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**Philippine Extractive Industries Transparency Initiative**  
**SPECIAL MULTI-STAKEHOLDER GROUP MEETING**  
11 September 2020 | 2:00 PM – 3:30 PM | Zoom Meeting

**Minutes of the Meeting**

**Attendees**

**Government**

- Assistant Secretary Teresita Habitan, Department of Finance (DOF)
- Ms. Febe Lim (DOF)
- Engr. Romualdo Aguilos, Department of Environment and Natural Resources–Mines and Geosciences Bureau
- Director Araceli Soluta, Department of Energy (DOE)
- Director Anna Liza Bonagua, Department of Interior and Local Government

**Industry**

- Atty. Ronald Rex Recidoro, Chamber of Mines of the Philippines
- Atty. Francis Ballesteros, Philex Mining
- Atty. Joan Adaci-Cattiling, Oceana Gold
- Atty. Odette Javier, Lepanto Mining

**Civil Society Organization (CSO)**

- Mr. Vincent Lazatin, Bantay Kita
- Dr. Buenaventura Maata, Jr., Philippine Grassroots Engagement in Rural Development Foundation, Inc.
- Dr. Glenn Pajares, Sectoral Transparency Alliance on Natural Resource Governance in Cebu, Inc. (STANCe)
- Prof. Ladylyn Mangada, UPV Tacloban / Philippine Political Science Association
- Ms. Aniceta Baltar, Concerned Citizens of Abra for Good Governance

**Guest**

- Atty. Karla Espinosa

**PH-EITI Secretariat**

- Eastword Manlises
- Maryann Dizon-Rodolfo
- Jane Baldago
- Anna Leigh Anillo
- Eah Antonio
- Zoe Jimenez
- Roselyn Salagan

47 **Agenda**

48

49 I. Update on 6<sup>th</sup> Report Publication

50 II. Discussion of MSG comments and recommendations

51 III. Approval of the draft report.

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54 **Call to order**

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56 DOF Assistant Secretary Ma. Teresa Habitan chaired the special meeting, which was called  
57 to order at 2:03 PM.

58

59

60 **Highlights**

61

62 *I. Update on the 6<sup>th</sup> report publication*

63

64 The secretariat reported to the MSG about the progress on beneficial ownership (BO)  
65 disclosure and publication which is a key component in completing the 6<sup>th</sup> Report. A BO  
66 webinar for companies was conducted in the morning of September 11 where companies  
67 were able to raise concerns about BO publication; however, due to challenges in internet  
68 connectivity, not all concerns were addressed right away. The consultant for the 6<sup>th</sup> Report,  
69 through the secretariat, would instead send a written answer to the questions raised during  
70 the webinar.

71

72 An industry representative suggested having the consultant record, instead, a video  
73 addressing the concerns during the BO orientation, accompanied by written text. He  
74 expressed that during the webinar he sensed some push back from the companies, adding  
75 that PH-EITI needs to stress that while it is voluntary, there are upside to reporting.

76

77

78 *II. Discussion of MSG Comments and Recommendation*

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80 Comments.

81

82 The secretariat reported that it has received four (4) sets of comments from the MSG—2  
83 from the government sector, 1 from the industry, and 1 from the civil society. The secretariat  
84 also received a consolidated recommendation for EITI implementing agencies, coming from  
85 Bantay Kita.

86

87 The secretariat informed the Chair that it will no longer present the content of the 6<sup>th</sup> Report  
88 as it was already presented during the 6<sup>th</sup> Report Webinar, and the copy was circulated to  
89 the MSG on September 3, 2020.

90

91 The Secretariat presented the comments from the MSG. It also informed the MSG that the  
92 comments have already been forwarded to the consultants.

93

94 *Comments from the government*

- 95 • Minimal spelling and grammatical corrections
- 96 • Points of clarification on FY covered and data presented
- 97 • Page 18 (of draft) – the necessity of 2019 data and updates is being
- 98 questioned, considering that the report covers FY 2018; the report provides a
- 99 more updated information.
- 100 • Page 28 – there was a question on whether the entity being referred to was
- 101 PNOC or PNOC-EC
- 102 • Page 29 – there was a question on the total sales of the participating projects
- 103 • Page 38 – a missing digit was identified

104

105 *Comments from the CSO*

- 106 • Comments on language and style
- 107 • There were jargons and legal terms used
- 108 • There's a preference to use "utilization of resources" over exploitation
- 109 because exploitation is too heavy a word "if we are referring to good natural
- 110 resources management"
- 111 • Some sentence were vague and needs to be simplified for easy
- 112 comprehension
- 113 • Comments on the length of the document
  - 114 • The document is too long
  - 115 • The figures and data are better placed as annex
- 116 • Recommendation on editing for unity and clarity
- 117 • The report is already worth publishing; an acknowledgment of very good
- 118 effort and excellent organization of thoughts

119

120 *Industry comment*

- 121 • There's a commendation that the draft report is a marked improvement over
- 122 previous country report
- 123 • On NCIP, a recommendation to reference the MSG discussions and
- 124 statements made by the Chair; to steer away from bashing the agency and
- 125 focus more on points for improvement, as well as the capacity-building work
- 126 that the PH-EITI is doing with NCIP
- 127 • On Semirara Mining, emphasize the efforts done to get them to report, and
- 128 the legal and corporate reasons they have been giving to avoid participating
- 129 • Highlight and explain "glaring" numbers
- 130 • Adding reference links to relevant laws at the end of relevant paragraphs
- 131 • A recommendation to mention other key movements on the extractives (Par
- 132 2, Line 4)
- 133 • A comment on possibly including a note that there has been some push-back
- 134 from the Philippines "in a sense that we would like to maintain some degree
- 135 of control over reporting and publication of data" (on mainstreaming; Page 3,
- 136 Par. 4)
- 137 • Asked to consider including links to specific relevant laws and/or regulations
- 138 • A request to reconcile the MGB data (Page 13, Par. 4)
- 139 • A recommendation to contextualize Philippine mineral exports (Page 14, Par.
- 140 5)

