

Philippine Extractive Industries Transparency Initiative
89th MULTISTAKEHOLDER GROUP (MSG) MEETING
19 March 2024, Tuesday | 8:30 AM - 12:00 NN | Hybrid Meeting
Lyf Hotel Malate Manila and Google Meet

Attendees:

GOVERNMENT	
1. USec. Bayani H. Agabin	Department of Finance (DOF)
2. ASec. Karlo Fermin S. Adriano	DOF
3. ASec. Juabilly Racho	Department of Interior and Local Government (DILG)
4. Mr. Jedd John Castillo	DILG
5. Mr. Reymark Tablanza	DILG
6. Ms. Cynthia Faurillo	Bureau of Local Government Finance (BLGF)
7. Engr. Romualdo Aguilos	Mines and Geoscience Bureau (MGB)
8. Mr. Augustus Cesar A. Navarro	Department of Energy (DOE)
9. Mr. Nenito Jariel, Jr.	DOE
10. Mr. Julius Cesar Tabucao	DOE
11. Mr. Leslie Joy Mingo	DOE
12. Ms. Maricor Anne Cauton	Union of Local Authorities of the Philippines (ULAP)

INDUSTRY	
1. Atty. Ronald Rex S. Recidoro	Chamber of Mines of the Philippines

2. Atty. Odette A. Javier	Lepanto Consolidated Mining Co.
3. Atty. Jose Ma. Emmanuel “Kiril” Caral	Petroleum Association of the Philippines, Shell Philippines Exploration

CIVIL SOCIETY ORGANIZATIONS	
1. Ms. Beverly Besmanos	Bantay Kita
2. Mr. Chito Trillanes	Social Action Center—Ecology Desk, Diocese of Tandag, Surigao del Sur
3. Prof. Ladylyn L. Mangada	UP Visayas Tacloban
4. Ms. Aniceta Baltazar	Concerned Citizens of Abra for Good Governance
5. Ms. Jeanira Godio-Okubo	PILIPINA, Baguio-Benguet Chapter, Alternate Member, PH-EITI
6. Ms. Arlene Sevilla	Tawi-Tawi Regional Agricultural College (TRAC) – GAD & Scholarship Focal Assembly of Masses and Basic Sectors for Unity and Harmony – Initiatives for Normalization and Advancement for Human Security (AMBUH-INAH) - President Tawi-Tawi Alliance of Civil Society Organizations, Inc. (TACOS) – Executive Director

PH- EITI Secretariat

1. Mary Ann D. Rodolfo

2. Mary Nicole M. Hilario

3. Albert A. San Diego

4. Rhea B. Pamatmat

5. Rhoda H. Aranco

6. Amiel De Guzman

7. Job G. Besmonte

8. Andrea Denise B. Samson

9. Mark Ernest Famatigan

10. Aliyah Mae Gozon

11. Ricardo C. Evora

Agenda:

I. Call to order	
II. Matters arising from previous meetings	
III. Main Business	
1. Targeted Assessment	
2. Work Plan 2024 <i>Refinement and Priorities</i>	
3. Feedback Mechanism	
4. Updates on Civic Space Report	
5. Updates on Reconciliation Report	
6. Participation at the 59th EITI Board Meeting	
IV. Other matters	
1. Case Brief No. 6 <i>IP royalty-related assistance for mining activities in Diwalwal</i>	
2. Case Brief No. 7 <i>Illegal exploration activities in the headwaters and portion of the Buyaan Watershed</i>	
VI. Summary of Agreements	
VI. Adjournment	

Proceedings:

I. Call to order

DOF Undersecretary Bayani H. Agabin chaired the meeting. There being a quorum, the meeting was called to order at 8:30 a.m.

II. Approval of the meeting agenda

The Chair asked the members if there were any items they wished to include in the agenda.

An industry representative moved for the approval of the agenda. The motion was seconded, and the agenda was approved.

