in the contextual information chapter is on small-scale mining, and this section can mention
38 the findings of previous studies on the subject. For the pilot SSM reporting, however, the
39 focus is on fiscal reporting.

40
41 A CSO representative asked about the method for gathering information on income and
42 earnings. The secretariat said that these are not primary data, but secondary data as to EITI;
43 they have already been reported to the province and can be accessed from the original
44 reports submitted to the province.

1 A CSO representative asked for clarification that sand and gravel is not included in the SSM
2 pilot reporting. The secretariat confirmed that the template is specifically for small-scale
3 metallic-mining.

4
5 The Chair asked the MSG for approval of the proposed template and the pilot test in South
6 Cotabato. The MSG members approved both.

7
8 *Progress in production of the 5th Report*

9
10 The secretariat clarified that the updates to be presented were prepared by the secretariat
11 using data from the ORE tool. The updates (as of meeting date) were as follows:

- 12
13 ▪ 52 out of 74 waivers have been received, with the following submission rate:

14 Total metallic production - 97%
15 Targeted non-metallic production - 84%
16 Targeted coal production - 0%
17 Oil production - 96%
18 Gas and condensate - 100%

- 19
20 ▪ 29 of 75 projects have already submitted data:

21 Metallic - 17
22 Non-metallic - 9
23 Coal - 0
24 Oil and gas - 3

- 25
26 ▪ 18 of 75 projects are currently inputting data:

27 Metallic - 15
28 Non-metallic - 1
29 Coal - 1
30 Oil and gas - 2

- 31
32 ▪ 28 of 75 projects have not entered any data:

33 Metallic - 12
34 Non-metallic - 11
35 Coal - 0
36 Oil and gas - 5

37
38 The secretariat then demonstrated how fast reconciliation can be done using the ORE tool.
39 They shared that the running total revenues (based on data submitted by 4 agencies and 32
40 projects) already exceeds the total revenues of the previous year.

41
42 A CSO representative noted that the NCIP reported better numbers. The secretariat said
43 that the NCIP also reported through ORE and found the ORE tool to be user-friendly.

44
45 The secretariat clarified, however, that the official validation and reconciliation of data will
46 be done by the IA, which is what the EITI process requires.

1 The Chair said that the process of engaging the IA should be done as soon as some
2 administrative issues are resolved.

3
4 *Draft Contextual Information*

5
6 The secretariat recalled that the MSG gave comments on the draft contextual information
7 outline presented during the last MSG meeting. A revised outline has since been prepared
8 by the secretariat for discussion with the consultant for her further inputs. The first draft
9 following the revised outline is targeted to be presented during the next MSG meeting.

10
11 The Chair understood that there would be some slippage but everyone should keep within
12 the deadline.

13
14 An industry representative said the writer of or consultant for the contextual information,
15 as well as the IA, should be invited to the next MSG meeting.

16
17 A CSO representative requested for the draft report to be given a week before the next
18 meeting to give the MSG enough time to review and comment on it.

19
20 *Transparency Awards*

21
22 The secretariat recalled that the mechanics of the Transparency Awards have been
23 discussed in the previous MSG meeting. In the interest of time, however, they suggested to
24 defer further discussion of the matter until the next meeting. The Chair and the members
25 approved.

26
27 **6. Other Matters**

28
29 PH-EITI vis-à-vis USAID FPI Project

30
31 The secretariat informed the MSG about recent EITI-related activities which were neither
32 organized by nor properly coordinated with PH-EITI but which appeared to have PH-EITI's
33 endorsement, support, or involvement. These activities were financed by the "EITI fund"
34 under USAID's FPI (Facilitating Public Investments) project, which fund is being managed by
35 DAI.

36
37 This "EITI fund" goes to grants to CSOs and is meant to support EITI implementation in the
38 interest of fiscal transparency. The secretariat lamented that some activities supported by
39 this fund were not coordinated with PH-EITI yet used the PH-EITI brand. The secretariat
40 shared that there were events that were branded as EITI activities, but which PH-EITI did not
41 even know about, putting the secretariat in an embarrassing position when asked about
42 them. The secretariat sought to clarify to the MSG PH-EITI's relationship with USAID FPI and
43 to ensure responsible use and avoid misappropriation of the PH-EITI brand.