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- A recommendation to have a summary paragraph to close off Part 1: Contextual Report
  - A request for a more nuanced discussion on the NCIP variance
  - A comment to maintain consistency in style and refrain from using “miner” when referring to the company/contractor
  - A request for the inclusion of a table on Income Tax Holiday granted to companies
  - A request to include a sub-total for all environment-related expenditures
  - A recommendation to improve graphics for confidential and non-confidential data/info

151

152

153 The Chair asked the MSG members for any feedback on the comments and  
154 recommendations presented. The Chair also asked the secretariat if there is still time to  
155 accommodate more comments/recommendations.

156

157 The secretariat said that the deadline was on September 10 but that the deadline may be  
158 extended up to September 18, with consideration to time needed for the editing and layout of  
159 the report.

160

161 The secretariat relayed the request of consultants to have the additional comments over the  
162 weekend.

163

164 The Chair asked if September 15 would be acceptable.

165

166 The consultant for the 6<sup>th</sup> Report confirmed that September 15 is feasible.

167

168 The Chair asked the MSG members to send comments and recommendations as soon as  
169 possible and no later than September 15 to give way for other efforts required in finalizing  
170 the report.

171

172 An industry representative said that they are still working on the recommendations from the  
173 COMP and would submit over the weekend.

174

175

#### 176 Recommendations.

177

178 The Secretariat presented the following recommendations from the civil society:

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- 186
- MMT reports should be timely disclosed and must be included in the PH-EITI contracts portal
  - For the MGB, the localization of EITI governance models should be introduced to local government units.
  - Auxiliary rights given to companies should be disclosed
  - SDMP should be aligned with local development plans, and mining-affected communities should be consulted and engaged in the SDMP planning

- 187 • MGB should release a guideline for the selection process of CSOs in MMTs and  
188 MRFCs
- 189 • The PH-EITI contracts portal should be regularly updated
- 190 • All extractive companies should be required to participate in EITI reporting
- 191 • Extractives companies should disclose and provide updates on its rehabilitation  
192 activities
- 193 • For DBM, the PH-EITI MSG should advocate for the Joint Memorandum Circular  
194 (JMC) of the DBM
- 195 • The MSG recommendations to government agencies and the improvement of the  
196 PH-EITI report should be used as basis for the planning and work plan of the MSG
- 197 • The MSG recommendation should be discussed during MSG meetings for updates
- 198 • The updates on recommendation points in the validation report should be included in  
199 its respective sections of the Report

200

201 No recommendations were received for the Department of Energy, Department of the  
202 Interior and Local Government, Bureau of Local Government Finance, and National  
203 Commission on Indigenous Peoples.

204

205 The Chair asked for comments from the members.

206

207 The Secretariat acknowledged the industry's commitment to send recommendations over  
208 the weekend (within two days from the MSG Special Meeting).

209

210 The Chair asked for comments from government representatives. The Chair also sought  
211 response from the MGB on the recommendations for the agency.

212

213 The MGB representative responded that while the agency is centralized, the regional offices  
214 take time to disclose data.

215

216 The Chair asked the MSG representative about how far is MGB along the process of  
217 digitizing its operations.

218

219 The MGB representative said that the regional offices have started submitting in digital  
220 format which is also what the MGB submitted to the secretariat.

221

222 The Chair asked how the online submissions could be done faster.

223

224 The MGB said that the hard copy is still required by law.

225

226 Another government representative committed, via chat box, to send comments by  
227 September 15.

228

229 A civil society representative said that he finds no reason why regional offices cannot submit  
230 reports faster as he said via chat that managers sign immediately the formal official  
231 monitoring report before leaving the company vicinity. He opined that there is no reason for  
232 the report to be delayed. The head of the MMT shall submit the report to the regional head.

233

234 The MGB representative acknowledged the comment and replied that he has no knowledge  
235 how long it takes to make the report on the field before it gets transmitted to the national  
236 agency. He also said that the MGB will ask the expert in charge to respond to the  
237 recommendations and concerns raised.

238

239 The Chair asked if there are other comments and suggestions from the group.

240

241 The MGB commented on the recommendation flashed on the screen about the SDMP being  
242 aligned with the local development plan. The representative said that it has been addressed  
243 numerous times in the past.

244

245 The Chair acknowledged the response.

246

247 The Chair then reiterated that the MSG members have until September 15 to additional  
248 comments and recommendations for the consultants and the secretariat to have ample time  
249 to prepare the report for publication.

250

251

### 252 *III. Approval of the Report*

253

254 There was a motion from an industry representative to approve the report.

255

256 Another industry representative seconded the motion.

257

### 258 **The MSG members approved the 6<sup>th</sup> Report.**

259

260 The Chair said that the report is easy to read before thanking the consultants for a job well  
261 done.

262

263 The secretariat reiterated that the 6th Report shall be the basis of the Philippines's Validation  
264 in October, and noted that the chapter on beneficial ownership will be included as an  
265 amendment if PH-EITI becomes successful in getting the BO information of participating  
266 companies.

267

268 The secretariat then announced that the online edition of the LGU Roadshow, Online  
269 Learning on Extractives (On Learn), shall start on September 15. The secretariat also  
270 reminded the agencies represented about the communication sent related to On Learn. The  
271 secretariat also acknowledged the response of the MGB.

272

### 273 **The meeting was adjourned at 3:30 PM.**

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