Philippine Extractive Industries Transparency Initiative

PH-EITI FY 2023 - 2024 COUNTRY REPORT

Expanding Horizons

Promoting Accountability through Transparency and Inclusive Participation in Extractive Governance

Acknowledgment

The completion of the **FY 2023-2024 PH-EITI Country Report** has been a collaborative effort involving numerous individuals and organizations whose dedication and support have contributed significantly to the success of this initiative.

We would like to express our sincere gratitude to:

BAYANI H. AGABIN
Undersecretary, Legal Services and Local Finance Group, Department of Finance (DOF)
Focal Person and Chair, Philippine EITI

KARLO FERMIN S. ADRIANO, PhD
Undersecretary, Fiscal Policy and Monitoring Group, DOF
Alternate Focal Person and Chair, Philippine EITI

Government Representatives to the PH-EITI Multistakeholder Group (MSG):

RICARDO L. BOBIS, JR.
Director, Bureau of Local Government Finance (BLGF)

MARLO I. IRINGAN
Undersecretary, Department of the Interior and Local Government (DILG)

JUABILLY P. RACHO
Assistant Secretary, Department of the Interior and Local Government (DILG)

ANNA LIZA F. BONAGUA
Director, Department of the Interior and Local Government (DILG)

ALESSANDRO O. SALES
Undersecretary, Department of Energy (DOE)

NENITO C. JARIEL, JR.
Director, Department of Energy (DOE)

AGUSTUS CESAR A. NAVARRO
Assistant Secretary, Department of Energy (DOE)

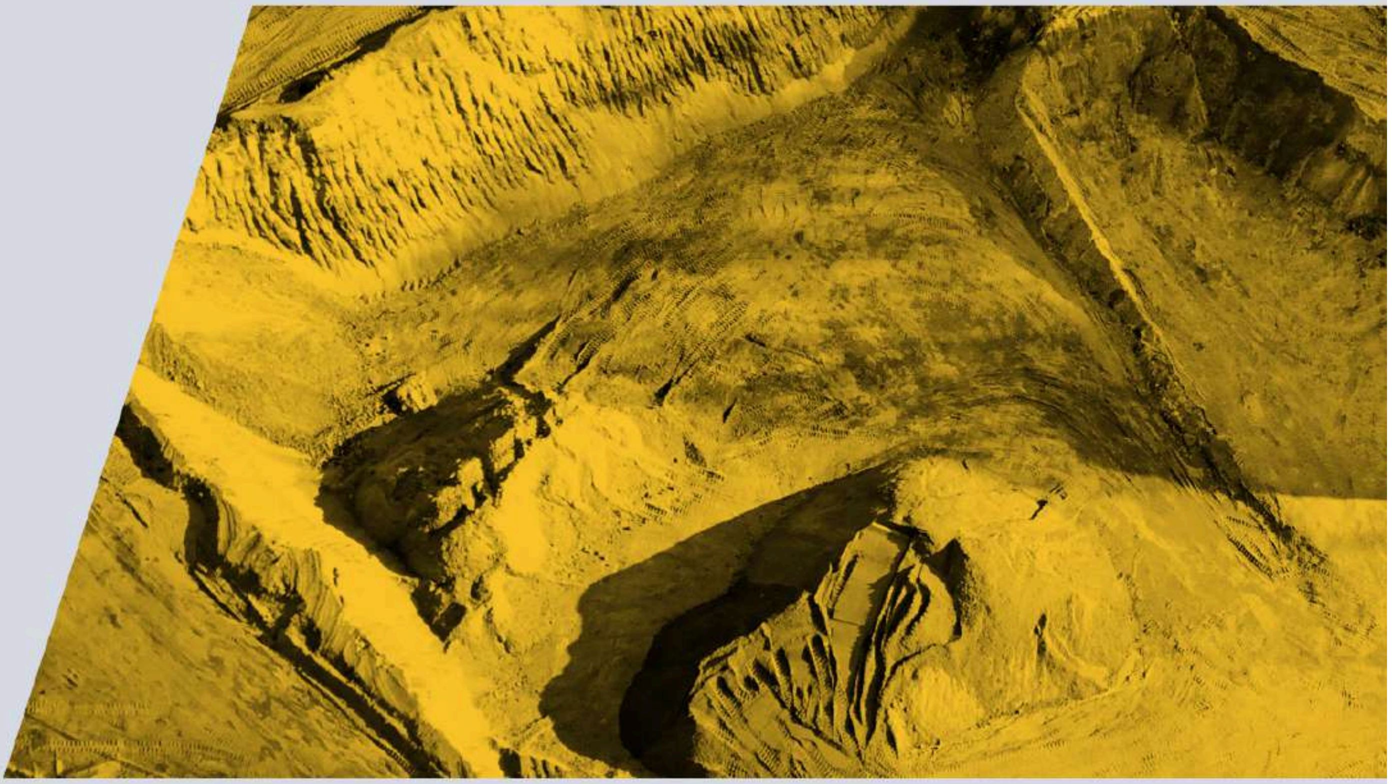
CARLOS PRIMO C. DAVID, PhD
Undersecretary, Department of Environment and Natural Resources (DENR)

IGNATIUS LOYOLA A. RODRIGUEZ
Undersecretary, Department of Environment and Natural Resources (DENR)

ROMUALDO D. AGUILOS
Chief, DENR-Mines and Geosciences Bureau (MGB)

DAKILA CARLO E. CUA
President, Union of Local Authorities of the Philippines (ULAP)

MARICOR ANNE D.G. CAUTON
Director, Union of Local Authorities of the Philippines (ULAP)



Industry Representatives to the PH-EITI MSG:

RONALD REX S. RECIDORO
Executive Director, Chamber of Mines of the Philippines (COMP)

JOAN D. ADACI-CATTILING
President, OceanaGold Philippines, Inc.

ODETTE A. JAVIER
Vice President and Assistant Corporate Secretary, Lepanto Consolidated Mining Co.

EULALIO B. AUSTIN, JR.
President and Chief Executive Officer, Philex Mining Corporation

FRANCIS JOSEPH G. BALLESTEROS, JR.
Corporate Affairs and Communications Head, Philex Mining Corporation

EDGAR BENEDICT C. CUTIONGCO
President, Philippine Petroleum Association of the Upstream Industry (Oil & Gas), Inc.

JOSE MA. EMMANUEL A. CARAL
Senior Adviser, Prime Energy Resources Development B.V.
Secretary, Philippine Petroleum Association of the Upstream Industry (Oil & Gas), Inc.

Civil Society Representatives to the PH-EITI MSG:

BEVERLY F. BESMANOS
National Coordinator, Bantay Kita, Inc.-Resource Justice Network Philippines

BECKY S. BARRIOS
General Secretary, Panaghiusa Alang Sa Kaugalingnan Ug Kalingkawasan Inc. (PASAKK INC.)

RODNE R. GALICHA
Executive Director, Living Laudato Si' Philippines

JEANIRA G. OKUBO
Member, PILIPINA Baguio-Benguet Chapter

ARLENE N. SEVILLA
GAD & Scholarship Focal, Tawi-Tawi Regional Agricultural College (TRAC)
President, Assembly of Masses and Basic Sectors for Unity and Harmony – Initiatives for Normalization and Advancement for Human Security (AMBUH-INAH)
Executive Director, Tawi-Tawi Alliance of Civil Society Organizations, Inc. (TACOS)

AVRIL DE TORRES
Deputy Executive Director, Center for Energy, Environment & Development (CEED)

JOEL CHESTER "CHENG" PAGULAYAN
Climate Justice Portfolio Manager, Oxfam Pilipinas

AMY FAITH SUSON-SITOY
Director for Legal Affairs, Sectoral Transparency Alliance on Natural Resource Governance in Cebu, Inc. (STANCe)

JEFFREY A. CARIN
Executive Director, Foundation Urios University (FSUU)

MARIA AURORA TERESITA W. TABADA
Associate Professor, Visayas State University (VSU)

PH-EITI Secretariat:

MARY ANN D. RODOLFO
National Coordinator

ALBERT A. SAN DIEGO
Deputy Coordinator for Communications, Research, and Data Reporting and concurrent Chief Technical Officer

RHEA MAE B. PAMATMAT
Deputy Coordinator for Stakeholder Management and concurrent Operations Manager

AMIEL C. DE GUZMAN
Data Governance and Reporting Manager

RHODA H. ARANCO
Data Quality Assurance Manager and concurrent Finance Manager

ANDREA DENISE S. ONG
Stakeholder Engagement Manager

JOB G. BESMONTE
Communications and Research Manager

ALDHESSA JOYCE A. MORILLO
Economic Development Specialist

JOLLIE ANNE M. LAS PIÑAS
Communications and Research Specialist

SHAINA GEM P. CARDENIO
Data Management Officer

ALIYAH MAE GOZON
Stakeholder Engagement Officer

LLOYD RAINIEL C. BONSOL
Data Visualization Specialist

JAIME C. MIGUEL
Administrative and Procurement Officer

ATHALIAH R. DELA PEÑA
Administrative and Technical Assistant

MALENE A. SKENSVED
Former Economic Development Specialist

EITI International Secretariat:

SARAH HAYTON
Country Manager - Asia

Consultants:
DANNICA ROSE G. AQUINO
PAMELA A. GRAFILO
Contextual Information Chapter Writers

LINNET MADELANE C. CHAN
Independent Administrator

Reporting Government Agencies

ATTY. DANILO U. UYKIENG
Former OIC Director, Mines and Geosciences Bureau (MGB)

ENGR. MICHAEL V. CABALDA
Assistant Secretary
OIC Director, MGB

JULIUS CESAR O. TABUCAO
Senior Science Research Specialist, Department of Energy (DOE)

WILFORD WILL L. WONG
Undersecretary, Department of Budget and Management (DBM)

ATTY. RYAN S. LITA
Director, DBM

CONSOLACION Q. AGCAOILI
Executive Director, Bureau of Local Government Finance (BLGF)

ROMEO D. LUMAGUI, JR.
Former Commissioner, Bureau of Internal Revenue (BIR)

ATTY. CHARLITO MARTIN R. MENDOZA
Commissioner, BIR

ANGELA JOY T. LOZANO
Economist III, BIR

ARIEL F. NEPOMUCENO
Commissioner, Bureau of Customs (BOC)

ATTY. VINCENT PHILIP C. MARONILLA
Assistant Commissioner, BOC

JAY DANIEL R. SANTIAGO
General Manager, Philippine Ports Authority (PPA)

EMERINA R. BILLONES
Manager, PPA

JENNIFER PIA SIBUG-LAS
Former Chairperson, National Commission on Indigenous Peoples (NCIP)

DR. MARIE GRACE PASCUA
Chairperson, National Commission on Indigenous Peoples (NCIP)

ATTY. ARTHUR K. HERMAN
Director IV, Ancestral Domains Office, NCIP

DAHLIALYN D. DAIT-CAWED
Director IV, Office of Empowerment and Human Rights, NCIP

PASCUAL PATTING JR.
Chief, Office of Empowerment and Human Rights, NCIP

WILLIAM DEGYEM
Development Management Officer IV, Ancestral Domains Office, NCIP

Reporting Companies:

Adnama Mining Resources, Inc.
Apex Mining Company, Inc.
Apo Land and Quarry Corporation
Austral-Asia Link Mining Corp.
Benguet Corporation
BenguetCorp Nickel Mines, Inc.
Bohol Limestone Corporation
Cagdianao Mining Corporation
Carmen Copper Corporation
Carrascal Nickel Corporation
Citinickel Mines and Development Corporation
Concrete Aggregates Corporation
CTP Construction and Mining Corporation—Adlay
CTP Construction and Mining Corporation - Dahican
Dinapigue Mining Corporation
Dolomite Mining Corporation
Eagle Cement Corporation
Eramen Minerals, Inc.
FCF Mineral Corporation
Filminera Resources Corporation
Global Min-met Resources, Inc.
Gozon Development Corporation
Greenstone Resources Corp.
Hallmark Mining Corporation
Hardrock Aggregates, Inc.
Heirs of Elias E. Olegario
Helix Mining and Development Corporation
Helix Resources and Development Corporation
Hinatuan Mining Corporation
Ipilan Nickel Corporation
Island Quarry and Aggregates Corporation
Itogon Suyoc Resources Inc.
JLR Construction and Aggregates, Inc.
Kafugan Mining Inc.
Lepanto Consolidated Mining Company
Libjo Mining Corporation
LNL Archipelago Minerals, Inc.
Marcventures Mining & Development Corporation
Montalban Millex Aggregates Corporation
Northern Cement Corporation
NPG Pty Ltd
OceanaGold Philippines, Inc.
Oriental Vision Mining Phils. Corporation
Philex Mining Corporation
Philsaga Mining Corporation
Platinum Group Metals Corporation
Prime Energy Resources Development B.V.
Quarry Ventures Phils., Inc.
Rapid City Realty and Development Corporation
Republic Cement & Building Materials, Inc.
Republic Cement Land and Resources, Inc.
Republic Cement Mindanao, Inc.
Rio Tuba Nickel Mining Corporation
Semirara Material Resources, Inc.
Shangfil Mining and Trading Corporation
Sinosteel Philippines H.Y. Mining Corporation
Solid Earth Development Corp.
Solid North Mineral Corporation
SR Metals Inc.
Strong Built (Mining) Development Corporation
Supreme Elite Resources Inc.
Taganito Mining Corporation
Techiron Resources, Inc.
Teresa Marble Corporation
TVI Resource Development Philippines, Inc.
UBS Marketing Corporation
Westernshore Nickel Corporation
Zambales Diversified Metals Corporation

State-owned Enterprises (SOE)

Philippine Mining Development Corporation
PNOC—Exploration Corporation

This report would not have been possible without the collective efforts of these stakeholders. Their commitment to transparency, accountability, and sustainable development has been instrumental in advancing the objectives of the Philippine Extractive Industries Transparency Initiative.

Thank you for your unwavering support.

PH-EITI
Philippine Extractive Industries Transparency Initiative

Overview of the FY 2023–2024 PH-EITI Country Report

The FY 2023–2024 Country Report of the Philippine Extractive Industries Transparency Initiative (PH-EITI) is framed by the theme *Expanding Horizons: Promoting Accountability through Transparency and Inclusive Participation in Extractive Governance*. Entering its second decade of implementation, PH-EITI demonstrates how transparency has evolved from a reporting obligation into a governance instrument that supports fiscal accountability, policy reform, and informed public participation across the extractive value chain. This report provides both a consolidated account of extractive revenues and a broader examination of how transparency is being utilized to address emerging legal, environmental, and social governance challenges.

The Contextual Information chapter situates the extractive sector within a period of significant policy transition. During 2023 and 2024, PH-EITI data and processes were increasingly leveraged to support reforms beyond revenue disclosure, particularly in anti-corruption efforts, fiscal policy discussions, and environmental governance. These include advancing Beneficial Ownership transparency through coordination with the Securities and Exchange Commission, utilizing extractives data in deliberations on the mining fiscal regime, and the passage of the Philippine Ecosystem and Natural Capital Accounting System Act, which formally links extractive activity with natural capital accounting. At the same time, the chapter highlights persistent governance challenges, including risks associated with small-scale mining, questions around the effectiveness of community consultation mechanisms, and the uneven realization of benefits at the local level. These dynamics underscore the central tension addressed by the report theme: how expanding transparency can strengthen accountability while ensuring that participation remains meaningful for affected communities.

The Reconciliation chapter forms the technical core of the report. It presents the independently reconciled payments made by companies engaged in large-scale metallic and non-metallic mining, oil and gas, and coal operations, alongside revenues reported by national government agencies and local government units for fiscal years 2023 and 2024. Covering hundreds of projects and involving multiple national agencies and local governments, the reconciliation process continues to enhance the reliability, consistency, and credibility of extractives data in the Philippines. Beyond validating figures, this chapter illustrates how standardized reporting and systematic disclosure contribute to clearer accountability relationships between companies, government institutions, and subnational recipients of extractive revenues.

Chapter 3, *A Decade of Transparency*, provides historical depth to the report by tracing PH-EITI's evolution since its establishment in 2013. It documents how early legal and institutional barriers to disclosure were addressed through multi-stakeholder solutions, how the Philippines achieved international recognition under the 2016 EITI Standard, and how transparency has been progressively embedded into government systems through digital reporting tools, contract disclosure, and local revenue tracking mechanisms. The chapter also highlights the gradual expansion of participation beyond the national level through regional roadshows, local dialogues, and subnational transparency initiatives, reinforcing the principle that accountability is most effective when information is accessible, usable, and responsive to local realities.

Taken together, the FY 2023–2024 Country Report reflects an expanded understanding of extractive transparency. It shows how data disclosure, reconciliation, and stakeholder engagement are increasingly aligned with accountability objectives, from fiscal reform and anti-corruption efforts to environmental accounting and subnational governance. As PH-EITI looks ahead, the report positions transparency not as an end in itself, but as a means to support inclusive participation, informed decision-making, and more equitable outcomes in extractive governance, consistent with the expanding horizons envisioned in this reporting cycle.

TABLE OF CONTENTS

Chapter I: Contextual Information

Chapter II: Reconciliation Chapter

Chapter III: A Decade Of Transparency: 10 Years of PH-EITI

LIST OF CHARTS, FIGURES, TABLES, AND ANNEXES

ABBREVIATIONS AND ACRONYMS

CONTEXTUAL CHAPTER

AG&P	American Gas & Power Philippines
AMLA	Anti-Money Laundering Act
AO	Administrative Order
APAPA	Alayan Pag-asa Abot-Palad Association
ASEDC	Agusan del Sur Environment and Sustainable Development Council
ASGM	Artisanal and Small-Scale Gold Mining
BARMM	Bangsamoro Autonomous Region in Muslim Mindanao
bbl	Barrel
BIR	Bureau of Internal Revenue
BO	Beneficial Ownership
BOI	Board of Investments
BPI	Bank of the Philippine Islands
Brgy.	Barangay
BSP	Bangko Sentral ng Pilipinas
CALABARZON	Cavite, Laguna, Batangas, Rizal, Quezon
CAR	Cordillera Administrative Region
CCC	Carmen Copper Corporation
CEBECO	Cebu Electric Cooperative
CEED	Center for Energy, Ecology, and Development
CMDC	Claver Mineral Development Corporation
CO_2	Carbon Dioxide
COA	Commission on Audit
COMP	Chamber of Mines of the Philippines
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
DBM	Department of Budget and Management
DENR	Department of Environment and Natural Resources
DILG	Department of the Interior and Local Government

DMT	Dry Metric Ton
DOE	Department of Energy
DOF	Department of Finance
DOJ	Department of Justice
DSA	Data Sharing Agreement
DSA	Data Sharing Agreement
DTI	Department of Trade and Industry
ECAN	Environmentally Critical Areas Network Board
ECIP	Enhanced Compliance Incentive Plan
EDGe	Extractive Data Generator
EEC	Energy Efficiency and Conservation
EIS	Environmental Impact Statement
EITI	Extractive Industries Transparency Initiative
EMB	Environmental Management Bureau
EPEP	Environmental Protection and Enhancement Program
EPIRA	Electric Power Industry Reform Act
ESG	Environmental, Social, and Governance

ETW	Extractives Transparency Week
EV	Electronic Vehicle
EVOSS	Energy Virtual One-Stop Shop
EW-MFA	Economy-Wide Material Flow Accounts
FATF	Financial Action Task Force
FGEN	First Gen
FOB	Free on Board
FPIC	Free, Prior, and Informed Consent
FTAA	Financial or Technical Assistance Agreement
GAA	General Appropriations Act
GDP	Gross Domestic Product
GEMP	Government Energy Management Program
GHG	Greenhouse Gas
GIA	Gender Impact Assessment
GIS	General Information Sheet
GJ	Gigajoule
GPPB	Government Procurement Policy Board

GPS	Global Positioning System
GVA	Gross Value Added
HB	House Bill
IEA	International Energy Agency
ILO	International Labour Organization
IP	Indigenous Peoples
IPCC	Intergovernmental Panel on Climate Change
IPRA	Indigenous Peoples' Rights Act
IRA	Internal Revenue Allotment
ISO	International Organization for Standardization
Kg	Kilogram
LGU	Local Government Unit
LGU-ENR	Local Government Units - Environment and Natural Resources
LNG	Liquefied Natural Gas
M	Million
MAQ	Mining and Quarrying
MGB	Mines and Geosciences Bureau
PDP	Philippine Development Plan

MIMAROPA	Mindoro, Marinduque, Romblon, Palawan
MMscf	Million Standard Cubic Foot
MMT	Multipartite Monitoring Team
MPSA	Mineral Production Sharing Agreement
MRFC	Mine Rehabilitation Fund Committee
MRMC	Mineral Resource Management Committee
MSG	Multi-Stakeholder Group
MSSA	Mine Site Sustainability Audit
MT	Metric Ton
MW	Megawatt
NCSSMPI	National Coalition of Small-Scale Miners of the Philippines, Inc.
NDC	Nationally Determined Contribution
NPC	National Privacy Commission
OECD	Organisation for Economic Co-operation and Development
OGP	Open Government Partnership
ORE tool	Online Reporting in the Extractives Tool
PAP	Petroleum Association of the Philippines
RPS	Renewable Portfolio Standard