44
45 The secretariat reminded the body that PH-EITI is a multi-sectoral initiative funded by the
46 Philippine government with support from the World Bank./ USAID's EITI fund is not PH-EITI
47 money. The secretariat requested the MSG members to coordinate with the secretariat

1 should they be involved in any activities supported by the EITI fund. The secretariat further
2 shared that it has already discussed the matter with USAID.

3
4 Several MSG members, mostly CSO representatives, shared experiences of getting invited to
5 participate in or propose EITI-branded activities, often on short notice.

6
7 A CSO representative suggested that protocols be observed in accepting invitations to
8 organize or serve as resource persons for EITI-branded activities. He said that such should
9 be coordinated with the secretariat. He also suggested calling the attention of EITI
10 international secretariat to avoid confusion.

11
12 The Chair emphasized that all such invitations should be coursed through the secretariat.

13
14 ULAP representative said that it is good if they are giving funds, but worried that the
15 activities may not be aligned with the PH-EITI workplan.

16
17 An industry representative expressed concern over the indiscriminate use of the PH-EITI
18 brand. He said that USAID should understand that PH-EITI is governed by the MSG, which is
19 also composed of industry members. He said that the practice is objectionable as the
20 industry does not get informed.

21
22 Considering the comments from members, the Chair suggested that the secretariat write
23 another letter to USAID. The secretariat said that they have raised the issue to USAID.

24
25 The Chair reminded members to always coordinate with the secretariat.

26
27 *PH-EITI as organizer of FGD on responsible mining*

28
29 A CSO representative discussed a proposal for PH-EITI to co-organize a focus group
30 discussion (FGD) on responsible mining. The purpose is to come up with a discussion paper
31 that will surface how CSO, industry, and government define responsible mining; identify
32 points of divergence and convergence; and from there, create appropriate policy
33 recommendations. The activity is supposed to be implemented by Bantay Kita (BK) with the
34 academe (Ateneo and UP). However, it was raised that some quarters in the industry might
35 have misgivings about BK being the organizer. As a way forward, PH-EITI, seen as a neutral
36 body, is being invited to be lead organizer of the activity.

37
38 The Chair opined that the involvement of two academic institutions should suffice. He asked
39 what value PH-EITI could possibly add as organizer, and what EITI's position is on the matter.
40 He also asked if PH-EITI even has the manpower to organize the activity.

41
42 An industry representative said that the industry is willing to participate in any discussion on
43 responsible mining, but they would like to know the objective. He said that if the
44 proponents want the initiative to move forward, there should be a tangible product after
45 the discussion.

1 The CSO representative emphasized that shared topics and objectives can help lead to a
2 multisectoral operational and possible policy definition of responsible mining. An industry
3 representative asked if this definition will be adopted by MGB and DENR.

4

5 MGB representative said that there should be an FGD before discussions are opened to a
6 larger group.

7

8 The CSO representative affirmed that there will be an FGD with representatives from each
9 sector. Since MGB has a TWG focused on responsible mining and COMP has TSM (Towards
10 Sustainable Mining), the FGD could be a platform to consolidate. The FGD is expected to
11 produce a discussion paper to be presented to a bigger group for comments and inputs. She
12 said that inputs from PH-EITI are welcome and that PH-EITI may also suggest questions for
13 the FGD.

14

15 The Chair asked for the timeline. The CSO representative said that the first round would be
16 on the 3rd to 4th week of October, while the second round would be on the 1st to 2nd week
17 of November.

18

19 The secretariat said that if the MSG will agree to co-organize the FGD, the secretariat can
20 provide the necessary support.

21

22 The CSO representative said that PH-EITI can also be resource speaker on transparency. She
23 said that everyone on board can participate in developing the design of the FGD. She said
24 that she will send COMP a copy of the concept note again. She also mentioned that
25 Congress can be included in the next round of the FGD.

