Subnationalizing Extractives Transparency
Ushering Participatory Governance (SET-UP-GO)

Manuel Rodriguez II
National Coordinator
Philippine Extractive Industries Transparency Initiative
Why the need to subnationalize the PH-EITI?

1. Develop value-adding activities and downstream industries of the mining sector
   - Mineral resources of the country to be used for industrial value-addition and domestic processing. Rise in demand for critical minerals presents opportunity.

2. Implement appropriate tax regime for extractive industries and pollution
   - Efficient taxation of extractive industries intend to ensure the state’s appropriate share of revenues, manage safety and health risks, and mitigate environmental impacts.

3. Deepen participatory governance
   - Management of costs and benefits of extractive to be improved through sufficient and functional participatory spaces, broadening public access to information, and improving quality of participation.

4. Enhance ecosystem resilience
   - Monitoring the compliance of extractive industries to existing environmental laws, rules, and regulations shall contribute to intensifying ecosystem protection, rehabilitation, and management.

1. Under 2023-2028 Philippine Development Plan (PDP), Outcome 6.2.2
2. Outcome 11.2.1
3. Outcome 14.1
4. Outcome 15.2
Subnationalization framework

Modified from decentralization framework defined in the 2003 UN HDR

Subnational bodies (local governments, mining boards)

Empowered private sector/civil society

Competent local authorities

Use extractives sector revenues for local development

Keep local authorities accountable

Report data disclosures, grievances, and policy inputs

Engage and strengthen groups to use EITI data

Implement EITI Standards and implementation

Build capacity of local authorities to implement EITI Standards

Effective state capacity

Improved subnational EITI implementation

PH-EITI

Industries CSOs

Modified from decentralization framework defined in the 2003 UN HDR
### Planned actions (FY2024 onwards)

<table>
<thead>
<tr>
<th>Effective state capacity</th>
<th>Competent local authorities</th>
<th>Empowered private sector/ civil society</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve capacity for reporting extractives data</td>
<td>Strengthen stakeholder support for EITI processes</td>
<td>Reinforce impact of EITI on extractives governance</td>
</tr>
<tr>
<td>• Develop Central Mainstreaming Platform</td>
<td>• Develop JMC across NGAs to harmonize reporting guidelines</td>
<td>• Develop policy recommendations using EITI insights</td>
</tr>
<tr>
<td>• Orient and capacitate subnational bodies on EITI processes</td>
<td>• Train local authorities on participatory budgeting and policymaking using EITI data</td>
<td>• Feature success cases of subnational PH-EITI actions in the Annual Report</td>
</tr>
<tr>
<td>• Train industry and CSO stakeholders in navigating the Central Mainstreaming Platform</td>
<td>• Establish feedbacking and grievance mechanisms</td>
<td>• Involve and capacitate local companies/CSOs to participate in governance processes</td>
</tr>
</tbody>
</table>
What results can we expect from the PH-EITI subnationalization?

- Improved capacity for reporting extractives data.
- Strengthened stakeholder support for EITI initiatives.
- Reinforced impact of EITI on extractives governance.
- Established mechanisms for reporting.
- Established system for monitoring and reporting.