PENCAS	Philippine Ecosystem and Natural Capital Accounting System	SB	Senate Bill
PEP	Philippine Energy Plan	Scf	Standard Cubic Foot
PEZA	Philippine Economic Zone Authority	SDGs	Sustainable Development Goals
PH-EITI	Philippine Extractive Industries Transparency Initiative	SDMP	Social Development and Management Program
PhP	Philippine Peso	SDP	Social Development Program
PJLI	PJ Lhuillier Inc.	SEC	Securities and Exchange Commission
PMRB	Provincial Mining Regulatory Board	SET-UP-GO	Subnationalizing Extractives Transparency–Ushering Participatory Governance
PNIA	Philippine Nickel Industry Association	SMI	Sagittarius Mines Inc.
PNOC-EC	Philippine National Oil Corporation – Exploration Corporation	SMPC	Semirara Mining and Power Corporation
Ppm	Parts Per Million	SO_2	Sulfur Dioxide
PSA	Philippine Statistics Authority	SOCCSKSARGEN	South Cotabato, Cotabato, Sultan Kudarat, Sarangani, General Santos City
PSC	Petroleum Service Contract	SONA	State of the Nation Address
PV	Photovoltaic	SSM	Small-Scale Mining
RA	Republic Act	T	Trillion
RE	Renewable Energy	TA	Technical Assistance
REM	Renewable Energy Market	TB	Tuberculosis

TCPI	Taiheiyo Cement Philippines, Inc.	US$	United States Dollar
TESDA	Technical Education and Skills Development Authority	USAID	United States Agency for International Development

TOR	Terms of Reference
TPC	Toledo Power Company
TSM	Towards Sustainable Mining
TWG	Technical Working Group
ULAP	Union of Local Authorities of the Philippines
UNCAC	United Nations Convention against Corruption
USD	United States Dollar
VAT	Value-Added Tax
WEPA	Water Environment Partnership in Asia
WESM	Wholesale Electricity Spot Market
YoY	Year-on-Year

ABBREVIATIONS AND ACRONYMS

RECONCILIATION CHAPTER

AEPEP	Annual Environmental Protection and Enhancement Program
ASDMP	Annual Social Development Management Program
ASHP	Annual Safety and Health Program
AUP	Agreed-Upon Procedures
BIR	Bureau of Internal Revenue
BLGF	Bureau of Local Government Finance
bn	Billion
BOC	Bureau of Customs
CALABARZON	Cavite, Laguna, Batangas, Rizal, Quezon
CAR	Cordillera Administrative Region
CIT	Corporate Income Tax
COA	Commission on Audit
COC	Coal Operating Contract
CSR	Corporate Social Responsibility
DAO	Department Administrative Order
DBM	Department of Budget and Management
GAAM	Government Auditing and Accounting Manual
DENR	Department of Environment and Natural Resources
DHNC	Development of Host and Neighbouring Communities
DMTG	Development of Mining Technology and Geosciences
DOE	Department of Energy
DOF	Department of Finance
DP	Decommissioning Plan
EITI	Extractive Industries Transparency Initiative
ENRDMT	Environment and Natural Resources Data Management Tool
ENRMT	Electronic National Revenue Monitoring Tool
EPEP	Environmental Protection and Enhancement Program
EWP	Environmental Work Program
FBI	Field-Based Investigation
FMR	Final Mine Rehabilitation
FPIC	Free, Prior, and Informed Consent
FTAA	Financial or Technical Assistance Agreement
FY	Fiscal Year
MWTFRF	Mine Waste and Tailings Fees Reserve Fund

IAET	Improperly Accumulated Earnings Tax	NCIP	National Commission on Indigenous Peoples
IEC	Information, Education, and Communication	NCR	National Capital Region
IP	Indigenous Peoples	NIRC	National Internal Revenue Code
ITH	Income Tax Holiday	ORE	Online Reporting in the Extractives
JV	Joint Venture	ORE Tool	Online Reporting in the Extractives Tool
LGU	Local Government Unit	PA	Philippine Ports Authority
M	Million	PD	Presidential Decree
MGB	Mines and Geosciences Bureau	PFRS	Philippine Financial Reporting Standards
MICC	Multi-Stakeholder Initiative Coordinating Committee	PFSP	Project Financing Service Provided
MIMAROPA	Mindoro, Marinduque, Romblon, and Palawan	PH-EITI	Philippine Extractive Industries Transparency Initiative
MPSA	Mineral Production Sharing Agreement	Ph₱	Philippine Peso
MRF	Mine Rehabilitation Fund	PMDC	Philippine Mining Development Council
MSG	Multi-Stakeholder Group	PNOC	Philippine National Oil Company
MT	Metric Ton	PNOC-EC	Philippine National Oil Company – Exploration Corporation
MTGA	Mining Technology and Geosciences Advancement	PPA	Philippine Ports Authority
MWTF	Mine Waste and Tailings Fees	SC	Service Contract
SDM	Social Development and Management	SOE	State-Owned Enterprise
SDMP	Social Development Management Program	US$	United States Dollar

SEC	Securities and Exchange Commission
SEF	Special Education Fund
SHES	Safety, Health, Environmental, and Social expenditures
SMPC	Semirara Mining and Power Corporation
VAT	Value Added Tax
WFP	Work and Financial Plan
WTO	World Trade Organization

PH-EITI FY 2023 - 2024

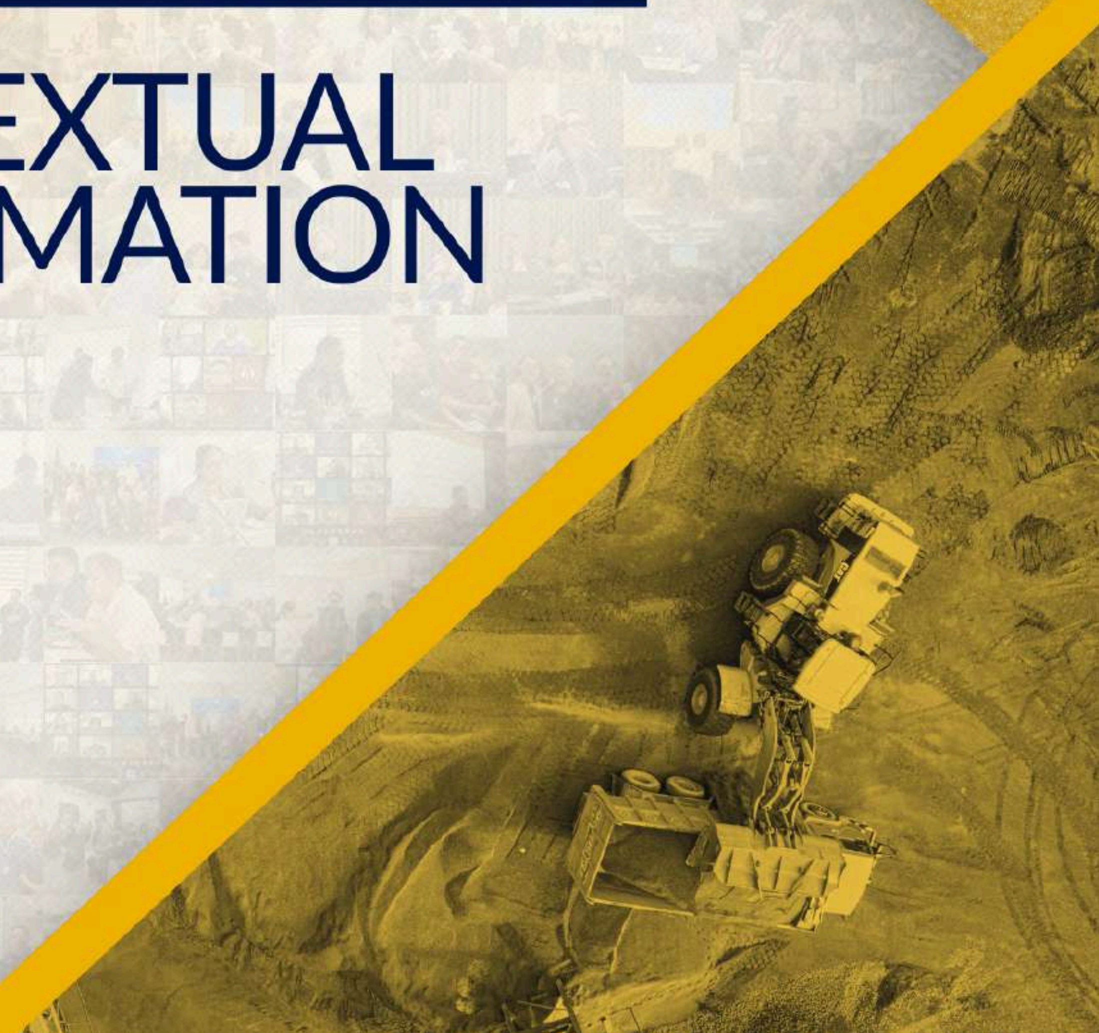
COUNTRY REPORT

Expanding Horizons

Promoting Accountability through Transparency and Inclusive Participation in Extractive Governance

CHAPTER 1

CONTEXTUAL INFORMATION



EXECUTIVE SUMMARY

The passage of a decade under the Philippine Extractive Industries Transparency Initiative (PH-EITI) reveals not merely an audit of payments, but a profound and often turbulent legal landscape where national wealth, ecological imperatives, and human dignity intersect. This 2023-2024 report charts a path from fiscal reconciliation toward a comprehensive governance framework, positioning the extractive sector at the very nexus of the Philippines' energy transition—a transition fraught with legal and social peril.

Governance and Policy Framework

Established as a government-led, multi-stakeholder initiative, PH-EITI has evolved from payment reconciliation to a comprehensive governance framework covering the entire extractive value chain, explicitly aligning transparency mandates with the Philippine Development Plan and focusing on social and environmental expenditures. This strategic expansion necessitated a shift toward subnational implementation in 2023 to enhance local accountability, supported by a tripartite structure where government, industry, and civil society exercise collective oversight. Addressing civic space challenges identified in the 2021 Validation, the Multi-Stakeholder Group (MSG) institutionalized dialogue through a dedicated Stakeholder Engagement Committee and feedback mechanisms, resulting in an improved "Mostly Met" rating for civil society engagement by June 2024. In terms of key policy and governance achievements in 2023, the initiative advanced Beneficial Ownership Transparency by working toward a Data Sharing Agreement with the SEC and played a pivotal role in fiscal reform by utilizing PH-EITI data to support the Department of Finance's position, culminating in the House of Representatives passing House Bill 8937 in September 2023. Concurrently, the 2023-2024 strategic planning cycle integrated critical minerals and the energy transition into the work plan, positioning transparency as a climate governance tool while emphasizing the continued need to protect civic space and prepare for the 2027 Validation through active government monitoring of CSO protocols.

Sector Overview

The metallic mining sector demonstrated resilience through 2024, with robust gold and copper production offsetting sluggish global metal prices, supported by major developments such as the Silangan and Tampakan projects, while the non-metallic sector rebounded due to high demand for sand and gravel in construction . In contrast, the energy sector faced a downturn, as coal, oil, and gas production values declined due to falling prices and resource depletion—highlighted by the strain on the Malampaya gas field—increasing the country's reliance on imported energy despite the renewal of Service Contract 38 (SC 38) . Economically, the extractive industry maintained a modest contribution to GDP but provided significant export revenues, though workforce analysis reveals a persistent gender gap with males dominating operational roles across all subsectors . At the subnational level, the case of Claver municipality illustrates the complex trade-off between mining-driven fiscal growth and the resulting environmental degradation and social challenges. Finally, State-Owned Enterprises (SOEs) like PNOC-EC and PMDC continue to facilitate state participation and revenue generation, though the 2021 EITI Validation underscores the need for enhanced transparency regarding state equity terms and joint venture arrangements to fully meet governance standards.

Beneficial Ownership Transparency in the Extractive Sector

Beneficial ownership (BO) transparency has evolved from a technical reporting requirement into a fundamental governance safeguard for the Philippine extractive sector, serving as a critical tool for enforcing constitutional nationality restrictions and protecting national patrimony against illicit financial flows. The 2023–2024 reporting period marked a significant recovery in compliance, with participation rates stabilizing at approximately 67% and disclosures revealing a predominantly Filipino ownership profile anchored in senior management roles, though declarations of Politically Exposed Persons (PEPs) remain minimal. This progress laid the necessary groundwork for the transformative shift toward mandatory, systematic disclosure anticipated in the post-reporting period, specifically through the forthcoming SEC–DOF/PH-EITI Data Sharing Agreement and the statutory BO requirements embedded in the new mining fiscal regime. However, the current framework faces persistent structural impediments, including data privacy restrictions, the limitations of voluntary consent, and a lack of independent verification mechanisms that compromise data reliability. To bridge these gaps, the report recommends a shift toward systematic, risk-based verification and stronger inter-agency data integration, ensuring that BO disclosures move beyond mere compliance to become actionable tools for regulatory oversight and public accountability.

Responsible and Transparent Small-scale Mining in the Philippines: Initiatives and Integration Efforts

Governed by RA 7076 but defined by widespread informality, the Philippine small-scale mining (SSM) sector engages approximately 500,000 miners and is estimated to contribute the majority of domestic gold production, yet this output remains largely invisible in official statistics due to a persistent reliance on the black market over formal sales to the Bangko Sentral ng Pilipinas (BSP) . While 2023–2024 data indicates a rebound in BSP gold purchases driven by tax incentives, the discrepancy between estimated production and legal sales remains vast—with only roughly 1% of SSM gold entering formal channels—due to structural barriers such as the scarcity of buying stations relative to mining areas , the high administrative and financial costs of formalizing Minahang Bayan areas, and the continued prevalence of hazardous mercury-based processing. Addressing these interconnected challenges, recent initiatives have focused on legislative advocacy to amend RA 7076 for lower entry barriers, the introduction of mercury-free technologies by projects like planetGOLD, and market innovations such as the BSP's pilot partnership with pawnshops to decentralize purchasing, all of which were highlighted during PH-EITI's 2023 Extractives Transparency Week as critical steps toward integrating the sector into the formal economy.

Revenue Management and Subnational Transparency

Recognizing that centralized governance often overlooks local realities, PH-EITI has prioritized subnationalization for the 2023–2028 period, evolving from early scoping efforts to a structured decentralized approach under the "SET-UP-GO" program and the Open Government Partnership . This strategic shift aims to address stakeholder concerns regarding the disconnect between national regulations and ground-level implementation—particularly in small-scale mining and civil society representation—by advancing four key agendas: improving data reporting capacity, strengthening stakeholder support, reinforcing governance impact, and establishing sustainable monitoring systems. Concurrently, the sector faced a fiscal contraction, with total tax and royalty collections declining by 13% in 2023 and 21% in 2024 due to falling nickel prices and lower excise collections , a trend addressed by the eventual enactment of the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act (RA 12253). Despite these reforms, Local Government Units (LGUs) continue to grapple with administrative bottlenecks, including delayed revenue transfers and ambiguous land classifications , underscoring the need for improved data sharing and the strategic alignment of extractive funds with local climate resilience and development priorities.

Environmental, Social, and Governance (ESG) Considerations

The Philippine extractive industry is navigating a critical transition shaped by intensifying environmental risks, evolving social mandates, and stricter governance standards. Environmentally, the sector faces the dual challenge of mitigating its significant carbon footprint—with industrial emissions doubling since 1970—and adapting to climate-induced hazards such as landslides and tailings failures, which have prompted the government to enforce stricter biodiversity measures and biodiversity integration into the Environmental Protection and Enhancement Program (EPEP). Simultaneously, the energy landscape is shifting; while coal remains a primary emission source, policy is pivoting toward decarbonization through the Philippine Energy Plan (PEP) 2023-2050, promoting natural gas as a transition fuel and mandating reduced coal dependence alongside bank-led divestment initiatives. On the social front, the Social Development and Management Program (SDMP) and Petroleum Service Contracts remain the primary vehicles for community investment, though stakeholders are pushing for greater inclusivity, alignment with Sustainable Development Goals (SDGs), and improved governance to address persistent gaps in Indigenous Peoples' consent (FPIC) and royalty transparency. Gender inclusivity remains a critical challenge, with women comprising only 12% of the workforce and facing systemic barriers, prompting the adoption of Gender Impact Assessment tools to better capture differentiated impacts. To institutionalize these reforms, the industry is increasingly adopting the Towards Sustainable Mining (TSM) initiative to standardize ESG performance, complemented by rigorous "zero-tolerance" anti-corruption policies to ensure accountability and sustain investor confidence.

Energy Transition and the Future of Extractives

The Philippines' energy landscape presents a critical paradox: while possessing a liberalized power sector through the Wholesale Electricity Spot Market (WESM), the country remains deeply entrenched in fossil fuel dependency, with coal's share of generation doubling to 60% over two decades . To address this and meet the Nationally Determined Contribution (NDC) target of a 75% reduction in greenhouse gas emissions by 2030, the government is mobilizing a transition grounded in renewable energy expansion and the strategic production of critical minerals like nickel, which are essential for green technologies . However, this pivot faces significant "just transition" challenges, where the economic stability provided by coal mining often conflicts with environmental health and Indigenous rights, highlighting governance gaps in Free, Prior, and Informed Consent (FPIC) and the urgent need for workforce reskilling under the Green Jobs Act. While the Philippine Energy Plan (PEP) 2023-2050 sets ambitious decarbonization targets—supported by private sector innovations such as Carmen Copper's pioneering floating solar facility —achieving a truly sustainable shift requires dismantling oligarchic market control and creating an integrated roadmap that harmonizes mine permitting, social protection, and climate goals.

Review of Recommendations From the Previous Country Reports

Between 2012 and 2022, PH-EITI generated 127 recommendations to strengthen extractive sector governance, achieving a significant milestone with 54 completed reforms that have since been mainstreamed into routine government disclosures and institutional mandates. However, the review highlights that over half of the recommendations remain outstanding—specifically, 4 are ongoing, 26 face structural implementation issues, and 43 require further attention due to the need for legislative action or complex system integration. To address these persistent gaps, pending items covering critical thematic areas such as beneficial ownership, contract transparency, subnational transfers, and ESG reporting have been consolidated for inclusion in the PH-EITI Work Plan 2026. The Multi-Stakeholder Group (MSG) will reassess and recalibrate these recommendations to ensure alignment with the 2023

EITI Standard, utilizing a structured Action Plan to guide phased implementation and ensure that future transparency efforts are both risk-based and responsive to national development objectives.

Review and Analysis of PH-EITI Work Plans 2023-2024

The strategic review of PH-EITI's operational roadmaps from 2023 to 2024 illustrates a decisive institutional evolution from remedial compliance to proactive subnational and thematic leadership. The 2023 Work Plan prioritized recovery and governance stabilization, successfully addressing Validation corrective actions regarding civil society engagement and clearing administrative backlogs, which laid the necessary groundwork for the 2024 Work Plan's pivot toward regional empowerment under the "Bridging Transparency" framework. This 2024 cycle not only executed extensive regional roadshows to capacitate Local Government Units (LGUs) but also served as the incubation period for the 2025 Work Plan, which was proactively developed to align with the evolving 2023 EITI Standard. Now operational with a budget of over PHP 17 million, the 2025 roadmap targets four strategic pillars—subnational institutionalization in pilot LGUs, legislative advocacy supporting the newly enacted Mining Fiscal Regime (RA 12253), the mainstreaming of systematic disclosure via risk-based approaches, and the integration of energy transition and critical minerals metrics—signaling PH-EITI's maturation into a sustainable, forward-looking mechanism for national resource governance.

Moving forward, the mandate of the PH-EITI must become a vigorous defense of the most vulnerable. Its future focus on anti-corruption, climate governance, and subnational implementation is the legal and moral compass for the next decade. The successful operationalization of the new revenue share at the local level, alongside the institutionalization of systematic and verified BO disclosure, is the ultimate test of whether the nation's mineral wealth will truly translate into sustainable, long-term public benefit and climate justice for the communities who bear the sector's greatest burdens. The challenge remains: to legally and institutionally embed a framework that transforms transparency from a mere disclosure exercise into an enforceable engine of equity and ecological stewardship.

SECTION I: GOVERNANCE AND POLICY FRAMEWORK

Inception and Core Mandate of the PH-EITI

The inception of PH-EITI solidified the Philippine government's commitment to global resource governance standards. The core objective established by the mandate defined PH-EITI as a government-led, multi-stakeholder initiative tasked with promoting the open, accountable management, and good governance of the country's oil, gas, and mineral resources. The Multi-Stakeholder Group (MSG) itself established detailed Terms of Reference (ToRs) that outlined the mission and objectives while defining core principles for engagement, which include integrity, inclusivity, commitment to consult, capacity building, and empowerment.[1] This structure ensures that diverse stakeholders have formal opportunities to shape decisions, voice concerns, and contribute to governance reform.

Strategic Objectives Guiding the Decade of Transparency

The strategic trajectory of PH-EITI over the decade involved a significant expansion in scope. While initially focused on reconciling company payments against government receipts, the initiative rapidly broadened to encompass the entire extractive value chain. Key disclosure areas included Contract Transparency, ensuring all contracts were available in open formats; Beneficial Ownership Transparency, aimed at combating corruption and illicit financial flows; and robust Data Accessibility, including the publication of annual reports and comprehensive information about the sector.

Crucially, PH-EITI ensured that its implementation remained relevant to national development goals. The EITI process was explicitly integrated with national priorities, aligning with the Philippine Development Plan (PDP) 2017-2022 and continuing into the PDP 2023-2028 framework.[2] This linkage ensured that the data generated by PH-EITI was utilized for formulating policy recommendations and developing sector-specific plans.