26

27 An industry representative clarified that COMP can only represent its members and not the
28 entire mining industry.

29

30 The Chair concluded that PH-EITI will not co-organize or co-present the FGD on responsible
31 mining, but will send a resource speaker to discuss transparency in relation to responsible
32 mining.

33

34 *DILG-PPEI Project for possible turnover to PH-EITI*

35

36 Dir. Anna Bonagua of the DILG gave a presentation on the Philippine Poverty-Environment
37 Initiative or PPEI, a seven-year program that ended in June 2018, the components and
38 initiatives of which are being proposed to be turned over to PH-EITI for continuity.

39

40 The program was a collaboration between the UNDP-UNEP and the Philippine government
41 through the DILG as implementing agency, and with the DENR, DOE, DBM, NEDA, and NAPC
42 as partner agencies. The program sought to support the Philippine government, civil society,
43 and the business sector in optimizing revenues and benefits from sustainable environment
44 and natural resources management for poverty reduction and environment protection,
45 through improved capacity and enabling conditions at national and local levels.

46

1 The DILG representative shared that PPEI was a USD70,000-a-year program,
2 accomplishments of which include: development of an online system to improve estimation
3 of production volume and value of minerals; improvement of governance processes to
4 facilitate timely release of LGU shares in the proceeds from national wealth; promotion of
5 data-sharing and transparency in the collection, distribution and utilization of national
6 wealth revenues; and institutionalization of the ENRDMT in partnership with DOF-BLGF and
7 PH-EITI. The most recent accomplishment was the completion of the Green Investments
8 Study intended to enable LGUs to have a more diverse economic-base and phase out
9 possible dependence on mining-related revenues.

10
11 The DILG representative also shared that PPEI produced a study which she believes was
12 submitted to the Office of the President and which led to the insertion in EO 79 s. of 2012 of
13 the provision on EITI implementation in the Philippines.

14
15 The DILG director explained that the DILG is unilaterally pursuing the turnover of the
16 program's components to PH-EITI, especially those with proposed joint memorandum
17 circulars already. She requested the MSG/PH-EITI to identify if it could take over some or all
18 of the components.

19
20 The following are the advocacies that are endorsed for possible turnover to PH-EITI:

- 21
- 22 ▪ JMC on LGU shares from national wealth;
 - 23 ▪ Supplemental DENR-DAO to improve SDMP guidelines;
 - 24 ▪ Policy reform to facilitate release of monetary benefits to LGUs pertinent to E.R. 1-94
25 (which has a trust fund balance lodged in DOE amounting to Php 11.63 billion);
 - 26 ▪ Promotion of Green Investments among LGUs; and
 - 27 ▪ Capacity building on utilization and reporting of national wealth share.
- 28

29 The Chair asked the DILG representative to discuss the matter with the secretariat and see
30 which activities PH-EITI can take on. Otherwise, the Chair suggested that those outside PH-
31 EITI's scope should be endorsed to DENR. The Chair asked the secretariat to present in the
32 next meeting the results of its discussion with DILG-PPEI.

33
34 The secretariat said it will schedule a discussion with DILG and identify activities that are
35 consistent with the scope and mandate of PH-EITI.

36 37 **7. Setting of the next meeting**

38
39 The Chair announced that the next MSG meeting will be held in Cebu and will be in
40 conjunction with a site visit to the onshore oil field in Alegria. The meeting and site visit was
41 set on 7-9 November 2018.

42
43 A CSO representative requested that a forum with CSOs in Cebu be included in the itinerary.
44 The Chair asked the secretariat if arrangements can be made for the same, and the
45 secretariat responded in the affirmative.

1 Ms. Tina Pimentel, then, informed the body that it was her last MSG meeting because she
2 will be taking a sabbatical. In her stead, Ms. Norie Garcia will be the acting Bantay Kita
3 National Coordinator and MSG representative from 8 October 2018 to May 2019.

4

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6 Without any other matter to be discussed, the 54th meeting was adjourned at 1:01 pm.

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11 ANNEXES

12 BO template

13 SSM template

14 Mainstreaming survey questionnaire

15 Draft outline of Contextual Information