IV. Matters Arising from Previous Meeting

	AGREEMENTS	IN- CHARGE	STATUS
88.1	The MSG agreed to provide comments on the minutes of the 87th meeting within five days. If no comments are received, the minutes will be deemed approved.	MSG, Secretariat	Completed
88.2	The MSG agreed to refer to the GOC the discussion on the improvement of the feedback mechanism, including the timeline for the processing of cases.	GOC, Secretariat	Ongoing
88.3	The Secretariat to complete the	Secretariat	Ongoing

	reconciliation process by the end of February 2024, and then present the final report to the Implementation Committee (first week of March) before submitting to EITI International		
88.4	The MSG approved the 2024 work plan, subject to change. The Secretariat was instructed to refine the work plan and focus on high-priority activities.	Secretariat	Completed
88.5	The Secretariat drafted an MSG statement calling for accountability in relation to the Maco landslide incident, for review and approval of the MSG.	Secretariat	Completed
88.6	The Secretariat to assess whether the BARMM initiative is worth pursuing	Secretariat	Completed
88.7	In relation to the Civic Space Report, BK to provide a matrix outlining comments received and the ways these were addressed	BK, BK consultant	Partially Completed
88.8	The Secretariat to recirculate to the MSG the MSG TOR and Internal Rules for comments and approval.	MSG, Secretariat	Completed

The Secretariat discussed the matters arising from the previous 88th MSG Meeting last February 16, 2024.

88.1 The Chair asked for questions , no comments had been raised through the email and in the meeting, the MSG and Chair agreed that 88th Minutes of the Meeting was deemed approved.

88.2 The MSG agreed to refer to the GOC the discussion on the improvement of the

feedback mechanism, including the timeline for the processing of cases. The secretariat informed the said scheduled meeting is postponed due to lack of quorum. Furthermore, the said meeting was planned to discuss lowering the days in processing the cases of feedback mechanism. The MSG confirmed that it will take 57 days to resolve and gain positive action. The Chair informed that some of the cases in the feedback mechanism may not be under their jurisdiction. If it's an environmental incident it should be forwarded to EMB and if it's a mining dispute better to refer it to MGB. Acting fast with those matters is imperative, the Chair added.

The Civil Society representative emphasized the importance of obtaining a formal letter from PH-EITI when raising community concerns, suggesting they should apply for it in the meantime.

The Government representative discussed that the complainant will receive a unique reference code that can be accessed online, after receiving a complaint, the GOC is convened to determine if it's EITI related or not. And if it's related to EITI, whether by the MSG or IS. That takes 22 days because the GOC only meets every few days. If it's the EITI IS, then the GOC will craft recommendations. They will submit this to MSG, and the MSG will decide if they agree with the recommendation.

The Chair added that they met the IS in relation to the special assessment, and as much as possible, the IS don't want to get involved. They want the MSG to discuss these matters. The Chair offered that GOC can sit down to discuss.

The Chair reiterated to convene GOC and come up with timelines and scopes. About this, the Chair informs the MSG to feel free in asking for assistance to the Secretariat and government representatives in case of emergency.

The Chair agreed using the word working days instead of calendar days.
DOF agrees.

- Convene the GOC and create a document that is acceptable to everyone.

88.3 The Secretariat discussed the completion of the reconciliation process by the end of February 2024, and then presented the final report to the Implementation Committee (first week of March) before submitting to EITI International. The Secretariat informed that this would be discussed at the main business of the 89th MSG Meeting.

88.4 The Secretariat informed that the 2024 Work Plan is already completed and also being presented at the main business.

88.5 The Secretariat informed the MSG that the Maco Landslide incident is ongoing, the statement has been drafted and could be improved for development.

The Chair emphasized concerns regarding the timeliness of statements, echoed by a Civil Society representative who stressed the need for promptness to ensure effective response. The Chair informed the MSG of ongoing developments and suggested that timely statements should be a lesson learned. The MSG concurred to await final investigation outcomes regarding the Maco Landslide incident before issuing a statement.

A civil society representative informed the MSG of the same scenario they encountered. The lapses in implementation of environmental protection programs of mining companies in Surigao and Benguet. Most of the incident that they experience is the lack of update on the mechanisms on the proper implementation. The EPEP is initially approved by the central office but can be revised by the regional office. The CSO is deeply concerned because reducing funding could potentially impact the effectiveness of protection and enhancement programs, possibly contributing to issues observed on the mine site.

A civil society representative hoped for a copy of the EPEP but the Chair informed that there is a confidentiality issue. Possibly it is made available in the general summary and it was a long discussion in the MICC.

88.6 The Government representative added that they are in accordance with the BARMM and have an Inter- Agency Cooperation (IAC) and they created a MENRE (Ministry of Environment, Natural Resources and Energy). A Civil Society informed the coordination with the MENRE as they conducted a mining governance study in BARMM since the Mining Law is still ongoing.

A civil Society representative emphasized the importance of first understanding the mining issues in Tawi-Tawi when assisting BARMM. They highlighted the need for a budget and ensuring that engagement is official. They noted that significant impact requires sustained, long-term engagement, rather than brief interactions..