Scope of Implementation: Value Chain Reporting and Subnational Focus

A defining characteristic of the PH-EITI decade was the focus on embedding transparency requirements across the extractive value chain, particularly concerning social and environmental obligations. The legal framework mandates that mining contractors allocate funds for their host communities and environmental protection. Specifically, under the Philippine Mining Act of 1995, contractors must allocate at least 1.125% of operating costs to the Social Development and Management Program (SDMP).[3] PH-EITI reports required the systematic disclosure of these Social and Environmental Expenditures.

Furthermore, recognizing that the policy impact and revenue sharing obligations manifest most acutely at the local level, the MSG adopted subnational EITI implementation as a strategic objective for the 2023-2028 period. This approach necessitated groundwork conducted in 2023, which involved compiling a directory of Provincial and City Mining Regulatory Boards to evaluate their potential in

---

[1] Extractive Industries Transparency Initiative. (2022). *EITI REQUIREMENT 1.4 (Establishment and governance of multi-stakeholder groups) Guidance Note*.
https://eiti.org/sites/default/files/attachments/en_eiti_gn_1.4.pdf?hash=1766142000
[2] Department of Economy, Planning, and Development. (2023). *Philippine Development Plan 2023-2028*,
https://pdp.depdev.gov.ph/wp-content/uploads/2023/08/082023-Philippine-Development-Plan-2023-2028.pdf
[3] Villanueva, M. (14 November 2024). *Mining and mandatory community development programs in the Philippines: A legal interrogation*
https://philippinesinstitute.anu.edu.au/content-centre/research/mining-and-mandatory-community-development-programs-philippines-legal

facilitating local-level EITI implementation.[4] This initiative aims to improve citizens' access to information and enhance the accountability of local government agencies concerning resource governance.

Policy Directives on Environmental and Social Accountability

The governance framework leveraged EITI reporting to monitor compliance with environmental and social regulations. The legal mandate requiring mining operators to fund Social Development and Management Programs (SDMP) and environmental protection was systematically covered in PH-EITI reports. The reports provided data on these allocated funds, which are meant to promote the general welfare and development of host communities.

Despite the legal mandate for SDMP, analyses conducted under the PH-EITI umbrella identified implementation challenges, including limited community participation and corporate insensitivity to local needs. These findings generated specific policy recommendations aimed at strengthening accountability, such as amending the Philippine Mining Act of 1995 to ensure mandatory Civil Society Organization (CSO) involvement in SDMP processes, and expanding the monitoring role of Multipartite Monitoring Teams (MMT) to include SDMP oversight.[5]

Institutional Arrangements: The Tripartite Model

Roles of Government, Industry, and Civil Society in PH-EITI
The governance of the PH-EITI is founded on the tripartite model mandated by the global EITI Standard. This multi-stakeholder approach convenes representatives from the government, private industry, and civil society to provide collective oversight of the extractive sector. The specific roles, rights, and responsibilities for each constituency are formally defined in the PH-EITI Multi-Stakeholder Group (MSG) Amended Terms of Reference (TOR).

Role of the Government
As a "government-led" initiative, the government constituency provides the primary political leadership and support for PH-EITI. The EITI Standard requires the government to be "fully, actively, and effectively engaged" and to appoint a senior official to lead implementation.[6] The Department of Finance (DOF) serves as the lead institution and EITI Champion. It is supported by key regulatory and local government-facing agencies, including the Department of Environment and Natural Resources (DENR), the Department of Energy (DOE), the Department of the Interior and Local Government (DILG), and the Union of Local Authorities of the Philippines (ULAP). The government's core responsibilities include ensuring the full participation of all national and local agencies, compelling data disclosure from companies, and disclosing its own revenues and other relevant data in an accurate and timely manner. A key strategic priority for the 2023-2028 period is the subnationalization of EITI to bring transparency to local communities.

[4] Philippines | EITI, accessed November 5, 2025, https://eiti.org/countries/philippines
[5] Villanueva, M. (14 November 2024). *Mining and mandatory community development programs in the Philippines: A legal interrogation* https://philippinesinstitute.anu.edu.au/content-centre/research/mining-and-mandatory-community-development-programs-philippines-legal
[6] Extractive Industries Transparency Initiative. (2023). *EITI STANDARD 2023 Part 1: Principles and requirements*. https://eiti.org/sites/default/files/2024-04/2023%20EITI%20Standard_Parts1-2-3.pdf?hash=1766401200

Role of the Industry
The industry constituency is responsible for ensuring the full participation of extractive companies" and for disclosing their payments and relevant data in an accurate and timely manner. This constituency is formally represented on the MSG by its main associations: the Chamber of Mines of the Philippines (COMP) for the metallic mining sector and the Petroleum Association of the Philippines (PAP) for the upstream oil and gas sector. Their primary functional role is technical compliance with EITI reporting cycles, which includes submitting detailed data on payments to the government and providing legal waivers for the disclosure of confidential tax and beneficial ownership information.

Role of Civil Society
The civil society constituency functions as the independent "watchdog" arm of the MSG. Its mandated role is to monitor the disclosures made by government and industry, communicate and consult widely with diverse stakeholders, and build public capacity on EITI. Represented by a coalition of organizations, including *Bantay Kita* (Publish What You Pay Philippines), civil society acts as a crucial intermediary. CSOs analyze the data disclosed through EITI to inform public debate, hold government and companies accountable, and advocate for policy reforms. A 2024 EITI Board targeted assessment affirmed that PH-EITI provides a successful platform for this engagement, though it highlighted the need to further strengthen civil society's role at the subnational level.

Institutionalizing Dialogue through MSG Resolutions and Agreements

The institutional arrangements of PH-EITI underwent significant reinforcement in the latter part of the decade, largely in response to the challenges identified in the 2021 Validation regarding the civic space. The strategic decision by the MSG was to transform the institution into one capable of structural self-correction. In 2022, the MSG passed Resolution No. 4, series of 2022, formally creating the Committee on Stakeholder Engagement.[7] This specialized body was tasked with proactively addressing corrective actions and structural issues related to CSO participation.

Furthermore, the institutional response included the development of a *feedback mechanism* and the commissioning of a civic space report.[8] These actions were implemented to protect and strengthen the broader environment for multi-stakeholder governance, demonstrating the MSG's commitment to addressing restrictions faced by civil society actors. The focus on implementing these mechanisms showed that the MSG was effectively acting upon lessons learned to strengthen the impact of EITI implementation. This pivot institutionalized inclusive platforms for discussing extractive governance issues and fostered higher levels of civic participation.

[7] Philippine Extractive Industries Transparency Initiative. (2022). *Resolution No. 4, series of 2022, RESOLUTION CREATING THE COMMITTEE ON STAKEHOLDER ENGAGEMENT*. https://drive.google.com/file/d/1nKklied-Ej0lj94SrYOmbKesQ1JCnUre/view

[8] Philippine Extractive Industries Transparency Initiative. (2023). *The Ninth PH-EITI Report (FY 2021)*. https://eiti.org/sites/default/files/2024-09/9th%20PH-EITI%20Country%20Report%20%282nd%20version%29_Chap%203.pdf

EITI Validation and CSO Engagement Corrective Actions

The 2017 EITI Validation: Philippines Achieves "Satisfactory Progress," A Global First
In October 2017, the EITI Board declared the Philippines as the first country to achieve "Satisfactory Progress" under the 2016 EITI Standard. The Board commended the PH-EITI Multi-Stakeholder Group (MSG) for its dynamic implementation of the EITI, particularly noting its success in translating transparency into tangible governance reforms. This validation highlighted the effectiveness of the PH-EITI governance framework, where government, industry, and civil society operate as co-equals in policy deliberation. The Board specifically recognized the Philippines' pioneering efforts in using EITI data to drive public debate and policy amendments, proving that the MSG had evolved from a mere reporting body into a platform for substantive policy engagement and meaningful Civil Society Organization (CSO) participation. While the 2017 Validation lauded the Philippines for its robust tripartite governance, the subsequent Validation introduced a critical corrective action focused on Civil Society Engagement (Requirement 1.3).

Overview of the 2021 Validation Results and Requirements
The Philippines underwent its second Validation against the 2019 EITI Standard, concluding in February 2022, and achieved a moderate overall score. While many requirements were fully or mostly met, the assessment identified a critical vulnerability concerning Civil Society Engagement. Requirement 1.3 was assessed as Partly Met.[9] This low score stemmed from documented concerns that civil society actors involved in extractive governance faced threats and restrictions on free expression, including political "red-tagging," which inhibited robust public debate on the issues central to EITI implementation.[10] The EITI Board mandated that the government ensure there were no obstacles to CSO participation and required the government to refrain from actions that resulted in narrowing or restricting public debate.[11] Recognizing the scope of the reforms needed, the MSG passed a resolution in September 2022 requesting a deferral of the EITI Board Review of the corrective actions (Requirements 1.1 and 1.3) to allow adequate time for institutional restructuring.[12]

Results of the June 2024 Targeted Assessment: Achievement of “Mostly Met” Status
The MSG’s systematic approach to structural reform in 2022 and 2023 demonstrated the institution’s commitment to addressing civic space concerns. This effort led to a successful outcome in the targeted assessment of Requirement 1.3, which commenced in January 2024. The assessment which

[9] Extractive Industries Transparency Initiative. (19 June 2024). *The EITI Board agreed the outcome of the Philippines' targeted assessment*. https://eiti.org/board-decision/2024-32
[10] Philippine Extractive Industries Transparency Initiative. (2023). *The Ninth PH-EITI Report (FY 2021).* https://eiti.org/sites/default/files/2024-09/9th%20PH-EITI%20Country%20Report%20%282nd%20version%29_Chap%203.pdf
[11] Ibid.
[12] Philippine Extractive Industries Transparency Initiative. (2022). *Resolution No. 5, series of 2022, RESOLUTION REQUESTING THE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI) TO DEFER THE OCTOBER 2022 BOARD REVIEW OF THE PHILIPPINES’ PROGRESS ON TWO CORRECTIVE ACTIONS (REQUIREMENT 1.1 AND REQUIREMENT 1.3) AND THE APRIL 2023 VALIDATION TO OCTOBER 2023.*

concluded in June 2024 indicates that the Philippines had achieved “Mostly Met” status, marking an explicit improvement in compliance.[13]

The improvement was directly attributable to several key remedial actions taken by the MSG during the extension period: the creation of the dedicated Stakeholder Engagement Committee (Resolution No. 4, s. 2022); the development and implementation of a feedback mechanism; and the commissioning of a comprehensive civic space report. These proactive measures demonstrated that the MSG had evolved into a body capable of responding strategically to external validation scrutiny, reinforcing the broader environment for civil society engagement in governance matters.

However, the assessment identified a persistent, systemic weakness: civil society participation at the subnational level remains relatively weak. This lack of local capacity and funding inhibits the full, active, and effective engagement of local CSOs where extractive impacts and revenue distribution (such as SDMP funds and the new LGU share) are most pronounced. The EITI Board subsequently agreed on new corrective actions for the next Validation (expected to commence on April 1, 2027), urging the MSG to implement subnational EITI plans, secure funding for local CSOs, and ensure that senior government officials, including local government agencies, actively participate in monitoring adherence to the CSO protocol.[14]

Table 1 tracks the progress made on the critical Civil Society Engagement requirement throughout the decade.

Table I-1: Assessment of EITI Requirement 1.3 (Civil Society Engagement) Progress

Validation Cycle/Assessment	Date	Requirement 1.3 Score	Key Institutional Response	Remaining Challenges
Initial Validation (2021)	Feb 2022	Partly Me	MSG required to address restrictions on free expression.	Threats, "red-tagging" reported; narrow civic space.
Targeted Assessment	June 2024	Mostly Met	Demonstrated improvements in the broader environment for civil society to engage.	Weak subnational CSO capacity, limited funding for local engagement.

Key Policy and Governance Achievements of the Decade

Advancement of Beneficial Ownership Transparency Policies

[13] Extractive Industries Transparency Initiative. (19 June 2024). *The Philippines achieves “mostly met” on civil society engagement. Outcome of the targeted assessment of the Philippines on Requirement 1.3.* https://eiti.org/news/philippines-achieves-mostly-met-civil-society-engagement
[14] Extractive Industries Transparency Initiative. (19 June 2024). *The EITI Board agreed the outcome of the Philippines' targeted assessment. Outcome of the targeted assessment of the Philippines.* https://eiti.org/board-decision/2024-32

Transparency in corporate ownership and contractual terms became a pillar of PH-EITI's strategy throughout the decade. The commitment to Contract Transparency was formalized with the establishment of a Contracts Portal, which makes mining, oil, and gas contracts between the government and its contractors readily available and downloadable in open formats, aligning with global standards.

The drive for Beneficial Ownership (BO) Transparency was particularly aggressive, focused on mitigating risks associated with corruption, illicit financial flows, and conflicts of interest. To strengthen the use of BO data, the MSG created a dedicated Technical Working Group (TWG) on Beneficial Ownership Transparency in the Extractives through Resolution No. 2, series of 2022.[15] By the close of 2023, efforts were well underway to formalize a Data Sharing Agreement (DSA) between PH-EITI and the Securities and Exchange Commission (SEC), a crucial step required to centralize and utilize BO information for enforcement. This proactive approach to BO laid the necessary groundwork for future compliance with the enhanced anti-corruption requirements of the succeeding EITI Standard.

The Trajectory of the Enhanced Mining Fiscal Regime

The most significant legislative development influencing the extractive sector during the decade was the sustained effort to reform the mining fiscal regime. Throughout the decade, various proposals were debated in Congress to ensure the government received a "fairer share" of revenues.[16]

As the Chair of the PH-EITI MSG, the Department of Finance (DOF) was uniquely positioned to translate PH-EITI findings into tax policy. Finance Undersecretary Karlo Adriano, Alternate Chair and Focal Person of PH-EITI, served as the key conduit. In his briefings on the "Rationalization of Mining Fiscal Regime," Undersecretary Adriano used PH-EITI data to demonstrate the inefficiency of the current system to stakeholders, including the Chamber of Mines. The DOF's ability to present a "simplified" 4-tier royalty structure was directly enabled by the revenue modeling capabilities provided by the PH-EITI database.[17] The DOF's proposal is an improved version of House Bill 8937, which had proposed an overly complex eight-tier structure. Using PH-EITI data, the DOF modeled a four-tier system that would capture the "upside" during commodity booms without killing the industry during downturns.[18]

The legislative efforts reached a critical culmination at the close of the reporting period. In September 2023, the House of Representatives approved House Bill 8937 on its third reading, formally transmitting it to the Senate.[19] This action completed the critical steps necessary within the decade timeframe for the bill's eventual enactment, which subsequently occurred in 2025 as Republic Act No. 12253 or the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act.

---

[15] Philippine Extractive Industries Transparency Initiative. (2022). Resolution No. 2, series of 2022, RESOLUTION CREATING A TECHNICAL WORKING GROUP ON BENEFICIAL OWNERSHIP TRANSPARENCY IN THE EXTRACTIVES. https://drive.google.com/file/d/1ZaMfcYCjYsKlWXA8hq-QmSaWDYfS3G61/view

[16] BusinessWorld. (2022) *Mining bill expected to raise gov't revenue but poses risk to FDI growth.* https://www.bworldonline.com/economy/2022/08/29/471228/mining-bill-expected-to-raise-govt-revenue-but-poses-risk-to-fdi-growth/

[17] Gonzales, A.L. (06 March 2024). DOF pushes for rationalization of mining fiscal regime. https://www.pna.gov.ph/articles/1220204

[18] Ibid.

[19] Las Piñas, J.A. (04 September 2025). President Marcos Signs Enhanced Fiscal Regime for Large-Scale Metallic Mining Act into Law. https://pheiti.dof.gov.ph/mfr/

The legislative consultation meetings in the Senate saw the active participation of MSG members, including representatives from industry, civil society, and government agencies. During these consultations, CSO voiced a critical assessment: the fiscal architecture of the proposed bill fails a fundamental climate action test. The CSO position argued that the bill does not adequately internalize environmental externalities or the significant climate risks posed by large-scale mining. Furthermore, by not adopting a developmental perspective, it misses a critical opportunity to align mining governance with the state's duty to protect the rights of Indigenous Peoples (IPs) and frontline communities. The failure to maximize the public share of resource wealth compromises genuine community development and intergenerational equity. For this reason, CSOs asserted that a progressive fiscal regime must be viewed as a crucial lever for industrial transformation and holistic community development, ensuring that economic benefits fully compensate for irreversible ecological damage and potential human rights violations associated with extraction.

Legislative Mandate for Environmental Data
The drafting of the Republic Act No. 11995 or the Philippine Ecosystem and Natural Capital Accounting System (PENCAS Act) provides a clear example of how PH-EITI data and frameworks were integrated into legislation through active parliamentary intervention. Senator Loren Legarda, the principal author, championed PENCAS as a tool to ensure that budget allocations are geared towards nature-based solutions. However, it was the specific intervention of Senator Joel Villanueva that cemented the role of EITI within the law. During the Senate plenary deliberations, Senator Villanueva associated himself with Senator Legarda and introduced a critical amendment to the PENCAS Bill. He explicitly stated that he "introduced an amendment to the PENCAS Bill that promotes the use of the Extractive Industries Transparency Initiative (EITI)".[20] Through the aforementioned specific interventions, the PENCAS Act mandates the Department of Environment and Natural Resources (DENR) to utilize EITI frameworks for data generation, explicitly naming EITI in Section 7 of the said law. This provision effectively bridges the gap between the physical accounting of mineral extraction and the economic valuation of natural capital, ensuring that the state's balance sheet reflects the true depreciation of its environmental assets.

Mapping of the New Standard: Work Plan Integration of Critical Minerals and Energy Transition

PH-EITI plays a pivotal role in the governance of critical minerals, particularly as the Philippines positions itself as a strategic player in the global clean energy transition. Since the Philippines is a top global producer of nickel (essential for EV batteries) and holds significant reserves of cobalt, copper, and chromite, PH-EITI's mandate has expanded beyond traditional revenue reporting to include strategic value chain monitoring and policy foresight.

PH-EITI's strategic planning cycle, which concluded in 2023-2024, integrated a crucial forward-looking

[20] Senate of the Philippines. 26 February 2024. Press Release. MANIFESTATION OF SENATOR JOEL VILLANUEVA ON THE CONCURRENCE TO THE PH-GLOBAL GREEN GROWTH INSTITUTE (GGGI) AGREEMENT. https://legacy.senate.gov.ph/press_release/2024/0226_villanueva2.asp

element: linking extractive transparency directly to the global climate and energy transition. The 2025 PH-EITI Work Plan, reflecting strategic decisions made in 2023-2024, prioritizes engagement with critical minerals and renewable energy.[21] This move ensures that PH-EITI remains globally relevant by addressing the demand side of the extractive sector—the minerals necessary for decarbonization. By expanding its scope to critical minerals and mandating environmental disclosures, PH-EITI is effectively transforming its transparency framework into a climate governance tool. This allows the Philippines to de-risk its extractive sector's involvement in the global green value chain by providing assurances not only of financial accountability but also environmental and social responsibility, fulfilling the broader sustainability goals articulated in the national policy framework.

Institutional Resilience and Civic Space Monitoring

Despite the national-level achievements, a critical risk threatens the long-term effectiveness of the PH-EITI framework. This primary risk involves sustaining the integrity of the civic space. While the national compliance score improved, the underlying threats and restrictions (such as political intimidation) faced by civil society remain systemic concerns that must be continuously monitored. The MSG must maintain the efficacy of its feedback mechanisms and active monitoring to ensure that freedom of expression related to extractive governance is not curtailed.

Strategic Recommendation for the Next Phase of EITI Implementation

Based on the analysis of policy evolution and institutional performance over the 2013-2023 decade, a strategic recommendation is proposed for the next phase of PH-EITI implementation: *Intensify Pre-Validation Preparation on CSO Protocol Adherence*. Leading up to the next Validation cycle (expected to commence on April 1, 2027), institutional efforts must focus on corrective action requiring senior government officials, particularly those representing local government agencies, to actively participate in monitoring and addressing adherence to the CSO participation protocol. This visible, high-level involvement is necessary to demonstrate government commitment to protecting civic space at all administrative levels.[22]

[21] Philippine Extractive Industries Transparency Initiative. 2025. *2025 PH-EITI Work Plan*. https://pheiti.dof.gov.ph/download/2025-ph-eiti-work-plan/?wpdmdl=7355&refresh=684f65a172aa51750033825
[22] Philippine Extractive Industries Transparency Initiative. 2023. *Strategic Objective No. 4, PH-EITI 2023 Work Plan*. https://pheiti.dof.gov.ph/download/ph-eiti_work-plan-2023/?wpdmdl=3797&refresh=658d24c06ef401703748800

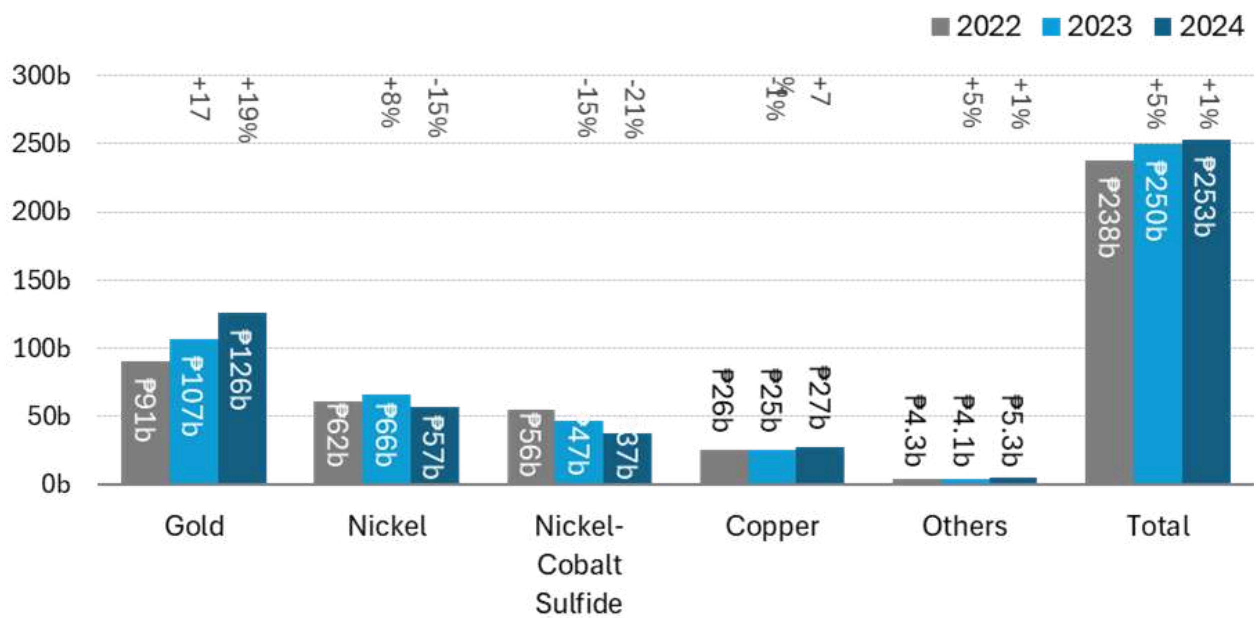
SECTION II: SECTOR OVERVIEW

Mining Production Value

Metallic Mining

The commodities that significantly contributed to the production value of the metallic mining sector are gold, nickel and nickel-cobalt sulfide, and copper. The collective value of other minerals including silver, chromite, iron ore, and scandium oxalate, was relatively low but still forms part of specialized applications for the domestic economy. As early as the 2nd quarter of 2023, sluggish base metal prices were anticipated in the global market due to lower energy costs, weaker metal demand, and supply disruptions[23]. Aside from subdued metal prices, certain commodities like iron ore faced notable contractions, including non-operational output from select producers[24]. Despite this, overall metal production value remained robust between 2023 and 2024 (Figure I-1). Among the key contributors were the rising prices of gold that enabled the commodity to become a resilient value driver[25], recovering copper production and value[2] that slightly cushioned weaker prices of other metals, and contributions from iron ore (up by 100% in 2023), silver (up by 56% in 2024) and chromite (up by 16% in 2024). The growth in chromite output reflects heightened consumption in refractory manufacturing[26].

Figure I-1. Metallic Mineral Production Value and Growth Rate, 2022-2024



Source: Mines and Geosciences Bureau[27]

---

[23]Metal prices forecast to decline as supply improves. (2023, May 23). World Bank Blogs. https://blogs.worldbank.org/en/opendata/metal-prices-forecast-decline-supply-improves
[24]Mines and Geosciences Bureau. (n.d.). Philippines metallic mineral production value rises by 3.17%. Mine Matters. https://mgb.gov.ph/attachments/article/1637/Philippines%20Metallic%20Mineral%20Production%20Value%20Rises.pdf
[25]Mines and Geosciences Bureau. (n.d.). Metallic production value sustains growth. https://www.mgb.gov.ph/attachments/article/1545/Metallic%20Production%20Value%20Sustains%20Growth.pdf
[26]Campos, O. V. (2025, January 7). Mineral production increased 3% to P195.9b in three quarters of 2024. Manila Standard. https://manilastandard.net/?p=314544392
[27] Data can be accessed here: Philippine Metallic Mineral Production

Reported developments in the mining sector are anticipated to further augment the production of gold and copper. Philex Mining Corporation accelerated the development of its Silangan Copper-Gold Project in Surigao del Norte, one of the country's largest prospective copper-gold mines, with commercial operations targeted for early 2026[28]. This project is seen as the successor to the aging Padcal mine. OceanaGold Philippines, on the other hand, announced a 12% increase in mineral reserves at its Didipio Mine in 2024[29]. The company completed underground optimization studies to maximize extraction efficiency. Sagittarius Mines Inc. (SMI) had preliminary works for the Tampakan copper-gold project in 2023 after securing all major approvals, with production of the first copper concentrate expected in 2026[30]. Apex Mining Co., Inc. reported expanded production in 2024 from its Maco mine in Davao de Oro and Sangilo mine in Benguet[31]. The company also advanced exploration at the Amacan Copper-Gold Project, with pre-feasibility studies yielding positive results for potential future operations.

Non-Metallic Mining

The non-metallic subsector experienced only a slight decline in 2023 but bounced back in 2024. By this time, the production value was a billion higher than in 2022 (Figure I-2). Based on the Economy-Wide Material Flow Accounts (EW-MFA), the total supply of non-metallic minerals grew from 105 million mt in 2022 to 113 million mt in 2023[32]. EW-MFA presents how materials move from the natural environment into the economy and how they are traded with other countries. Despite lower production value in 2023, the growth in EW-MFA implies that the country extracted more non-metallic resources during the period. Furthermore, the share of non-metallic minerals in the country's domestic extraction indicates that the economy remained resource-intensive during this period. Non-metallic minerals garnered the second highest share (31%) of domestic extraction or the quantity of natural resources taken as inputs to economic activities in 2023[33].

In 2024, sand and gravel registered the highest growth among non-metallic minerals, noting that it exceeded the 2022 level by more than 50%. While sand and gravel is the primary contributor to the production value, information about key factors of growth remained scant for this sector. A potential reason for the reported increase in production value in the sector is improved reporting, as illustrated by LGU-ENR offices in the Cordillera provinces. This enhancement reportedly led to more comprehensive sand and gravel data, resulting in a substantial 96.4% increase in recorded production in the region. Local cement industry, on the other hand, had to scale down operations despite significant investments in capacity and carbon footprint reduction[34]. Domestic production was heavily affected by the growing

[28] Philex Mining Corporation. (n.d.). Better days, new beginnings: 2024 annual report. https://www.philexmining.com.ph/build/assets/PHILEX-2024-AR.pdf

[29] OceanaGold (Didipio Mine). (2025, February 20). OceanaGold (Philippines) Inc. reports fourth quarter and full year 2024 operating and financial results and declares dividend. https://didipiomine.com.ph/wp-content/uploads/2025/02/OceanaGold-Philippines-Results-Announcement-Q4-2024-and-Full-Year-2024.pdf

[30] Gonzales, A. L. (2023, August 2). Preliminary works at PH's largest copper mine in Mindanao start. Philippine News Agency. https://www.pna.gov.ph/articles/1207004

[31] AngMinero News. (2025, March 20). Apex mining posts P4. 3b net income in 2024, eyes expansion in Davao de Oro. AngMinero. https://angminero.com/apex-mining-posts-p4-3b-net-income-in-2024-eyes-expansion-in-davao-de-oro/

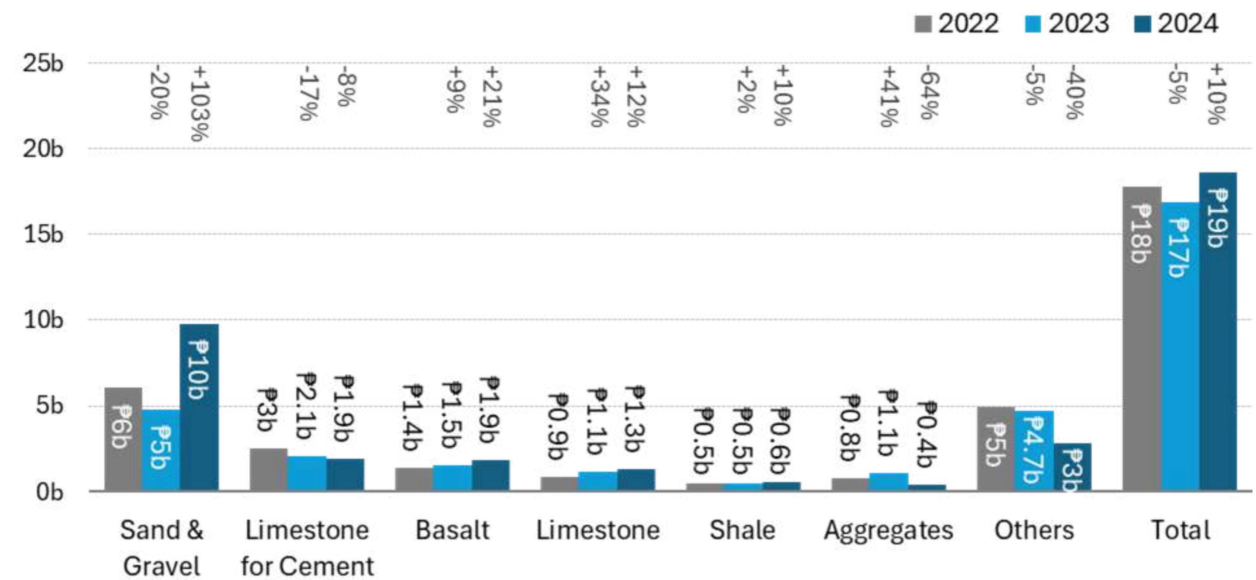
[32] Philippine Statistics Authority. (2024, December 26). Highlights of the economy-wide material flow accounts of the Philippines 2018 to 2023. https://psa.gov.ph/system/files/enrad/2%20Highlights_ao23Dec24.pdf

[33] Philippine Statistics Authority. (2024, December 26). Domestic material consumption amounted to 427.00 million metric tons in 2023. https://psa.gov.ph/content/domestic-material-consumption-amounted-42700-million-metric-tons-2023

[34] INQUIRER.net. (2024, January 23). The Philippine cement industry has faced challenges: Buy local cement and save jobs. https://business.inquirer.net/442153/the-philippine-cement-industry-has-faced-challenges-buy-local-cement-and-save-jobs

imports each year. Cement imports were higher by 5% in 2024, with the majority sourced from Vietnam[35].

Figure I-2. Non-Metallic Mineral Production Value and Growth Rate, 2022-2024



Source: Mines and Geosciences Bureau [36]

A regional highlight from CALABARZON noted that mineral production shifted drastically from being dominated by marine aggregates in 2023 to being led by basalt in 2024, which accounted for over half of the region's total mining output in that period[37]. Based on this regional MGB report, this change resulted from the collapse of Cavite's marine aggregate operations caused by resource depletion and regulatory constraints. It further added that while their mining industry is now more diversified, it faced challenges in stabilizing production after its heavy dependence on marine aggregates.

[35] Reyes, M.A.L. (2024, December 1). Decisive move. Philstar.Com. https://www.philstar.com/business/2024/12/01/2404091/decisive-move

[36] Data can be accessed here: Philippine Non-Metallic Mineral Production

[37] Mines and Geosciences Bureau Region IV-A. (2024). Mineral Industry at a glance. https://denrmgb-my.sharepoint.com/:i:/g/personal/ict4a_mgb_gov_ph/Ee5r3i0WelBBq2RSMDglLgwBtJryQYleGH3-KmGRrNlwSO?e=0YYFgl

Developments in non-metallic sector covered the expansion in the limestone-cement value chain. Taiheiyo Cement Philippines, Inc. (TCPI) inaugurated a new production line at its San Fernando Plant, a major investment aimed at meeting the country's rapidly growing cement demand amid strong economic and infrastructure expansion. The 30-billion-yen upgrade is anticipated to enhance cement production capacity to 3 million tons per year[38]. TCPI is also building a new cement distribution terminal in Luzon to further strengthen its market presence. In Luzon, Solid North Mineral Corporation advanced permitting to increase its quarry capacity to 10.7 million MT/year[39], implying long-term confidence in the domestic construction market. Beyond standard construction materials, diversified exploration persisted, evidenced by Benguet Corporation's active permitting for its aggregate prospect in Bataan[40].

Production and Physical Assets

This section presents the output and the physical assets based on production data and mineral accounts[41]. Assets/stocks are represented by reserves (economically recoverable) and resources (potentially exploitable but not yet viable). Each year, the physical asset and its corresponding value are adjusted based on discoveries, reappraisals, and reclassifications. Table 1-2 presents the production and estimated amount of resources and reserves of gold, nickel, copper, and chromite.

Table I-2. Production Volume, Reserves and Resources in Selected Metallic Mining Sector

Commodity	Year	Production	Resources & Reserves (Classes A, B, C)
Gold	2022	29,036 kg	340 trillion kg
	2023	31,046 kg	520 trillion kg
	2024	28,870 kg	527 trillion kg
Nickel	2022	29,423,836 DMT	2,014 million DMT
	2023	35,475,800 DMT	1,979 million DMT
	2024	33,431,483 DMT	2,055 million DMT
Copper	2022	258,729 MT	70,027,533 MT
	2023	266,532 MT	69,965,554 MT
	2024	256,769 MT	69,643,935 MT
Chromite	2022	87,182 MT	
	2023	101,960 MT	
	2024	127,613 MT	

Source: MGB (production data) and PSA (resource and reserves data)

[38] Taiheiyo Cement Philippines, Inc. (2024, July 24). Taiheiyo Cement Philippines, Inc. Hosts inauguration ceremony for its new production line . https://www.taiheiyo-cement.co.jp/english/summary/pdf/240724_1.pdf
[39] Solid North Mineral Corporation. (2023). SNMC Quarry Expansion Project. https://eia.emb.gov.ph/wp-content/uploads/2023/04/SNMC-ESP-English.pdf
[40] Benguet Corporation. (2024). https://benguetcorp.com/wp-content/uploads/2024/09/2024-First-Quarter-Report-SEC-form-17Q.pdf
[41] Database can be accessed through the Environment Database in OpenSTAT

Gold
In 2023, the volume of gold extracted was up by 7%. One of the potential contributors to this rise was the improvement in infrastructure that allowed safer mining of richer underground areas in Didipio mines[42]. However, 2024 production fell to a volume almost equivalent to that of 2022. Unplanned downtime in the processing plant could be one of the drivers, but plans have been prepared to maximize underground mining that will allow for the extraction of more gold per ton from surface stockpiles, which make up 60% of the mix[43]. Recent production represents only a fraction of the country's total reserves as available reserves are estimated to be more than five million mt. However, Class A[44] reserves were estimated to be 7%, a decline from 12% in 2022. In contrast, the value of these gold deposits increased over the three-year period, rising by 6% in 2023 and by 23% in 2024 from the estimated PhP 163 trillion[45] in 2022.

Nickel
Both 2023 and 2024 production levels surpassed those of 2022. The primary market driver in 2023 can be attributed to the rising global demand in electronic vehicle (EV) batteries where nickel serves an important component[46]. In contrast, weather-related factors drove down output the following year[47]. Reserves and resources were estimated to reach more than two billion mt in 2024, with only 30% of this classified as Class A. The value of nickel reserves has been declining at an average of 6% (from PhP 232 trillion in 2023 to PhP 206 trillion in 2024) in the last two years.

Copper
Copper output grew by 3% in 2023, but 2024 volume was slightly lower than in 2022. A small portion, 5% and 6% in 2023 and 2024, of the resources and reserves for this commodity were identified as Class A. The value of copper reserves was lower by 10% in 2023.

Chromite
The demand for chromite significantly increased in the periods where higher production volumes were observed. This was attributed to the robust adoption of stainless steel in industrial production[48]. Its Class A reserves accounted for more than half of the total reserves and were decreasing because of continuous extraction and lack of recent discoveries. Meanwhile, the estimated value chromite reserves is growing rapidly from PhP 486 million in 2022 to PhP 646 million in 2023, and to PhP 1,355 million in 2024.

Industrial minerals such as limestone, sand, gravel, clay, and various construction aggregates make up the bulk of non-metallic resources and reserves. The country had 75.37 billion metric tons of non-metallic mineral resources and reserves in 2022, with limestone dominating at 64.21 billion metric tons and the largest resources found in Region VIII while the largest reserves were in Region VII[49]. The 2023 inventory shows that limestone has the largest reserves and resources at over 69 billion metric tons, far surpassing all other commodities listed. The vast difference in reserves between limestone and the remaining commodities highlights its significant dominance in the available resources. While detailed reserve classifications specifically for 2023 are compiled by the MGB, national statistics

[42] https://didipiomine.com.ph/didipio-mines-2023-gold-production-up-by-22/
[43] https://www.pna.gov.ph/articles/1231074
[44] According to PSA, Class A reserves are producing or not yet producing but have approved Declaration of Mining Project Feasibility (DMPF)
[45] All estimates from Monetary Asset Accounts are valued using 10% social discount rate
[46] Nickel Asia Corp. (2024). Investor Presentation. https://nickelasia.com/assets/documents/NAC-2024-FEB-IR-Deck.pdf
[47] Arcalas, J. E. (2024, October 21). Nickel miners expect output recovery next year. https://www.philstar.com/business/2024/10/21/2393960/nickel-miners-expect-output-recovery-next-year
[48] Market Research Future. (n.d.). Chromite market size, share & forecast report 2035. Retrieved December 17, 2025, from https://www.marketresearchfuture.com/reports/chromite-market-22575
[49] Philippine Statistics Authority. (2023, December 7). Compendium of Philippine environment statistics component 2: Environmental resources and their use. https://psa.gov.ph/statistics/environment-statistics/node/1684061706

underscore the significance of carbonate and aggregate materials for the construction industry and broader economic activity. The abundant limestone deposits support both local cement production and export potential, reflecting continued demand domestically and regionally.

Table I-3. Production, Reserves and Resources of Selected Non-Metallic Mining Sectors in 2023

Commodity	Production Volume	Production Value
Limestone	28,491,856,000	69,231,929,329
Shale	4,649,817,000	3,264,298,635
Aggregates	2,856,921,000	1,995,841,066
Silica	687,057,000	1,447,034,368
Pozzolan	1,661,932,000	1,118,428,414

Coal, Oil and Gas Value

In the absence of reported data on annual production value, the economic values of energy commodities were presented using the resource rent estimates from PSA. This reflects the true contribution of natural capital to the economy by measuring the net economic surplus from extraction after accounting for all costs and normal returns. Table I-4 shows a continuous decline in the economic values of non-renewable energy resources from 2022 to 2024, with coal experiencing the steepest drop, falling by more than half between 2022 and 2023. According to SMPC reports, the decline was driven by lower average selling prices for two consecutive years, from PhP 3,796/mt[50] in 2023 to PhP 2,853/mt in 2024[51], which mirrored regional benchmark trends (e.g. Indonesian Coal Index 4), and a larger share of lower-quality coal in shipments[52]. Oil remained the smallest contributor throughout the period and exhibited a steady downward trend, which can be attributed to the tapering of average oil prices over the three-year period: USD 95.34/bbl (2022), USD 80.47/bbl (2023)[53], USD 79.97/bbl (2024)[54]. Natural gas also experienced a substantial contraction over the period due to reserve depletion.

Table I-4. Economic Value of Coal, Oil and Gas in Philippines, in million PhP

Sector	2022	2023	2024
Coal	60,384.40	30,933.99	28,228.78
Oil	1,916.32	1,603.76	1,427.35
Natural Gas	24,942.46	8,010.56	6,160.37

Source: Energy Accounts, Philippine Statistics Authority (55)

[50] Semirara Mining and Power Corporation. (2024). Annual report. https://edge.pse.com.ph/openDiscViewer.do?edge_no=a412a0bad3da7794abca0fa0c5b4e4d0

[51] Semirara Mining and Power Corporation. (2024). Unlocking sustainability: 2024 Annual and sustainability report. https://semiraramining.com/storage/app/media/SMPC_ASR_2024.pdf

[52] Semirara Mining and Power Corporation. Q4/FY 2024 Analysts' briefing. (2025, March 3). https://semiraramining.com/storage/app/media/investor_briefings/SCC%20Q4%202024%20AB%20Deck%20vF%20250303%206pm.pdf

[53] Oriental Petroleum and Minerals Corporation. (2023). Annual report. https://opmc.com.ph/wp-content/uploads/2023-Annual-Report-Complete_compressed-1.pdf

[54] Talavera, S. J. (2025, February 27). PXP Energy cuts net loss to P30.9M in 2024 on higher sales, cost reductions. BusinessWorld Online. https://www.bworldonline.com/corporate/2025/02/28/656156/pxp-energy-cuts-net-loss-to-p30-9m-in-2024-on-higher-sales-cost-reductions/

[55] Data can be accessed here: https://psa.gov.ph/statistics/environmental-accounts/energy/node/1684081015

Coal production increased at a modest rate of 2% in the last two years (Table I-5). The vast majority, accounting for approximately 98% in 2023, of its production is still concentrated in Semirara Mining and Power Corporation (SMPC)[56]. Coal remains the leading source of the country's power supply, but its total capacity dropped by 0.17% in 2023 from the 12,428 MW recorded in 2022[57]. However, the annual coal report from International Energy Agency (IEA) highlighted that coal consumption driven by electricity demand is expected to push coal consumption to 47 mt in the next three years, potentially offsetting renewable energy gains[58]. In addition to power demand, new coal projects may still scale up the share of coal in the energy mix. Such as the case of a new coal mine operated by San Miguel Global Power Holdings Corp. that commenced its production in Ned, South Cotabato in 2023 amidst strong public disapproval[59].

The share of indigenous energy in the total primary energy supply declined, due in part to declines in local oil and gas production. The average decline in oil (including condensate) production reached 10% in the past two years due to natural reservoir declines and suspension of production in Alegria fields[5]. Meanwhile, natural gas production faced an average decline of 20% from 2023 to 2024 as the Malampaya gas field, the country's sole large-scale indigenous natural gas resource, has been under strain, with declining outputs and impending depletion concerns by mid-2020s[60]. With weakening local oil and gas production, the country's reliance on imported energy is expected to grow, increasing vulnerability to global oil price shocks.