The Chair agreed and added that for mining we can adopt a mining law, all the rules and regulations. And there's defining along the way. Issuances, permits, cease and desist orders.

A civil society representative informed them of their experience when they went down, they didn't have any information such as SDMP. They had a hard time communicating with the governor. Mining companies earn so much from their business in Tawi-Tawi but they're not reporting properly. The Chair told everyone that if they plan to go down, it needs assurance that they are welcome at BARMM.

A civil society representative advocated for the implementation of a sub-nationalization program within BARMM, citing the deep involvement of a CSO member in BARMM's structure. The chair concurred with this proposal, recognizing it as an advantageous opportunity.

A civil society raised based on their past experiences, BARMM may occasionally acquiesce, but the pivotal question remains: do they do so voluntarily? Often, while expressing interest, they also cite competing priorities. A civil society representative recommended that PH-EITI initiate correspondence with MENRE and await their response regarding their willingness to make concerted efforts.

88.7 The Secretariat informed the MSG that in relation to the Civic Space Report, it will be presented at the main business of the meeting.

88.8 The Secretariat informed the MSG that MSG TORs are already completed.

The Secretariat expressed appreciation for the attendance of all MSG members at the 89th meeting.

V. MAIN BUSINESS

1. Targeted Assessment

The Chair duly apprised the members of the MSG that the session would now transition to the principal agenda items. Additionally, the Chair conveyed that the Secretariat would be stationed at the hotel for the ensuing week, during which time the EITI International Secretariat will undertake their mission for the Validation of the

Targeted Assessment. Furthermore, the Secretariat expressed their readiness to address any conflicts that may arise through open dialogue.

2. Work Plan 2024: Refinement and Priorities

The Secretariat introduced the refined priorities and was instructed to distribute the key highlights, encompassing both the IA and contextual information. The Chair proposed that a more in-depth discussion on the Terms of Reference (TORs) should be conducted rather than waiting for the next meeting. The Secretariat was tasked with notifying relevant parties to facilitate the organization of a dedicated meeting for this purpose.

The Secretariat expressed concerns regarding time constraints, noting the challenge of presenting to the EITI International and anticipating further difficulty next year due to the implementation of new standards.

The Chair agreed to extend the deadline for sending comments until April 5. Should any member express interest in a substantive discussion, arrangements will be made to convene a meeting regarding the TOR.

The Secretariat informed that the TOR for approval regarding Just Transition is already available. The Secretariat intends to dispatch a TOR highlighting the changes from the previous version, ideally after the Holy Week, Stakeholders are encouraged to submit their comments upon receipt. Following this, the Secretariat will coordinate a meeting for substantive discussions.

The Secretariat is currently engaged in discussions concerning the EITI platform for climate action and energy transition, identifying it as a high-priority agenda item. Additionally, they have provided updates regarding the Terms of Reference (TOR) for the technical consultant.

The civil society expressed their willingness to engage in discussions, stating their availability to review the TORs. They proposed a timeline of three days for the approval or disapproval of the TORs, aiming to facilitate a fruitful discussion and ensure a streamlined process.

The Chair wanted to schedule an after-dinner discussion about the TOR. They suggested doing it today to maintain momentum.

The Secretariat talked about the SSM assessment, previously managed directly by the Secretariat but there is now a plan to draft a TOR for engaging a consultant. (TOR for the SSM)

The Secretariat added about the BARMM assessment, there is a proposal to postpone it for next year's planning. However, a letter will be sent to MENRE regarding this decision. The rationale behind this proposal is the observation that there are only four large-scale mining operations in BARMM. According to the 2022 MICC review, the regional MAQ share for 2020 stands at only 0.74%, falling below the average of 1.82%.

The civil society added that SR Languyan Mining Corp., Minavide Mindanao Corp., and Pax Libera Mining Incorporated are no longer operational, leaving only Chan C in operation.

The Chair mentioned that the MGB is responsible for computing the population data. Additionally, regarding the overall discussion, the Chair stated that a letter will be sent to inquire whether they are open to accepting the invitation.

The Secretariat added the key priorities:

1. Subnationalization
2. Stakeholder engagement activities
 - Regional Roadshows
 - National Conference

The concept notes for the sub nationalization and stakeholder engagement activities are currently being refined, for submission to potential funders.

The Chair approved the work plan.