In terms of physical stocks, natural gas recorded the highest decline. Based on the physical asset accounts of these energy resources, the remaining stock of coal declined by 4%, oil by less than 1%, and natural gas by 20%. In the context of sector developments, SMPC received approval to implement its PhP 291 billion expansion project. The project will involve extending operations at the Molave and Narra pits and eventually opening the new Acacia pit. This massive investment is critical for maintaining domestic coal supply as the current pits approach depletion. On the other hand, the oil and gas landscape was marked by the renewal of Service Contract 38 for the Malampaya natural gas project granted Prime Energy the approval to sustain gas production, advance exploration activities, and support the potential expansion of the country's energy reserves until 2039. Two LNG terminals commenced commercial operations. These are AG&P (Linseed), which received its commissioning cargo in April 2023 and began supplying gas to the Ilijan power plant, and First Gen (FGEN), which commissioned its interim offshore terminal in September 2023. Meanwhile, The DOE pioneered a regulatory framework for native hydrogen exploration (Circular DC2023-11-0031) in 2024 to test potential low-carbon fuel sources.

Table I-5. Production Volume, Reserves Resources of Energy Commodities, 2022-2024

Commodity	Year	Production	Resources & Reserves (Classes A, B, C)
Coal	2022	16.094 MT	527,418,659
	2023	16.560 MT	507,857,678

[56]Department of Energy. (2023). Philippine Energy Situationer. https://legacy.doe.gov.ph/sites/default/files/pdf/energy_statistics/2023%20Philippine%20Energy%20Situationer.pdf

[57] Lagare, J. B. (2024, April 12). Coal-fired generators still Philippines' top source of electricity. https://business.inquirer.net/454236/coal-fired-generators-still-philippines-top-source-of-electricity

[58]Lelis, B. (2025, January 5). Philippines soaring power demand triggers rise in coal use. Philstar.Com. https://www.philstar.com/business/2025/01/05/2411853/philippines-soaring-power-demand-triggers-rise-coal-use

[59]Esterman, I. (2024, September 17). Philippine coal mine roars into production amid waves of complaints. Conservation News. https://news.mongabay.com/2024/09/philippine-coal-mine-roars-into-production-amid-waves-of-complaints/

[60] International Trade Administration. (2024, January 23). Philippines country commercial guide. https://www.trade.gov/country-commercial-guides/philippines-energy-0

Commodity	Year	Production	Resources & Reserves (Classes A, B, C)
	2024	16.772 MT	490,196,333
Oil	2022	558,275 barrel	103,652,083 barrel
	2023	501,201 barrel	76,485,754 barrel
	2024	447,857 barrel	74,840,754 barrel
Gas	2022	112,172 MMscf	393,645,226,130 scf
	2023	80,659 MMscf	620,439,010,000 scf
	2024	70,337 MMscf	525,439,010,000 scf

Economic Contribution of Extractives Industry

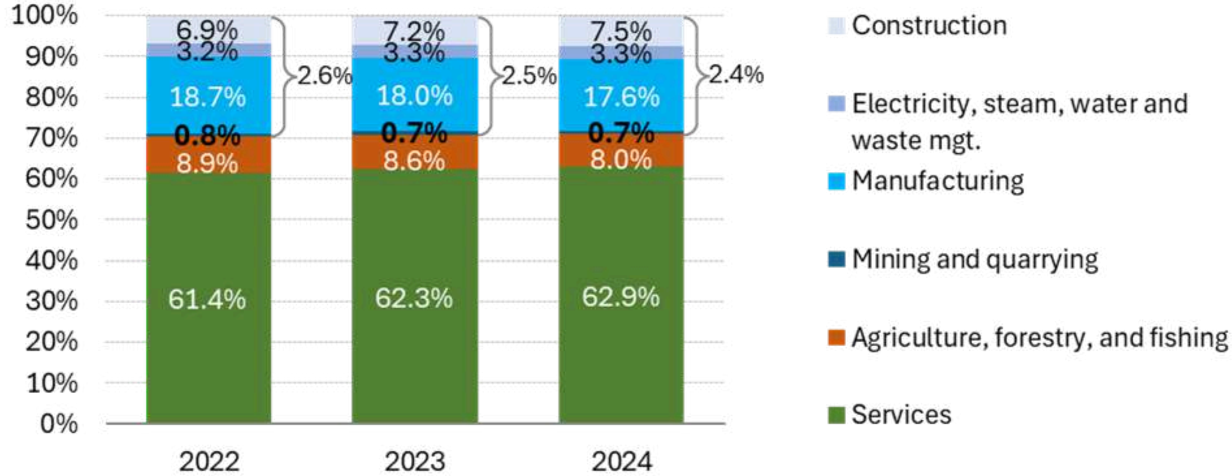
Share of Mining and Quarrying to Gross Domestic Product (GDP)

Mining and quarrying (MAQ) subsector is capital-intensive but makes up a small share of domestic economic activity compared with services and other industry subsectors. Historically, the GDP share of MAQ has ranged from 0.4% to 0.8%. Much of the mining output is exported in raw or minimally processed form. If downstream processing is prioritized, higher economic gains can bolster the sector's GDP contribution and generate positive spillover effects on the manufacturing sector[61]. In 2023, the share of the Industry segment to GDP was 2.5%, while the MAQ contribution in 2023 was estimated to be 0.7% and remained consistent in the following year (Figure I-3). One of the reasons identified for the low share of MAQ to GDP is the low amount of tax imposed on mining activities[62]. However, some region-level reports touch on sectoral declines in 2024, including CAR, Cagayan Valley, Central Luzon, MIMAROPA, Eastern Visayas, and BARMM, whereas Zamboanga Peninsula and SOCCSKSARGEN recorded the highest real growth rates from MAQ[63].

Upstream oil and gas extraction is also captured under MAQ, while refining falls under Manufacturing and oil- or gas-fired power generation is reported under Electricity, Steam, Water and Waste Management component. A standalone figure for the oil and gas sector contribution to GDP is not separately reported in the national accounts. While the direct contribution from oil and gas extraction is shrinking due to the natural depletion of the Malampaya gas field, the total petroleum industry market, driven by downstream sales and processing, was valued at approximately US$ 14.62 billion in 2023 and was forecasted to grow to US$ 21.54 billion by 2032 due to strong demand, infrastructure growth, and continued exploration opportunities[64].

[61] Tria, J. (2025, March 10). The future of our minerals industry is in processing. Manila Bulletin. https://mb.com.ph//10/3/2025/the-future-of-our-minerals-industry-is-in-processing
[62] 2024 PH-EITI Regional Roadshow, p. 25. https://pheiti.dof.gov.ph/download/2024-ph-eiti-regional-roadshow/#
[63] Philippine Statistics Authority. (2024, December 26). Highlights of the economy-wide material flow accounts of the Philippines 2018 to 2023. https://psa.gov.ph/system/files/enrad/2%20Highlights_ao23Dec24.pdf
[64] AstuteAnalytica. (2024, October 21). Philippines petroleum industry valuation to reach sky high us$ 21. 54 billion by 2032. GlobeNewswire News Room. https://www.globenewswire.com/news-release/2024/10/21/2966329/0/en/Philippines-Petroleum-Industry-Valuation-to-Reach-Sky-High-US-21-54-Billion-By-2032-Pharma-and-Cosmetics-Products-Demand-Ignites-Fastest-Growth-Says-Astute-Analytica.html

Figure I-3. Gross Domestic Product, by Sector



Source: National Accounts, Philippine Statistics Authority

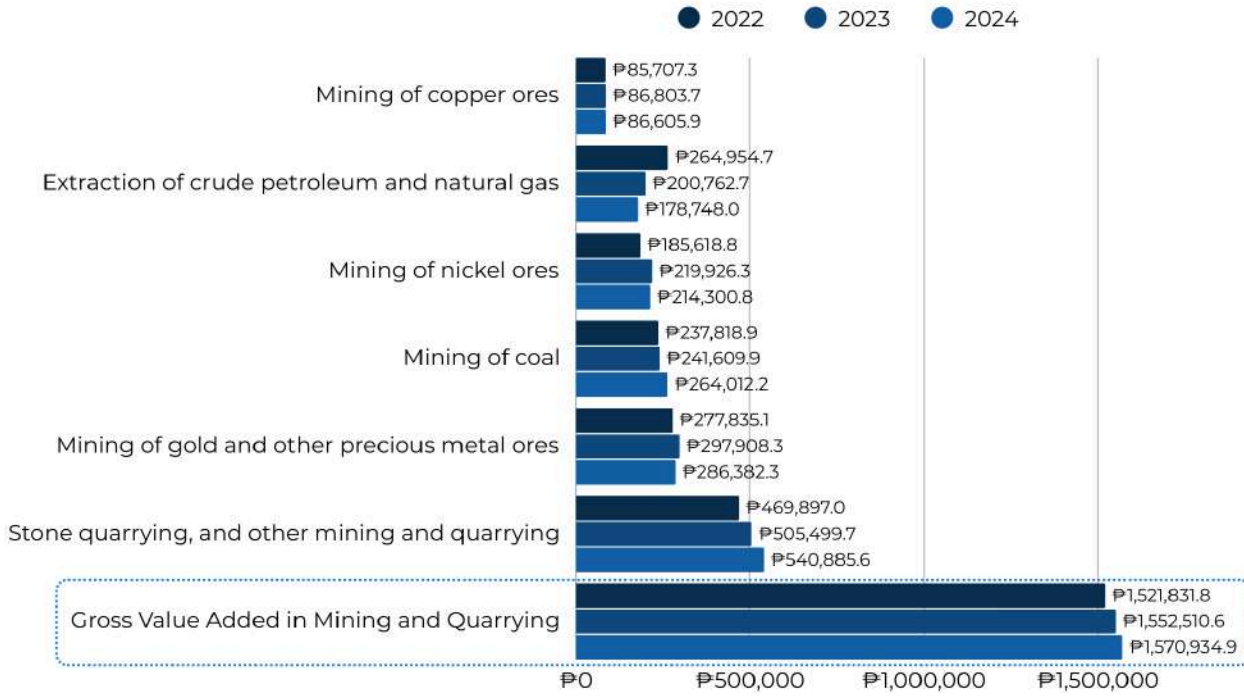
Gross Value Added (GVA)

The gross value added in mining is determined by production volumes, commodity prices, the mix of commodities, operating costs, taxes, and processing activity. GVA grew by an average of 2% YoY. Quarrying made the most significant contribution, accounting for more than 30% of the sector's total GVA. However, lower production of energy commodities, such as crude oil and natural gas, constrained a larger rise in GVA. On the contrary, GVA from coal grew from 3% in 2023 to 9% in 2024, while gold and other precious metals fluctuated, with volatile global prices being a crucial factor. In terms of processing activity and areas for future growth, the first half of 2024 saw stronger emphasis on downstream processing[65] and international deals driven by battery-metal demand[66]', and, if realized, may raise the sector's value-added share beyond raw ore export dynamics. However, the results will still depend on available investments, regulatory approvals, and overall economic competitiveness.

[65]Flores, M., & Lema, K. (2024, May 10). Philippines eyes boost to nickel processing capacity. https://www.reuters.com/markets/commodities/philippines-says-us-china-eyeing-mining-opportunities-especially-nickel-2024-05-10/

[66]Ho, J. (2023, May 5). Philippines wants to leverage on its critical minerals | Latest Market News. https://www.argusmedia.com/en/news-and-insights/latest-market-news/2446301-philippines-wants-to-leverage-on-its-critical-minerals

Figure I-4. Gross Value Added in Mining and Quarrying, by Industry



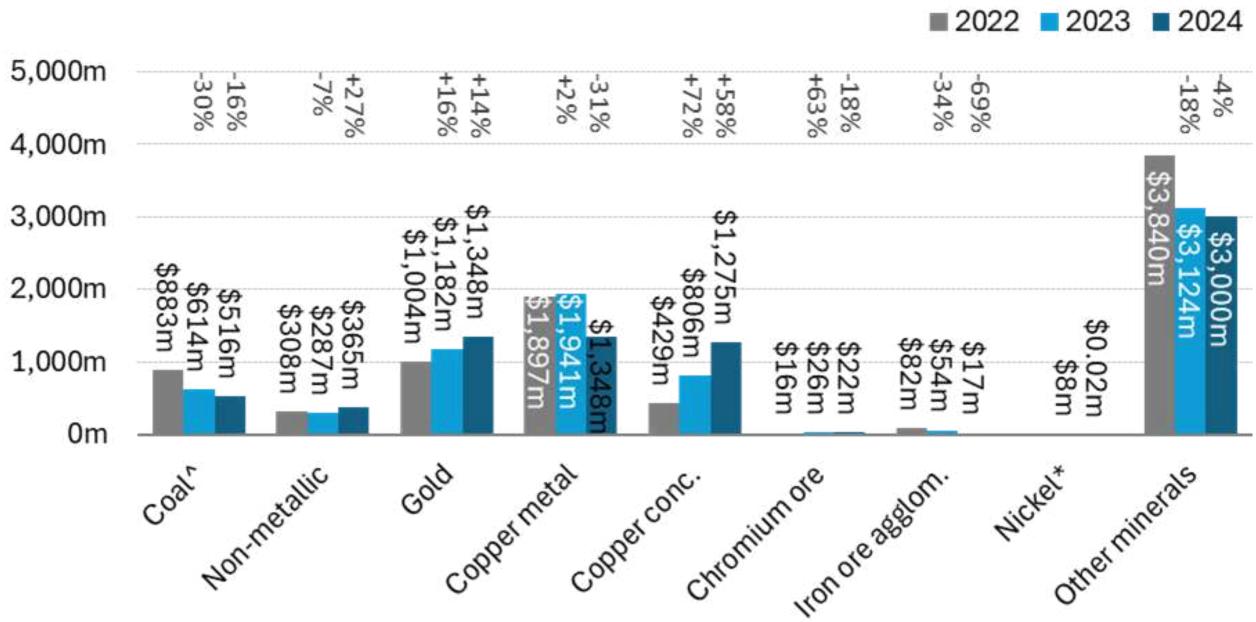
Source: National Accounts, Philippine Statistics Authority

Exports

Mineral exports garnered USD 7.14 B in 2023 and USD 7.01 B in 2024, with gold, and copper among the top commodities. These export values were lower compared in 2022 which reached USD 7.27 B. Despite a lower share in export revenues, non-metallic minerals saw a 27% increase in export value in 2024. On the other hand, coal exports continued to decline by 30% in 2023 and 16% in 2024[67]. This decline may be attributed to the 6% decline in export volume in 2023[68] and the sector's sensitivity to global price fluctuations[69]. The country does not export natural gas from the Malampaya field. Instead, the gas extracted from the project in offshore Palawan is supplied domestically to fuel three major power plants in Batangas, namely, Sta. Rita, San Lorenzo, and Ilijan, collectively generating about a fifth of Luzon's electricity. Only small volumes of condensate are occasionally exported. While the country is mainly a net importer of crude oil, small amounts derived from domestic production were periodically exported due to insufficient local refining capacity. Based on PSA data, the extractive industry accounted for 10% of total exports throughout the reporting period.

[67] Coal export extracted from: https://comtradeplus.un.org/
[68]Philippines Coal exports—Data, chart. (n.d.). TheGlobalEconomy.Com. Retrieved December 17, 2025, from https://www.theglobaleconomy.com/Philippines/coal_exports/
[69] Crismundo, K. (2024, August 2). Cooling coal prices drag PH largest coal miner's H1 '24 net income. https://www.pna.gov.ph/articles/1230350

Figure I-5. Coal and Mineral Exports, FOB Value in million USD

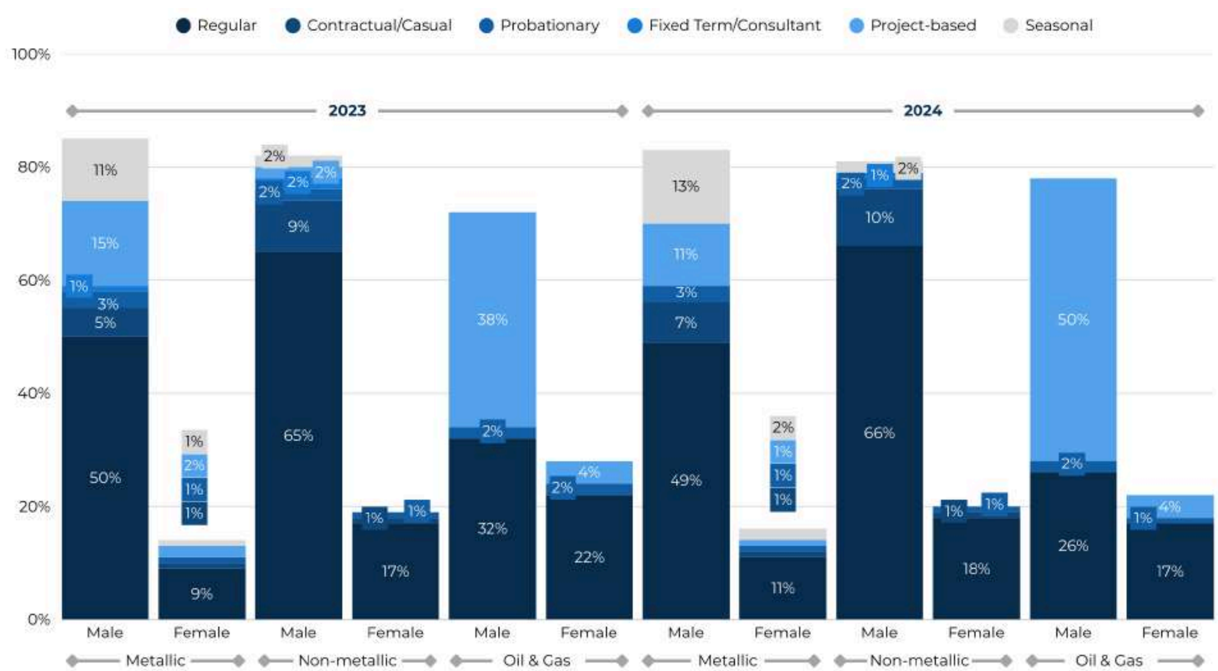


Source: Philippine Statistics Authority. ^Data for coal exports were collected from UN Comtrade. *No data in 2022

Employment

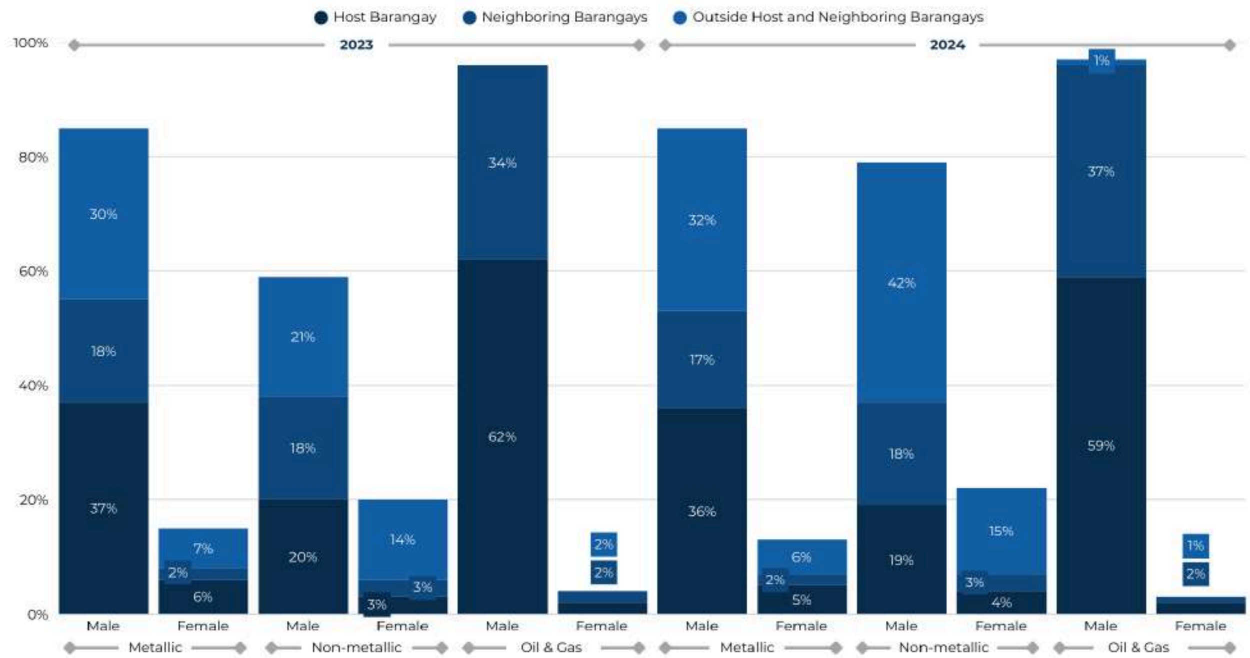
The analysis of gender distribution across employment categories utilized data submitted by participating companies through the ORE tool, which captures employment status, geographic origin, indigeneity, nature of work and rank along with the data on workplace policies and compensation.