3. Feedback Mechanism

The Chair informed all attendees that the Feedback Mechanism has been discussed, and thus they will now proceed to the next topic, which is the civic space report.

4. Updates on Civic Space Report

The Chair expressed gratitude to all present colleagues for providing the opportunity to offer comments.

A civil society representative submitted their final report to the PH-EITI which was presented by their representative. They showed the result of the report to the MSG.

The Chair raised a concern about discrepancies in the graph not being accurately tallied together and the secretariat questioned the reason for the increase or decrease in the graphs due to the inclusion of additional respondents. The CSO answered by sending a report explaining the gaps of the report they presented as soon as possible.

The CSO answered that one significant challenge is ensuring the rule of law. Farmers' issues in Caraga may not be effectively addressed by legal minds despite their freedom to voice concerns. Civil society organizations face difficulties in pushing complaints forward. They may have platforms and mechanisms but they're underutilized. We need to maximize available tools, including engaging with the MGB, to achieve tangible results. The EITI platform is valuable in this regard, and we must enhance its effectiveness.

The Chair questioned the bridge to the gap. The CSO answered that bridging the gap requires direct engagement and understanding their perspective. They desire solutions while acknowledging the importance of mining for some family members. Listening to their needs is essential to bridge the communication barrier.

A civil society commented that when they conducted a visit the Governor mentioned developing areas into a highway, emphasizing the need for diverse employment opportunities beyond mining. Prioritizing farming, fisheries, and agroforestry. We aim to engage with the Sangguniang Panlalawigan to establish dialogue mechanisms in these areas.

A civil society representative said that the SDMP has to be integrated in the development of LGUs, since some LGUs do not have development plans, making barangays dependent on the SDMP for development.

The civil society representative also mentioned that the SDMP is one of the targeted areas for reform of the DENR due to the disparity between the amount disbursed for social development and the quality of life of communities.

The Chair thanked the MSG member for actively talking about the discussion and proceeded to the next agenda.

5. Updates on the Reconciliation Report

A member of the Secretariat presented the results of the reconciliation report. She mentioned that the timeline was not followed due to delays of the IA in submitting the revised reconciled data. Only 11 out of 34 gaps were resolved by the IA, with seven more that are yet to be confirmed resolved.

The Chair asked when the new deadline will be. A representative from the Secretariat said that it can be submitted by the end of the month.

The Chair asked if there was anything substantial in the 34 gaps identified by the Secretariat. A representative of the Secretariat said that the problem was with Tables 27 and 28, which are the summary tables of the report. The Chair mentioned that if the summary tables were problematic, it is likely that there are issues in the other tables as well.

The Chair said that during the international conference, it was mentioned that an IA is not needed when the data is mainstreamed. But in the end, the reconciled data still requires the approval of the MSG. He stressed the need for PH-EITI to have the ability to come up with properly reconciled data.

A civil society representative added that there should be an accountant in the Secretariat.

The Chair asked the Secretariat to give the MSG updates on the status of the report even after the meeting.

6. Participation at the 59th EITI Board Meeting

The Chair recalled that he and the PH-EITI Secretariat National Coordinator attended the 59th EITI Board Meeting in Toronto, Canada. He has three takeaways from the event:

1. The EITI allows partial mainstreaming, which should help with the efficiency of

- data reconciliation, subject to the approval of the EITI Board.
2. The EITI Board was interested in including small-scale and artisanal mining in the report.
 3. The PH-EITI will be subject to the 2023 Standards in 2025.

Related to #3, he mentioned that the International Secretariat promised to do capacity-building to train the Philippine Secretariat and MSG on how to implement the new standard.

He also mentioned that there was a growing concern among EITI member countries that they had just mastered the previous version of the Standard, but now it will be revised again.

The two representatives who attended also met with the World Bank to ask for funding in PH-EITI's projects. While the World Bank was open to it, the Secretariat still has to pursue the effort of processing the necessary documents for it. He added that funding from the World Bank can help PH-EITI consolidate with the Bangsamoro Government for EITI implementation in BARMM.

He also mentioned that World Bank's previous financial support to the PH-EITI was the Extractives Global Programmatic Support (EGPS), and that the fund for it is close to depletion.

IV. OTHER MATTERS

Case Brief No. 6

IP royalty-related assistance for mining activities in Diwalwal

The MSG then went on to discuss Case Briefs #6 and #7. Case Brief #6 was regarding a request for assistance in collecting royalties from mining activities and other businesses as a benefit clarification for Indigenous Cultural Communities (ICCs) and Indigenous Peoples (IPs), filed by Datu Mario A. Buntas from Diwalwal, Monkayo, Davao de Oro.