Figure I-6. Gender Distribution by Employment Type



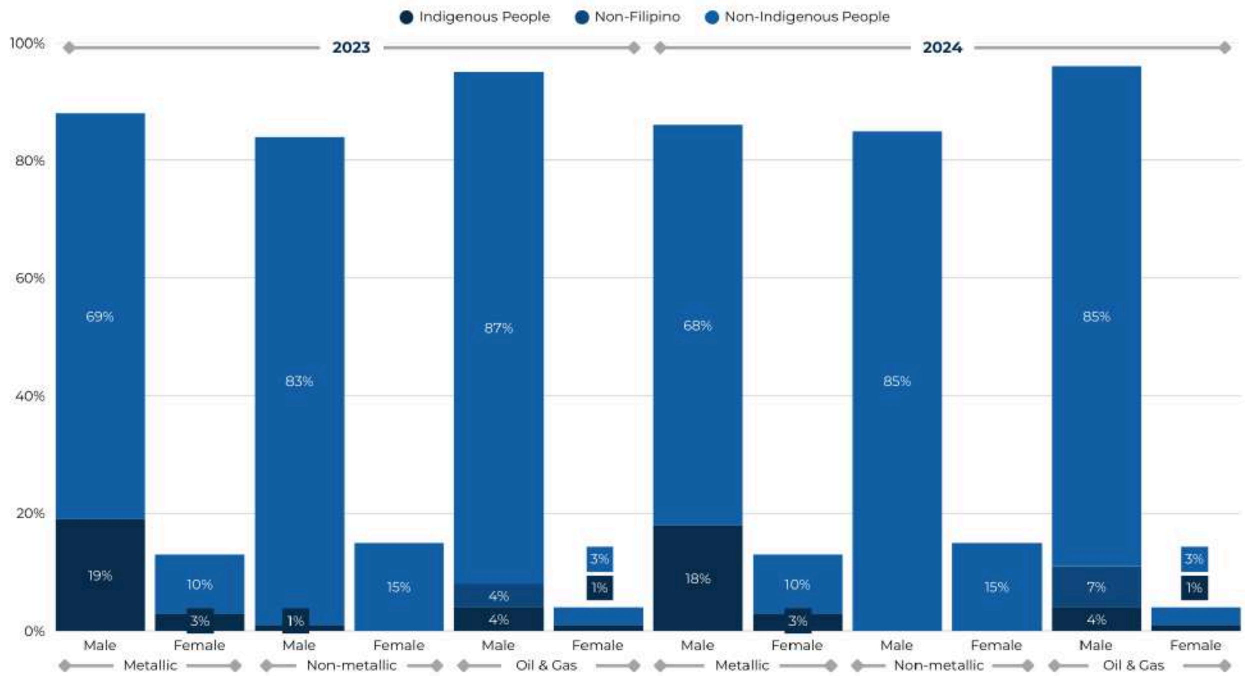
The workforce distribution by employment type underscores a persistent gender gap, with male workers holding the majority of positions across all sectors in both 2023 and 2024. In the metallic and non-metallic sectors, regular employment remains heavily male-dominated, with male employees comprising roughly half to two-thirds of the workforce, while female participation in these stable roles stays below 20%. The oil and gas sector exhibits a particularly stark contrast in project-based employment, where male participation surged from 38% in 2023 to 50% in 2024, compared to a stagnant 4% for females. Seasonal and contractual roles also reflect this disparity, showing minimal female engagement across all industries.

Figure I-7. Gender Distribution by Geographic Unit



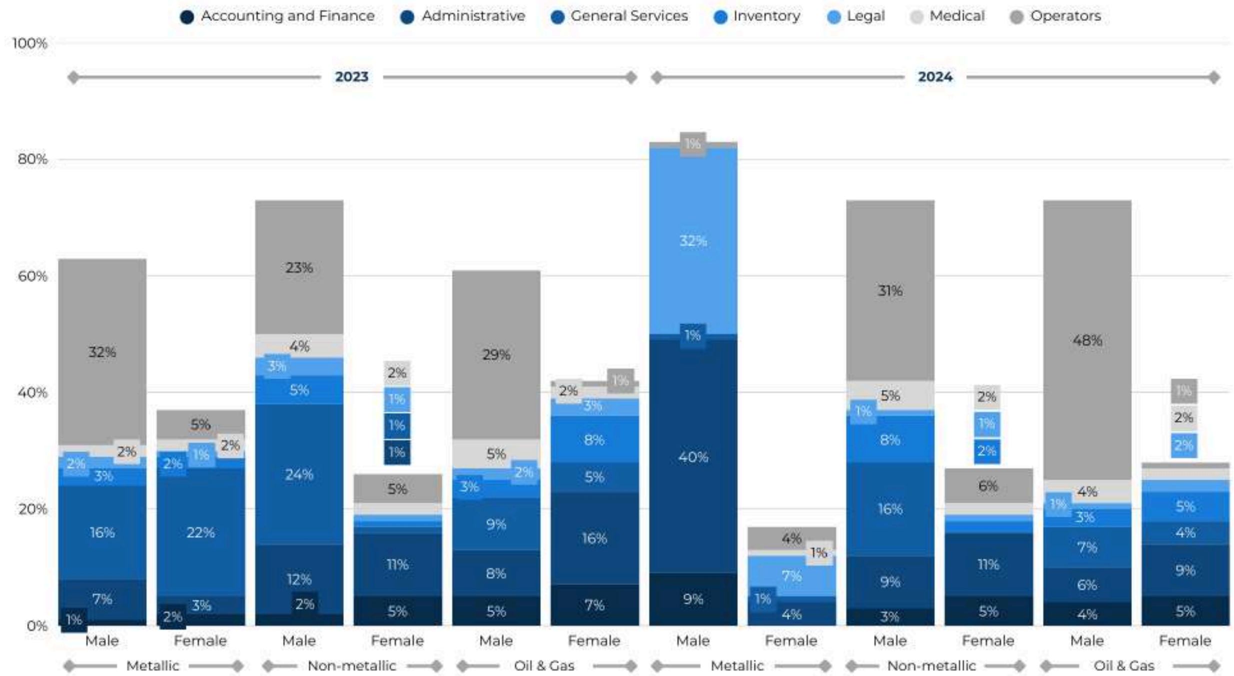
Companies predominantly source male labor from host and neighboring barangays, while female employment remains marginal in these local areas. On the other hand, the oil and gas sector is the most locally concentrated, with male workers from host barangays accounting for roughly 60% of the total, whereas female participation in the same demographic is negligible at 2%. Conversely, the non-metallic sector draws a substantial portion of its workforce from outside the host and neighboring communities, maintaining a steady 14-15% female representation, the highest among the observed groups. In the metallic sector, while recruitment is more evenly distributed across geographic zones, male employees consistently outnumber females by a wide margin in every category.

Figure I-8. Gender Distribution by Indigeneity



Non-indigenous workers constitute the vast majority of the workforce, yet gender disparities persist within every group. In the non-metallic sector, non-indigenous males dominate with over 80% participation, while their female counterparts hold a steady 15% share, marking the highest female representation in this demographic. Indigenous employment is most visible in the metallic sector, where male IP employees account for roughly 19%, significantly overshadowing female IP workers who represent only 3% of the workforce. The oil and gas sector introduces a unique demographic of non-Filipino male workers, rising to 7% in 2024, yet it remains the sector with the lowest overall female inclusion across all indigenous and non-indigenous categories.

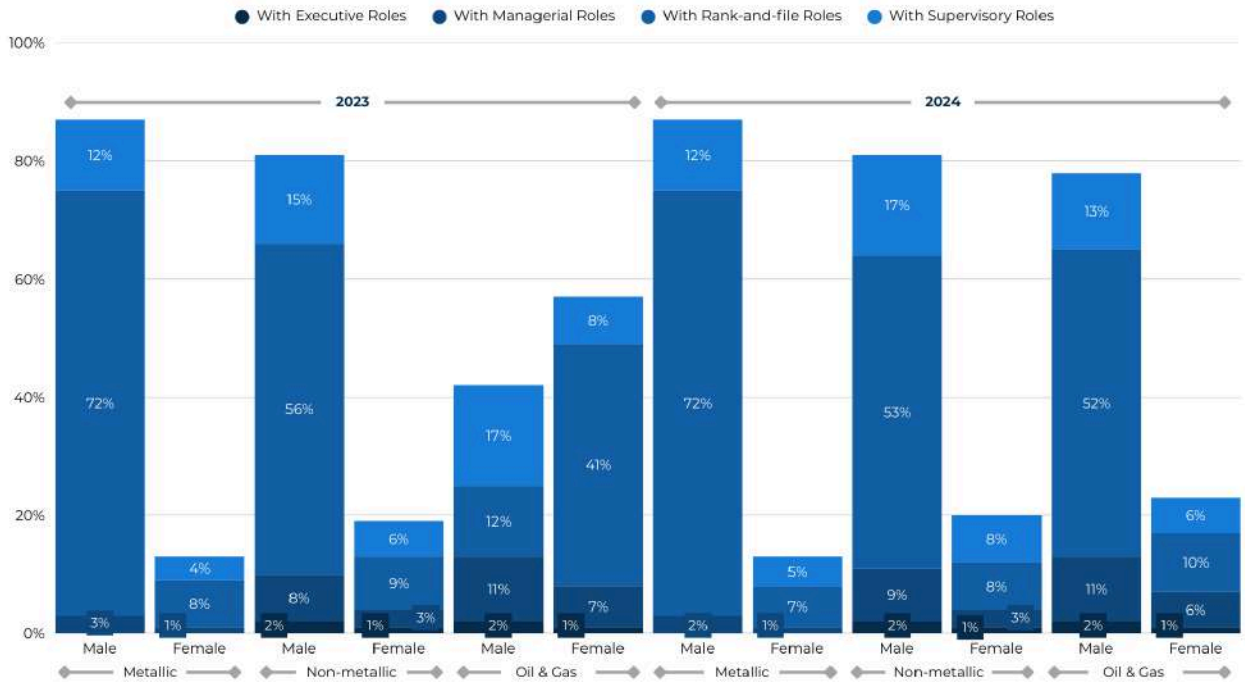
Figure I-9. Gender Distribution by Nature of Work



The distribution of workers by nature of work highlights distinct gendered occupational segregation, with majority of male workers occupying labor-intensive roles while female participation is concentrated in administrative and support functions. For instance, in the oil and gas sector, male employment in Operator roles surged from 29% in 2023 to 48% in 2024, whereas female representation in this category remained negligible at 1%. Conversely, female workers demonstrated a stronger presence in Administrative and General Services roles; notably, in the metallic sector's General Services in 2023, female participation reached 22%, surpassing their male counterparts. In professional support roles like Accounting and Finance, the gender gap is narrower, with women occasionally outnumbering men, such as in the oil and gas sector where females comprised 7% of the workforce in 2023 compared to 5% for males. However, anomalies such as the sharp reported shift in metallic sector roles in 2024 suggest volatility or restructuring in specific job assignments. Overall, the data underscores that while women are integrated into corporate support structures, core operational activities remain heavily male-dominated across all periods.

The distribution of workers by rank shows skewed patterns towards male employees, particularly in rank-and-file and supervisory levels across all sectors. In the metallic sector, male dominance in rank-and-file roles is pronounced and stable, remaining at 72% in both years compared to roughly 7-8% for females. A significant fluctuation occurred in the oil and gas sector, where female rank-and-file participation dropped sharply from a high of 41% in 2023 to just 10% in 2024, while male participation in the same category rose from 12% to 52%. Managerial and supervisory roles exhibit persistent gender gaps; for example, the non-metallic sector consistently reports approximately three times as many males in managerial positions as females. Meanwhile, executive roles show minimal representation for all, though the oil and gas sector maintains a marginal but steady presence of 2% male and 1% female executives, contrasting with the near-zero figures in the metallic industry.

Figure I-10. Gender Distribution by Rank



The analysis of company policies, compensation, and employment support suggests a gap between formal compliance and real progress on gender equity. Although anti-sexual harassment measures are in place, the near absence of reported incidents may reflect barriers that silence grievances. Additionally, limited qualitative reporting on gender initiatives indicates that gender mainstreaming is often treated as a procedural requirement rather than a meaningful operational goal.

Structural challenges are further defined by sector-specific operational contexts, particularly regarding infrastructure and social support. Mining operations, necessitated by remote locations, provide essential on-site housing and higher-level medical facilities yet frequently fail to offer consistent family-support services like daycare and educational scholarships. This inconsistency in care infrastructure may produce unequal burden between male and female employees. In contrast, the oil and gas sector focuses on off-site rent subsidies and outpatient care, which limits support at the worksite and reduces community integration. Mining companies often provide healthcare access to non-employees, while oil and gas firms remain employee-focused, missing chances to support women in host communities. Although general skills training is common, the continued use of male-only training programs in nonmetallic mining reflects persistent occupational segregation. Furthermore, the lagging implementation of gender-sensitive training in the metallic sector underscores a failure to address the cultural and behavioral shifts required for an inclusive workplace. Representation constitutes a severe structural deficit in the oil and gas sector, which completely lacks unions and women's organizations, thereby depriving female employees of collective bargaining power. In contrast, mining sectors maintain established labor unions and women's groups, offering a necessary framework for empowering workers. There is a need to move beyond monitoring policy existence to evaluating the operational effectiveness of support systems.

Revenue distribution at the national and local levels

Case Study: *The Role and Contribution of the Mining Sector to Local Development in Claver Municipality, Surigao del Norte*

The province of Surigao del Norte was declared in 1930 as a mineral reserve through Presidential Proclamation No. 390 under the Mineral Reservation Act. Claver is a coastal municipality in the province situated within this mineral reserve, which is considered as one of the oldest in the country. As of 2000, approximately 20,000 hectares of the province were categorized as mineral reserve, with Claver emerging as a central site for nickel and chromite extraction[70]. Over the past decades, the municipality's development trajectory has been largely shaped by the growth of its mining industry, which catalyzed its advancement from a sixth-class to a second-class municipality. The total municipal land area of 32,262 hectares supports various land uses, but mining remains a dominant economic activity. The municipality's designation as a Special Economic Zone for Mining under the Philippine Economic Zone Authority (PEZA) made it a strategic industrial hub in the region, attracting investments in ore extraction and ancillary industries.

A significant area of the municipality, about 17,388 hectares, is designated as a mineral reservation with the barangays Cagdianao, Hayanggabon, Taganito, and Urbiztondo hosting the mining operations[71]. Table 1 presents the annual production value of mining in Claver. Despite the decline in output value in 2024, mining still generated significant amount of revenues. The local government reportedly receives over PhP 600 million of local revenues annually, an amount significantly higher than its internal revenue allotment (IRA) from the national government. The operations of nickel mines, mineral processing plant, and other businesses were said to generate these valuable contributions that helped Claver become less dependent on its IRA[72]. Collected business taxes and regulatory fees from mining helped fund key programs of the local government which involved education, health, agriculture, infrastructure, and social services for marginalized sectors such as senior citizens and persons with disabilities[73].

Aside from its thriving mining sector, the municipality has been recognized for good governance, particularly in environmental protection, and the local government actively balances tourism, mining, and environmental conservation by requiring mining companies to support marine protected areas, reforestation, and other conservation initiatives[74]. As of 2024, there were five operating metallic mining ventures engaged in nickel production. The mining ventures are as follows:

- Surigao Integrated Resources Corporation
- Taganito Mining Corporation
- Claver Mineral Development Corporation
- Adnama Mining Resources, Inc.
- 4D Ventures and Development, Inc.

[70] Environmental Science for Social Change. (2008). 2000 Mining dialogue.
https://essc.org.ph/content/wp-content/uploads/2011/05/svd_surigao-mmc.pdf
[71] Municiplaity of Claver. (2014). Comprehensive land use plan.
https://claver.gov.ph/wp-content/uploads/2021/12/CLUP2014.pdf
[72] See, D. A. (2022, November 19). Mining and ecotourism co-exist in Claver.
https://www.manilatimes.net/2022/11/19/news/regions/mining-and-ecotourism-co-exist-in-claver/1866884
[73] Lopez, A. (2025, January 21). Mining firm pays over P63.5-M in taxes, fees to Surigao Norte LGU.
https://www.pna.gov.ph/index.php/articles/1242223
[74] See (2022)

Table I-6. Annual Production Value of Metallic Mining in Claver, Surigao del Norte, 2020-2024 (in PhP billion)[75]

Year	Production Value
2020	31.0
2021	38.6
2022	54.8
2023	40.4
2024	31.8

Progress in host communities often follows a marked uptrend with the introduction of mining projects, as the local competitiveness and capacity for revenue generation are significantly enhanced[76]. A case in point is how economic benefits from mining were extended to the growth of the local business sector. In 2018, Claver recorded 984 registered business establishments, mostly small-scale retail, food, and service enterprises, spurred by the influx of workers and auxiliary industries catering to mining activities[77]. Beyond fiscal contributions, mining companies have invested in social development programs that directly benefit host and neighboring communities. Through the Social Development and Management Program (SDMP), mining firms have provided sustained support in education, livelihood, and healthcare. Enterprise development support has been extended to local cooperatives like the Taganito Fisher Folks Association and Claver Red Mountain Agriculture Cooperative, which received financial and technical assistance to strengthen local agribusiness and fisheries production[78]. These efforts have partly cushioned the community from the risks of overdependence on mining and contributed to broader social welfare outcomes. Further, the initiatives demonstrate that ensuring mining companies uphold their social responsibility to communities is a crucial aspect of local governance.

Table I-7. Programs implemented by selected mining companies to support host communities[79]

Initiative	Intended/Reported Outcome
Rehabilitation efforts Kinalablaban River	Restore river flow, improve water quality and vegetation
Mobile clinic to support Tuberculosis (TB) screening in the region	Offer free chest X-rays and ultrasound services until December 31, 2026

[75] Data available from Mines and Geosciences Bureau CARAGA
[76] Pascual, L. J. H., Domingo, S. N., & Manejar, A. J. A. (2023). Opposing development perspectives in open-pit mining in the Philippines (Nos. 2023–11). Philippine Institute for Development Studies. https://pidswebs.pids.gov.ph/CDN/document/pidspn2311.pdf
[77] Municipality of Claver profile. (n.d.). https://claver.gov.ph/about-us/
[78] Nickel Asia Corporation. (2023). Towards our green future: Integrated report. https://nickelasia.com/assets/documents/NAC-Integrated-Report-2023.pdf
[79] Based on Sustainability Reports/news content published in the websites of companies:https://nickelasia.com/sustainability; https://gfni.com.ph/sustainability/environmental-performance/

Initiative	Intended/Reported Outcome
Monthly medical allowances for senior citizens, medical and surgical missions, and free consultations; Installation of x-ray machines	Benefitted 45,000 residents and neighboring municipalities
Scholarships and educational support	More than 1,000 scholars, 43 school staff
Trainings	Technical skills such as heavy equipment operation

The positive socio-economic impacts of mining, however, are intertwined with challenges. An earlier study argued that livelihood projects provided during the mine's life cycle tend to function as a short-term savings mechanism as beneficiaries often rely on household income to sustain these livelihoods[80]. Host communities report common respiratory issues, likely linked to dust exposure. While free healthcare services help manage these impacts, the situation underscores the need for consistent and sustainable health interventions[81]. The mining boom in Claver has other profound social and environmental implications. The municipality is part of the ancestral domain of the Mamanwa tribe, whose territories overlap with major mining concessions such as those held by Claver Mineral Development Corporation (CMDC). Despite orders to stop operations due to pollution, unpaid fees, and damage to sacred sites, the company kept operating until the court removed it in 2013, but concession was later transferred to another Chinese firm, leaving communities unsure about future environmental and social impacts[82]. These dynamics underscore the fragile balance between development and indigenous rights.

Moreover, mined-out areas in Claver exhibit high levels of soil contamination, with nickel concentrations reaching 7,166 ppm, well above the Dutch standard of 210 ppm, indicating severe ecological stress and poor soil fertility[83]. Similarly, marine ecosystems in Cagdianao and Claver have shown significant heavy metal accumulation with iron, lead, and cadmium present at concerning levels in aquatic vegetation[84]. The findings suggest potential bioaccumulation risks across the food chain and underscore the need for continuous environmental monitoring and rehabilitation.

Despite these challenges, Claver has made strides toward integrating environmental governance into local policy frameworks. The town has received multiple Seals of Good Local Governance and mandates mining companies to maintain marine protected areas and contribute to reforestation efforts. Claver's experience exemplifies the dual nature of mining-led development. While it has catalyzed economic growth, improved local revenues, and expanded access to social services, it has also produced social inequalities, environmental degradation, and uncertainties about long-term sustainability. The key challenge for Claver lies in ensuring that mining-generated wealth translates into durable, inclusive, and

---

[80] Environmental Science for Social Change (2008)

[81] Dave, S., Basadre, J., Lastra, E., Umpil, I., & Adlaon, M. (2024). Exploring community perspective on mining activities and respiratory health in Claver Surigao Del Norte, Philippines. 25(2), 1–7. https://www.innspub.net/wp-content/uploads/2024/08/JBES-V25-No2-p1-7.pdf

[82] Ej Atlas. (n.d.). Shenzhou Mining / Claver Mineral Development Corporation Nickel mining in Claver, Philippines. https://ejatlas.org/conflict/shenzhou-mining-claver-mineral-development-corporation-nickel-mining-in-claver-philippines

[83] Bethlehem, M. T., Magsayo, B. M., Bacosa, H. P., Aggangan, N. S., Gilbero, D. M., Amparado, R. F., & Guihawan, J. (2022). Characterization of nickel and gold mined-out areas of taganito mining corporation and manila mining corporation, claver and placer, surigao del norte, philippines. https://doi.org/10.21203/rs.3.rs-2037334/v1

[84] Orboc, D. R., Jumawan, J., Ombat, L., Capangpangan, R., & Seronay, R. (2022). Marine benthic macrophytes diversity and concentration of heavy metals in thalassia hemprichii near mining area of claver, surigao del norte, philippines. Journal of Ecosystem Science and Eco-Governance, 29–39. https://doi.org/10.54610/jeseg/4.2.2022.004

environmentally sound development. Strengthening local governance, diversifying livelihoods, institutionalizing Indigenous participation, and intensifying ecological rehabilitation are essential pathways to ensure that Claver's progress remains rooted in both prosperity and sustainability.

State-Owned Enterprises (SOEs) in the Philippine Extractive Sector

The Republic of the Philippines is endowed with significant deposits of metallic and non-metallic minerals, as well as oil, gas, and coal resources that are critical to national development. In managing these finite natural assets, the State plays a direct and strategic role through its State-Owned Enterprises (SOEs), formally classified as Government-Owned and Controlled Corporations (GOCCs). These entities operate under a dual mandate: to support national economic objectives through the development of extractive resources, and to uphold the State's constitutional responsibility to ensure the prudent, equitable, and sustainable management of natural wealth for present and future generations.

While private firms dominate much of the mining, oil, and gas sectors, SOEs remain integral across various segments of the extractive value chain. They participate through direct operations, management of state equity, joint ventures, and stewardship of mineral and energy assets in areas where private investment may be limited or entails heightened social, environmental, or regulatory risks. In this context, SOEs such as the Philippine National Oil Company–Exploration Corporation (PNOC-EC) and the Philippine Mining Development Corporation (PMDC) play a critical role in advancing energy security, generating public revenues, and promoting responsible resource development.

Given their public ownership and strategic mandates, the governance, financial performance, and transparency of SOEs are central concerns for policymakers and stakeholders. These dimensions are also a core focus of PH-EITI, which seeks to strengthen accountability, enhance public understanding of state participation in the extractive sector, and build trust in the management of the country's natural resources.

<u>The EITI Standard and State Participation</u>

A central component of the EITI Standard is Requirement 2.6 on State Participation. This requirement focuses on transparency and accountability in the role of the State within the extractive sector, particularly through SOEs and other forms of state equity participation. It seeks to ensure that the public can clearly understand how the State engages in extractive activities—whether through ownership, management, joint ventures, or other arrangements—and how these engagements affect public finances and resource governance.

Requirement 2.6 calls for the disclosure of the rules and practices governing state participation, the financial relationships between SOEs and the government, and whether SOEs operate on a commercial basis or perform quasi-fiscal or public policy functions. Enhanced transparency in these areas helps mitigate risks related to conflicts of interest, inefficiencies, and mismanagement, while strengthening public trust and oversight.

Within the Philippine context, alignment with EITI Requirement 2.6 reinforces broader national objectives on good governance, fiscal transparency, and sustainable development. It ensures that the roles, responsibilities, and performance of SOEs engaged in the extractive sector are clearly articulated, publicly accessible, and subject to informed public debate.

Philippine National Oil Company–Exploration Corporation (PNOC-EC)

The Philippine National Oil Company–Exploration Corporation (PNOC-EC) is a GOCC mandated to undertake the exploration, development, and production of the country's indigenous oil, gas, and coal resources. It was established pursuant to Presidential Decree No. 334 dated 9 November 1973 and incorporated on 20 April 1976. PNOC-EC operates under the policy supervision of the Department of Energy (DOE) and serves as the State's primary commercial arm in the upstream energy sector.

PNOC-EC plays a strategic role in managing the State's interests in petroleum and coal projects, contributing to national objectives on energy security, economic stability, and sustainable development. Through its upstream participation, the corporation supports the development of domestic energy resources, helps reduce reliance on imported fuels, and contributes to the stability and reliability of the country's power supply.

As of the reporting period, PNOC-EC holds participating interests in seven (7) petroleum Service Contracts (SCs): SC 37 (Cagayan), SC 38 (Malampaya), SC 57 (Calamian), SC 58 (West Calamian), SC 59 (West Balabac), SC 74 (Linapacan), and SC 75 (Northwest Palawan). The corporation acts as operator in SC 37, SC 57, and SC 59, and participates as a non-operating partner in SC 38, SC 58, SC 74, and SC 75.

Table I-8. Petroleum Service Contracts

Service Contract	Region/basin	PNOC-EC Role	Consortium Partners (Other Entities)
SC 37	Cagayan	Operator (100%)	Sole Interest
SC 38	Malampaya	Non-Operating Partner	Prime Energy (Operator), UC38
SC 57	Calamian	Operator	CNOOC, Jadestone Energy
SC 58	West Calamian	Non-Operating Partner	Nido Petroleum (Operator)
SC 59	West Balabac	Operator (100%)	Sole Interest
SC 74	Linapacan	Non-Operating Partner	Nido Petroleum (Operator), Philodrill
SC 75	NW Palawan	Non-Operating Partner	PXP Energy (Operator)

Source: PNOC Exploration Corporation. *Petroleum service contracts*. Retrieved from https://pnoc-ec.com.ph/services/petroleum-service-contracts

PNOC-EC's most significant petroleum asset is its participation in Service Contract 38 (Malampaya Deep Water Gas-to-Power Project), located offshore northwest of Palawan. PNOC-EC holds a 10 percent participating interest in the SC 38 Consortium, alongside Prime Energy Resources Development B.V. (Operator) with 40 percent, Prime Oil and Gas Inc. with 5 percent, and UC38 with the remaining 45 percent. Since the start of commercial operations in 2001, the Malampaya project has supplied natural gas to four major power plants in Luzon—Sta. Rita, San Lorenzo, San Gabriel, and Avion—with a combined installed capacity of over 2,000 megawatts. As of November 2025, cumulative government revenues from Malampaya amounted to approximately US$14 billion, underscoring the project's substantial contribution to public finances and national energy requirements.

In addition to petroleum operations, PNOC-EC holds four (4) Coal Operating Contracts (COCs): COC 41 (Malangas), COC 122 (Isabela), COC 185 (Buug–Malangas), and COC 186 (Imelda–Malangas). The corporation also undertakes coal trading activities through its coal terminal in Malangas, Zamboanga Sibugay, supporting domestic coal supply and logistics.

In line with the EITI Standard and national transparency policies, PNOC-EC[85] discloses its ownership structure, governance framework, and institutional information through its official website and mandated disclosure platforms. Publicly available documents include its Articles of Incorporation and By-Laws, General Information Sheet, and information on Board composition, compensation, and activities.

As a GOCC, PNOC-EC is subject to oversight by the Governance Commission for GOCCs (GCG) and complies with public financial management regulations, including the remittance of dividends to the National Government. The corporation regularly publishes[86] its Annual Audited Financial and Performance Reports, Audited Financial Statements for the immediate past five years, and its Corporate Operating Budget.

PNOC-EC also complies with national integrity and transparency mechanisms, including the Freedom of Information (FOI) Program, under which it holds a Certificate of Compliance, and the implementation of a Whistleblowing Policy. Procurement-related disclosures, such as the Annual Procurement Plan and information on projects and programs, are likewise made publicly accessible.[87]

PNOC-EC contributes to public revenues through dividends, taxes, royalties, and other fiscal obligations arising from its extractive activities. Its participation in the Malampaya project remains a major source of government income. In May 2024, PNOC-EC remitted approximately PHP 1.99 billion in dividends to the National Treasury. Between 2013 and 2022, the corporation declared cumulative dividends exceeding PHP 9.45 billion, while total payments to the government—including income taxes, business taxes, royalties, and other levies—amounted to more than PHP 8.4 billion, as reported in PH-EITI Country Reports.

Beyond its commercial role, PNOC-EC implements sustainability and community development initiatives through its Corporate Social Responsibility (CSR) program, known as the “Kaagapay Program.” Anchored on partnership and shared development, the program focuses on four thematic areas: Health, Livelihood, Education, and Environment. Activities include medical missions, livelihood and skills training, educational assistance, and environmental protection initiatives such as tree planting and coastal clean-up activities. These efforts aim to ensure that communities affected by extractive activities benefit from resource development in a manner consistent with inclusive and sustainable growth.

PNOC-EC’s financial performance from 2018 to 2024 reflects both the volatility inherent in the petroleum sector and the corporation’s capacity to generate returns for the State. Net income remained positive throughout the period, demonstrating overall financial resilience. After peaking in 2019, profitability declined in 2020 and 2021 due to reduced global energy demand and price volatility during the COVID-19 pandemic. A strong recovery was observed in 2022, followed by a moderation in 2023 and 2024 amid changing market conditions.

Total assets and equity levels remained relatively stable, indicating prudent asset management and sustained capitalization. Dividend remittances to the National Government were maintained

[85] PNOC Exploration Corporation: [Mandate and Functions | PNOC EC]
[86] PNOC Exploration Corporation: https://www.pnoc-ec.com.ph/reports
[87] PNOC Exploration Corporation: https://pnoc-ec.com.ph/services/petroleum-service-contracts; and https://www.pnoc-ec.com.ph/procurement

throughout the period, although variations highlight the importance of clearer dividend policies and reinvestment strategies to balance fiscal contributions with long-term operational and energy transition objectives. PNOC-EC's low and stable debt-to-equity ratio reflects conservative leverage, reducing fiscal risk to the government while potentially constraining large-scale investment without additional support or partnerships.

Overall, PNOC-EC's performance underscores its role as a stable, revenue-generating SOE, while also pointing to governance and policy considerations relevant to EITI Requirement 2.6, including enhanced disclosure of joint venture arrangements, reinvestment strategies, and alignment with national energy security and transition goals.

Table I-9. Key Financial Performance Indicators, 2018-2024 (PNOC-EC)

Indicator	2018	2019	2020	2021	2022	2023	2024
Net Income	1,368,070,000	1,176,510,000	598,350,000	535,320,000	1,625,880,000	1,131,550,000	1,207,910,000
Total Assets	17,327,810,000	17,699,030,000	15,204,450,000	1,495,120,000	16,010,380,000	16,474,620,000	15,571,610,000
Equity	14,261,110,000	14,586,950,000	12,128,080,000	11,784,490,000	13,150,100,000	13,617,330,000	12,947,200,000
Revenue	5,181,700,000	4,960,880,000	3,397,690,000	3,352,030,000	4,556,090,000	3,717,340,000	3,932,230,000
Dividend Remitted	700,700,000	2,002,000,000	3,010,000,000	1,003,000,000	712,710,000	712,000,000	2,000,000,000
Return on Assets (ROA)	7.90%	6.60%	3.90%	3.60%	10.20%	6.90%	7.80%
Return on Equity (ROE)	9.60%	8.10%	4.90%	4.50%	12.40%	8.30%	9.30%
Debt-to-Equity Ratio	21.50%	21.30%	25.40%	26.90%	21.80%	21.00%	21.30%
Operating Profit Margin	0.49	0.45	0.37	0.38	0.56	0.39	0.31
Earnings before Interest and Taxes (EBIT)	2,546,719,453	2,209,248,565	1,249,588,687	1,279,107,171	2,559,525,197	1,448,653,934	1,222,413,075
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)	4,017,989,329	3,835,082,164	2,611,606,569	2,641,125,053	3,701,468,427	2,260,245,677	1,762,163,374

Source: [PNOC-EC Annual Report]

Figure I-11. PNOC-EC Return on Assets (ROA) and Return on Equity (ROE)

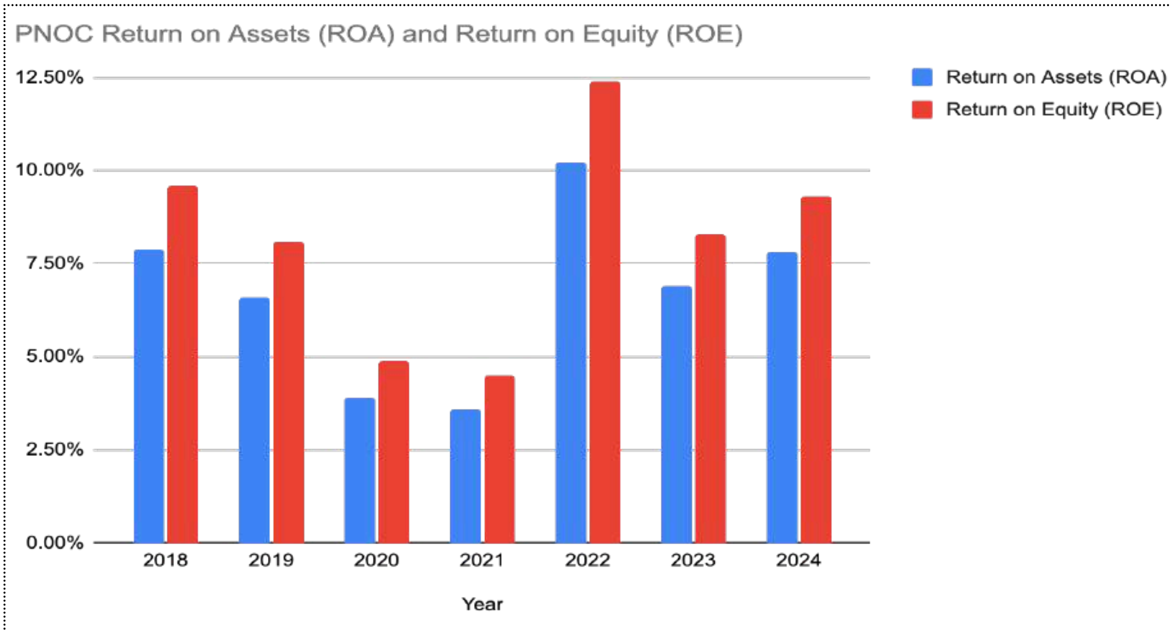
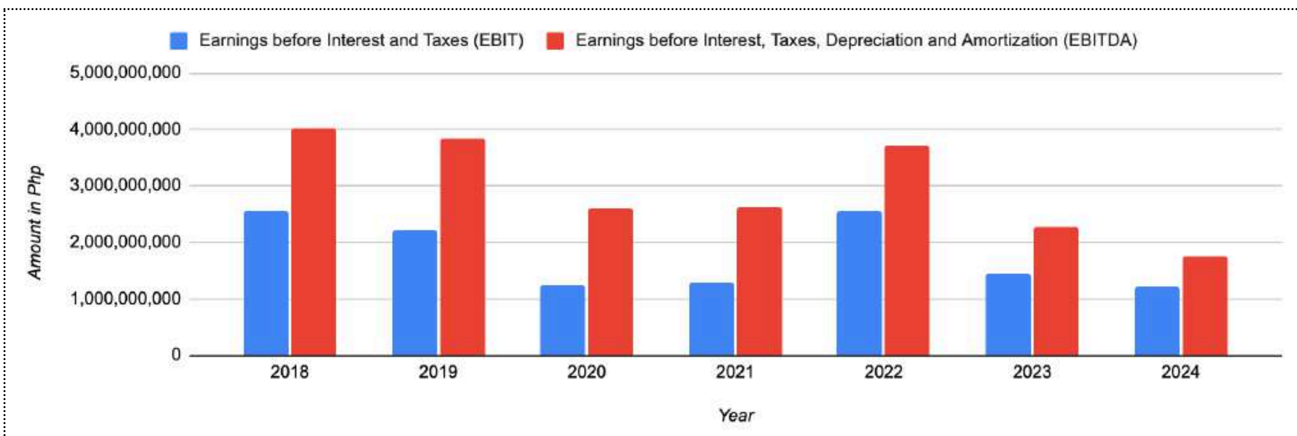


Figure I-12. PNOC-EC Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) and Earnings Before Interest and Taxes (EBIT)



Philippine Mining Development Corporation (PMDC)

The Philippine Mining Development Corporation (PMDC) represents the State's direct participation in the mining sector. Established under a Presidential Memorandum dated 9 April 2003, PMDC serves as the government's corporate arm for minerals development and supports the responsible utilization of the country's mineral resources.

PMDC is mandated to undertake a broad range of mining-related activities, including exploration, development, mining, processing, transport, storage, and marketing of metallic and non-metallic minerals. It functions as an instrument of state participation, particularly in areas where government intervention is necessary to address regulatory, social, environmental, or investment challenges.

The PMDC[88] is a wholly owned and controlled government corporation with an authorized capital stock of PHP 100 million. Its current capital structure reflects inter-agency collaboration among government-owned and controlled corporations:

- Natural Resources Development Corporation (NRDC) - 44% equity,
- Philippine National Oil Company (PNOC) - 36%, and
- National Development Corporation (NDC) - 20% of PMDC's capital stock.

This ownership arrangement underscores PMDC's alignment with national development and resource governance objectives, serving as the government's corporate arm in mining and mineral development.

PMDC's mission is to promote responsible and sustainable mining that contributes to economic growth while safeguarding environmental integrity and community welfare. Originally established to address long-standing issues in the Diwalwal mining area in Davao de Oro, PMDC's role has since expanded to include the development, promotion, and management of government-owned mining assets.

These assets include Mineral Reservations, properties under the Privatization Management Office (PMO), and cancelled mining tenements that have reverted to state control. PMDC is responsible for ensuring that these assets are managed productively, transparently, and in compliance with applicable laws and regulations.

A key area of responsibility is the Diwalwal Mineral Reservation, an approximately 8,100-hectare area in Mt. Diwata, Davao de Oro. Formerly characterized by informal and unregulated mining, the area is now being developed under PMDC's stewardship as a regulated mining zone that seeks to balance mineral development, environmental protection, and social order. The Diwalwal gold vein system is surrounded by several copper and gold prospects, highlighting the significant mineral potential of the reservation and adjacent areas.

PMDC demonstrates compliance with EITI Requirement 2.6 through public disclosure[89] of its ownership structure, governance framework, and institutional arrangements. Corporate documents—including its Articles of Incorporation and By-Laws, General and Government Corporate Information Sheets, and information on Board composition, compensation, and meetings—are made publicly available through official channels.

The corporation maintains a strong record of financial transparency, regularly publishing audited financial statements, operational reports, Corporate Operating Budgets, and Annual Procurement Plans. These disclosures support public oversight and align PMDC's operations with national transparency requirements and EITI principles.

Economically, PMDC contributes to government revenues primarily through the collection of commitment and royalty fees from mining tenements granted for exploration and mineral evaluation. Based on PH-EITI Country Reports, PMDC declared dividends exceeding PHP 72.5 million and remitted more than PHP 58.7 million in payments to the government between 2013 and 2022, including income taxes, royalties, and other statutory obligations.

---

[88] Philippine Mining Development Corporation: https://pmdc.com.ph/about-us/

[89] Philippine Mining Development Corporation: https://pmdc.com.ph/transparency-seal/

PMDC complements its economic role with a structured social responsibility framework known as the H.E.R.O. Program[90], focusing on Health, Education and Environment, Rural Infrastructure, and Opportunities to Earn. Through this program, PMDC provides medical assistance, educational support, environmental rehabilitation, infrastructure development, and livelihood opportunities in host communities. These initiatives aim to ensure that the benefits of mineral resource development are shared with affected communities and contribute to inclusive and sustainable local development.

PMDC's financial performance reflects its mandate as a steward of state-owned mineral assets rather than a large-scale commercial mining operator. Revenues are primarily derived from commitment fees, royalties, and other payments associated with mining tenements granted for exploration, mineral evaluation, and development within areas under PMDC's administration.

Over the reporting period, PMDC maintained a generally stable financial position, with modest but consistent revenue streams and controlled operating expenditures. While net income levels are relatively small compared to large extractive enterprises, PMDC has remained financially viable and capable of meeting its statutory obligations, including dividend remittances to the National Government. The corporation's asset base remains limited, reflecting the nature of its operations, which focus on asset management, facilitation, and regulatory stewardship rather than capital-intensive extraction.

PMDC's conservative financial profile reduces fiscal risk to the government but also underscores the importance of clearly defining its long-term business model, investment strategy, and role in the broader mining value chain. Enhanced disclosure of financial performance trends, cost structures, and revenue drivers—consistent with EITI principles—would further support informed public understanding of PMDC's contribution to state participation in mining.