A representative from the government asked whether the National Commission on Indigenous Peoples (NCIP) had replied. A Secretariat member replied that there has

yet to be a response. The ULAP representative said that it is now up to NCIP to work on their request.

A government representative said that it is possible that they are just maximizing avenues to reach the NCIP.

The Chair agreed that this is an NCIP matter. The government representative concurred with the Chair, and suggested that PH-EITI write back to Datu Buntas to explain that it is out of PH-EITI's scope.

A civil society representative mentioned that the PMRB in Davao de Oro has a hard time monitoring informal, small-scale mining in Diwalwal, due to it being a mineral reservation. She also mentioned that Diwalwal has the most cases of illegal small-scale mining.

A government representative agreed that it was indeed hard to monitor because it was also difficult to enter the area. He mentioned that there was a small-scale miner's federation established through the local government, which helps in legitimizing SSMs through the Minahang Bayan.

An industry representative mentioned that some small-scale miners are complaining about how there is no medium scale mining in Philippines laws.

The Chair reiterated that he does not want to overstep the boundaries of PH-EITI and that letters will be sent out to DENR, PMRB, PMDC, aside from NCIP.

Case Brief No. 7

(Illegal exploration activities in the headwaters and portion of the Buyaan Watershed)

Case Brief #7 was discussed by a civil society representative, since the feedback came from him. It concerns a Request for investigation of illegal exploration activities in Buyaan Watershed, Surigao del Sur.

A civil society representative mentioned that the investigation conducted by the MGB was not able to pinpoint who was responsible for the exploration activities.

A representative of civil society said that the mayor is requesting action from

different concerned agencies, and that she saw that EITI’s intervention has been productive in past cases.

A government representative recommended that the letter be forwarded to DENR’s 8888 hotline, since they monitor these types of cases as well.

The Chair clarified that one of the agreements, namely “The MSG noted that PH-EITI can look into the proper implementation of the EPEP of mining companies”, is better discussed by the Environmental Management Bureau, leading to the agreement’s omission. He added that the PH-EITI can address deviations from a mining company’s commitments in the ECC.

A CSO member suggested that this concern be included in the subnationalization program instead. She also added that instead of just writing to Datu Buntas, the issue on Diwalwal can also be included in the sub-nationalization program.

The Chair continued the discussion and proceeded to the Summary of Agreements.

VI. SUMMARY OF AGREEMENTS

Agreements	In charge	Timeline
The GOC to discuss refinements to the feedback mechanism, particularly on the lowering of the number of days for addressing reports.	MSG	
The MSG agreed to wait for final developments on investigations being done on the Maco landslide incident before releasing an MSG statement.	MSG	
The MSG agreed to include the proper implementation of EPEP in the discussions on subnationalization.	MSG	
The MSG approved the refined work plan with the identified priorities. The Secretariat to circulate the polished work plan.	MSG, Secretariat	March 27
The Secretariat to circulate to the MSG the TORs of the consultants for the FY 2022 country report	Secretariat	April 5

including the TOR on Preparing Extractive Industries Towards Just Transition.		
The MSG agreed to re-engage with BARMM (send letter to MENRE).	MSG, Secretariat	April 1
The Secretariat is instructed to communicate with IA on the deadline for resolving issues in the FY 2021 reconciliation (End of March 2024).	Secretariat	March 31
The Secretariat to keep the MSG updated on the status of the reconciliation chapter of the FY 2021 report.	Secretariat	April 5
The MSG agreed to work on logistical arrangements in securing funding from the World Bank for future programs/activities/projects.	Secretariat	
Concerning the report received from Datu Buntas of Diwalwal, Monkayo, the MSG agreed to coordinate with other agencies, including the DENR, PMRB, PMDC, and the LGU and write back to Datu Buntas to explain that it is beyond PH-EITI's jurisdiction. The concern on IP royalty can also be included in the discussions on subnationalization.	Secretariat	
Concerning the report on Buyaan watershed, the MSG recommends referring the letter to DENR's Action Center.	Secretariat	

SETTING OF THE NEXT MEETINGS

The Secretariat presented the following schedule for the next MSG meetings and activities:

May 23, 2024: 90th MSG Meeting - Nueva Vizcaya

VII. Adjournment

With no other matters to be discussed, the meeting was adjourned at 12:04 nn.