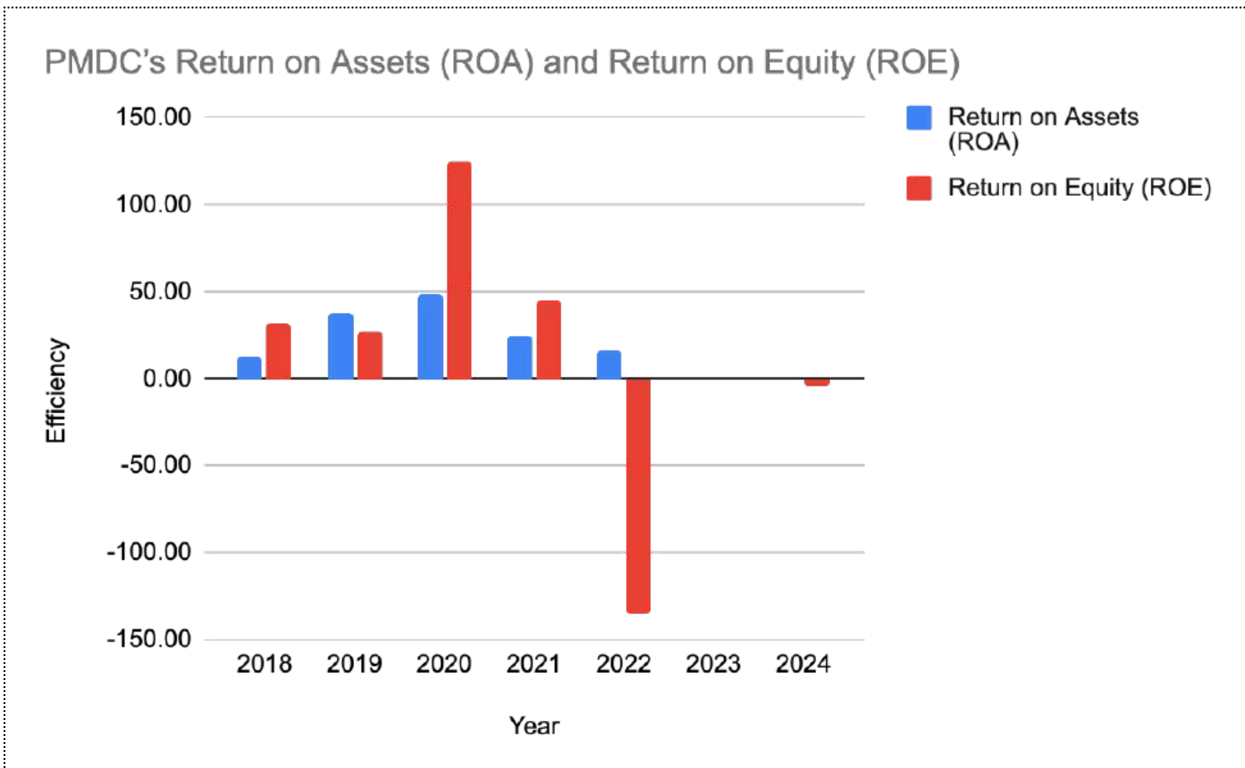
[90] Philippine Mining Development Corporation: https://pmdc.com.ph/corporate-social-responsibility/

Table I-10. Key Financial Performance Indicators, 2018-2024 (PMDC)

Indicator	2018	2019	2020	2021	2022	2023	2024
Net Income	65,200,913.00	61,922,402.00	110,918,978.00	73,247,835.00	-66,104,913.00	-17,694,323.00	-24,403,964.00
Total Assets	492,653,764.00	164,105,641.00	230,057,099.00	302,170,454.00	419,541,543.00	399,175,034.00	374,881,250.00
Equity	201,763,450.00	231,295,246.00	89,189,096.00	162,436,931.00	49,011,087.00	31,316,764.00	7,126,355.00
Revenue	164,218,434.00	185,552,148.00	229,363.00	158,904,903.00	46,097,151.00	94,669,796.00	86,034,759.00
Dividend Remitted	-	-	7,000,000.00	-	29,430,824.00	6,512,612.00	4,355,000.00
Return on Assets (ROA)	13.23%	37.73%	48.21%	24.24%	-15.76%	-0.04	-0.07
Return on Equity (ROE)	32.32%	26.77%	124.36%	45.09%	-134.88%	-0.57	-3.42
Debt-to-Equity Ratio	446.14%	47.48%	157.94%	86.02%	756.01%	11.75	51.60
Operating Profit Margin	52.23	47.41	-48,307.11	46.35	-142.16	-17.72	-28.22
Earnings before Interest and Taxes (EBIT)	85,777,701.00	87,971,370.00	-110,798,646.00	73,646,503.00	-65,529,844.00	-16,776,919.00	-24,278,676.00
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)	88,600,188	92,767,794.00	-107,123,205.00	77,155,954.00	-62,405,338.00	-13,021,047.00	-20,129,739.00

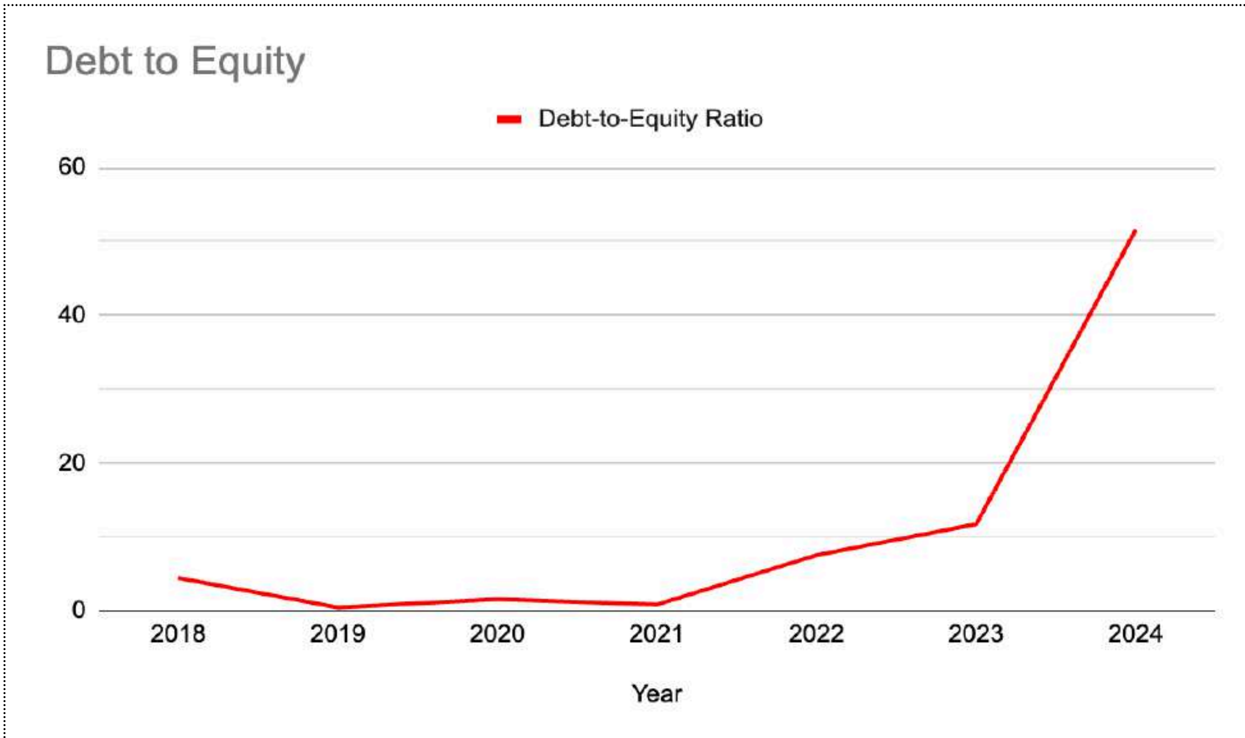
Source: Philippine MIning Development Corporation (PMDC) Annual Report. Data retrieved from https://docs.google.com/spreadsheets/d/1uP2-MnVHqcFzKo_kNBFInK0IzC4oMmw3rWIscdt29iw/edit?gid=0#gid=0.

Figure I-13. PMDC's Return on Assets (ROA) and Return on Equity (ROE)



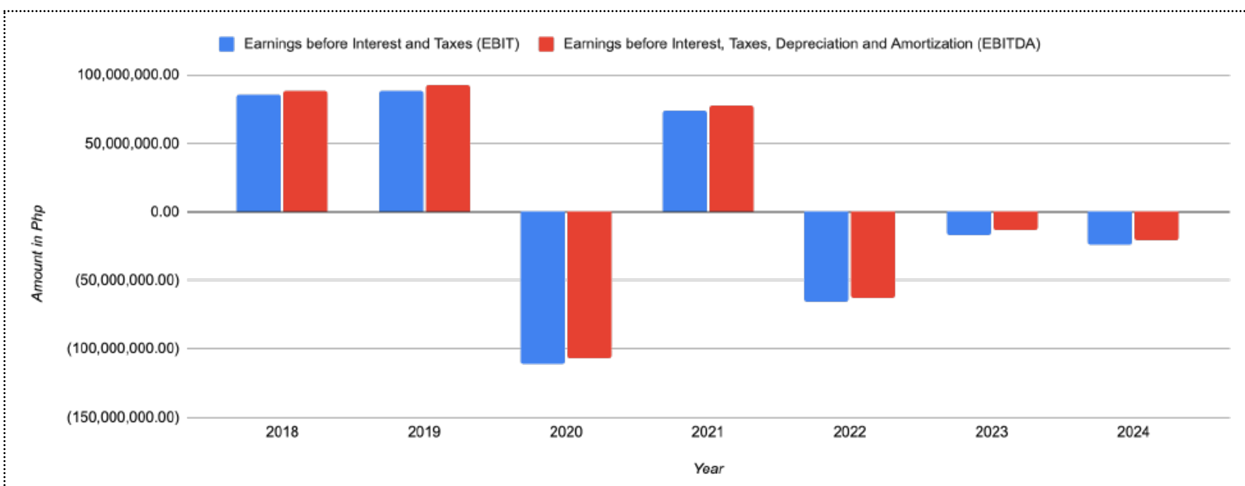
Source: Philippine MIning Development Corporation (PMDC) Annual Report. Data retrieved from https://docs.google.com/spreadsheets/d/1uP2-MnVHqcFzKo_kNBFInK0IzC4oMmw3rWIscdt29iw/edit?gid=0#gid=0.

Figure I-14. Changes in Debt-to-Equity Ratio by Year (2018–2024)



Source: Philippine MIning Development Corporation (PMDC) Annual Report. Data retrieved from https://docs.google.com/spreadsheets/d/1uP2-MnVHqcFzKo_kNBFInK0IzC4oMmw3rWIscdt29iw/edit?gid=0#gid=0.

Figure I-15. PMDC's Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) and Earnings Before Interest and Taxes (EBIT)



Source: Philippine MIning Development Corporation (PMDC) Annual Report. Data retrieved from https://docs.google.com/spreadsheets/d/1uP2-MnVHqcFzKo_kNBFInK0IzC4oMmw3rWIscdt29iw/edit?gid=0#gid=0.

Alignment with the 2021 EITI Validation on State Participation

The 2021 EITI Validation found that the Philippines had addressed many aspects of SOE-related requirements, noting that transparency in state participation had largely been mainstreamed through systematic disclosures by SOEs and relevant government institutions. Much of the information required under Requirement 2.6 was found to be publicly available through laws, regulations, and SOE websites, with PH-EITI reporting primarily summarizing and referencing these disclosures.

State participation through SOEs was not assessed as a priority risk area for the 2018 reporting period due to the limited materiality of SOE transactions. Both PNOC-EC and PMDC were assessed to have made payments to the government below the agreed materiality threshold. Nonetheless, PNOC-EC was included in the scope of PH-EITI reporting because of its equity participation in the Malampaya Deep Water Gas-to-Power Project (SC 38), the country's largest hydrocarbons project by value.

The Validation concluded that Requirement 2.6 was mostly met. Statutory financial relations between PNOC-EC and the State are described in public documents, and actual practices were considered sufficiently transparent for the year under review based on audited financial statements and PH-EITI disclosures.

However, the Validation identified technical gaps, particularly the absence of comprehensive disclosure on the terms attached to PNOC-EC's equity and participating interests in extractive projects. These include the nature of equity (e.g., fully paid, carried, or free) and PNOC-EC's responsibility for covering costs at different stages of the project cycle. In addition, while PNOC-EC's financial statements indicate equity interests in several joint ventures, these were not systematically described in PH-EITI reporting as subsidiaries, joint ventures, or affiliates. The Validation also noted the need for clearer disclosure on whether SOEs are permitted to raise third-party equity financing and where such authority is codified in the legal framework.

For Requirement 4.2, the Validation confirmed that the PH-EITI Multi-Stakeholder Group (MSG) had assessed the applicability of in-kind revenues and publicly documented its conclusion that the requirement was not applicable in 2018. Although the petroleum legal framework allows for in-kind revenues, stakeholders agreed that operators commercialize the State's entitlement and remit proceeds to the government in cash.

Requirement 4.5 was likewise assessed as not applicable, as dividends from PNOC, PNOC-EC, and PMDC in 2018 were below the agreed materiality threshold of 2% of government extractive revenues. The MSG was found to have adequately reviewed both dividends paid during the year and dividends accrued for subsequent payment.

Requirement 6.2 was also deemed not applicable. Reviews of SOE financial statements, stakeholder consultations, and public sources did not identify any quasi-fiscal expenditures undertaken by extractive SOEs during the period under review.

The Validation underscores the importance of maintaining and strengthening mainstreamed disclosures on SOE participation, particularly as the materiality of state participation may evolve over time. It also highlights the need for the MSG to reassess the materiality of SOE participation on an annual basis, including revenues collected by PMDC in mineral reservations, which operate under a distinct fiscal regime.

Table I-11. Mapping of 2021 EITI Validation Findings and PH-EITI Responses

EITI Requirement	Key Validation Findings (2021)	Assessment	PH-EITI Response/Way Forward
Requirement 2.6: State Participation	Most aspects are addressed through laws, regulations, and SOE websites; gaps identified in disclosure of terms attached to PNOC-EC's equity and participating interests; unclear provisions on third-party equity financing and loans/guarantees	Mostly met	Strengthen disclosures on the terms of state equity and participating interests joint venture arrangements, and financing practices; reassess and document loans and guarantees annually
Requirement 4.2: Sale of the State's In-Kind Revenues	MSG assessed applicability and concluded requirement was not applicable in 2018; state entitlements commercialized by operators and remitted in cash	N/A	Maintain annual MSG assessment and public documentation of conclusions
Requirement 4.5: Transactions Related to SOEs	SOE dividends below materiality threshold; MSG reviewed dividends paid and accrued	N/A	Continue annual review of SOE dividends and reassess materiality as conditions change
Requirement 6.2: Quasi-fiscal Expenditures	No evidence of quasi-fiscal expenditures based on SOE financial statements and stakeholder consultations	N/A	Reassess annually and disclose if any quasi-fiscal expenditures arise

Toward Coherent Governance and Disclosure of Extractive SOEs

The experience of PNOC-EC and PMDC highlights the need to further strengthen the governance and disclosure of state participation in the Philippine extractive sector, taking into account the distinct mandates and operating models of extractive SOEs. In line with the strengthened provisions of the 2023 EITI Standard, greater transparency is needed not only on state equity interests, joint venture arrangements, dividend policies, and the treatment of retained earnings and reinvestment strategies under EITI Requirement 2.6, but also on the broader role of SOEs as commercial actors and policy instruments.

In particular, the 2023 Standard reinforces expectations around disclosure of SOE investments in extractive industries, including equity participation, loans, guarantees, and other forms of financial support, as well as the rationale for such investments. Enhanced disclosure in these areas would improve public understanding of how the State allocates capital, manages financial exposure, and balances fiscal returns with long-term sectoral objectives. Consistent with emerging EITI practice, this also includes greater transparency on how SOE strategies and investment decisions align with national energy transition goals, climate commitments, and sustainability priorities, especially where SOEs play a central role in upstream energy development.

The updated Standard also places increased emphasis on beneficial ownership disclosure, including the identification of beneficial owners of companies involved in extractive activities and, where relevant, suppliers and contractors. Strengthening inter-agency coordination and disclosure practices in this area would help mitigate corruption risks, enhance integrity in procurement and contracting processes involving SOEs, and support a more comprehensive understanding of relationships between the State, SOEs, and private sector counterparties.

Clearer policy guidance on the balance between commercial operations and public service obligations is also necessary to support transparent decision-making within extractive SOEs. Explicit articulation of these mandates can strengthen accountability and provide a clearer basis for assessing performance, both in financial terms and in relation to broader public objectives. This should go hand in hand with continued efforts to professionalize SOE boards, strengthen independence and competence, and more systematically integrate environmental, social, and governance considerations into governance and performance frameworks, consistent with the direction of the 2023 EITI Standard.

Consistency and accessibility of financial and institutional information remain important priorities. Harmonizing financial reporting standards across extractive SOEs and exploring the establishment of a centralized online disclosure platform would help reduce fragmentation and make information more accessible to the public. Sustained coordination between SOEs, relevant oversight institutions, and PH-EITI will be essential to ensure that disclosures are timely, coherent, and responsive to stakeholder information needs while reinforcing public confidence in the governance of the Philippine extractive sector.

SECTION III: BENEFICIAL OWNERSHIP TRANSPARENCY IN THE EXTRACTIVE SECTOR

Beneficial ownership (BO) transparency has emerged as a core element of governance reform in the Philippines, particularly in sectors prone to corruption, illicit financial flows, and regulatory capture. Extractive industries—mining, oil, gas, and quarrying—are especially sensitive because they involve the exploration and use of non-renewable natural resources whose benefits must be safeguarded for the Filipino people. BO transparency directly supports this objective by identifying the natural persons who ultimately own, control, or benefit from extractive operations.

In the extractives sector, this transparency function is indispensable. Corporations applying for mineral agreements or permits must comply with stringent constitutional and statutory foreign ownership limits. Under the Mineral Production Sharing Agreement (MPSA) regime, at least 60 percent of a mining corporation must be owned and controlled by Filipino citizens. While Financial or Technical Assistance Agreements (FTAAs) allow greater foreign participation, MPSAs—still widely used nationwide—require regulators to confirm that a corporation is genuinely Filipino-owned.

Compliance cannot be assessed simply by reviewing nominal shareholdings in Securities and Exchange Commission (SEC). The Supreme Court and the Department of Justice have repeatedly clarified that beneficial ownership and actual control—rather than legal title alone—determine compliance with nationality requirements. This makes BO disclosure a critical regulatory safeguard. It enables the Mines and Geosciences Bureau (MGB), DENR, and other oversight agencies to detect concealed foreign control, nominee structures, and indirect ownership layers that may render a corporation ineligible for a mineral license. Thus, BO transparency is both an anti-corruption measure and a mechanism for protecting national patrimony.

The period 2023–2024 saw clear recognition that BO transparency is not only about complying with international standards; it is an essential governance safeguard that protects national interests. BO disclosure helps regulators and oversight bodies trace financial flows, enforce compliance, verify proper royalty and tax payments, prevent conflicts of interest, and detect irregular arrangements. Strengthened BO systems enhance regulatory integrity and build public trust in extractive governance.

Across these two years, the Philippines made steady progress toward commitments under the EITI, Financial Action Task Force (FATF), Open Government Partnership (OGP), and United Nations Convention against Corruption (UNCAC). Advancements were seen in regulatory reforms, institutional coordination, and public advocacy, despite persistent challenges related to data sharing, verification, and legislative gaps.

While this report covers developments only up to 2024, two significant policy milestones that followed shortly afterward are expected to shift the BO landscape dramatically: (i) the signing of the Data Sharing Agreement (DSA) between the SEC and DOF/PH-EITI, and (ii) the passage of RA 12253, the Mining Fiscal Regime for Large-Scale Metallic Mining, which mandates BO disclosure as a statutory requirement.

The DSA establishes, for the first time, a formal mechanism for PH-EITI to access BO filings submitted to the SEC, enabling systematic, accurate, and validated exchange of BO data. RA 12253 integrates BO reporting directly into mining regulation, linking disclosure to fiscal obligations, licensing, and operational oversight. Together, these reforms mark a decisive transition toward a coherent and enforceable BO framework that is fully institutionalized across government.

Accordingly, this BO Report provides a baseline for the transformative reforms already set to redefine the Philippines' BO ecosystem in the coming years.

Policy and Legal Landscape

The policy and legal environment for BO transparency evolved significantly between 2023 and 2024, driven by regulatory reforms, heightened accountability expectations, and international compliance pressures. Government institutions increasingly recognized that identifying "who truly owns and controls" companies—especially in high-risk sectors—is fundamental to protecting public resources, preventing corporate abuse, and ensuring economic integrity.

A major pillar of this shift was the SEC's continued strengthening of BO disclosure through the General Information Sheet (GIS). The SEC bolstered enforcement via the 2023 Amnesty Program, which enabled corporations to regularize outdated or inaccurate submissions, and the 2024 Enhanced Compliance Incentive Plan (ECIP), which tied governance incentives to improved reporting discipline. These measures increased the completeness and reliability of BO filings, signaling a move toward more stringent enforcement. However, public access remained limited, pending formal data-sharing arrangements or a unified BO law.

A parallel breakthrough was the enactment of the Government Procurement Reform Act of 2024 (RA 12009), one of the most consequential BO-related reforms outside the extractive sector. RA 12009 requires all entities engaged in public procurement to disclose their beneficial owners and mandates the GPPB to maintain a publicly accessible BO registry. This reform closes longstanding gaps in contractor screening, enhances the detection of hidden ownership, and prevents conflicts of interest in public contracting. It also sets a precedent for mainstreaming BO transparency across the whole of government.

During 2023–2024, agencies also laid important groundwork for the eventual integration of BO requirements into RA 12253. Although the law was enacted in 2025, preparatory work during the reporting period included aligning reporting templates, harmonizing BO requirements with fiscal and environmental submissions, and clarifying roles among PH-EITI, MGB, DENR, and SEC. These efforts signaled a shift from an EITI-led approach to a legally mandated, sector-wide regulatory standard.

Throughout this period, FATF grey-listing exerted considerable influence. FATF Recommendation 24 requires jurisdictions to ensure that BO information is adequate, accurate, and up to date. By late 2024, the Philippines had completed 18 action items for delisting, including strengthening supervisory mechanisms and improving inter-agency cooperation. FATF pressure reinforced BO transparency as a financial integrity and national security priority, further underscoring the need for comprehensive BO legislation with verification systems and structured public access.

BO transparency also played an increasing role in investment screening. Long-standing Supreme Court decisions and DOJ opinions emphasize that beneficial ownership—not just legal ownership—determines compliance with constitutional nationality restrictions. For the extractive sector, this principle is critical: MGB must assess the nationality of beneficial owners before awarding any mineral rights. BO data thus strengthens regulatory enforcement and supports both economic and security objectives.

While the 2023–2024 reforms were substantial, two post-period milestones will reshape the BO landscape: (i) the SEC–DOF/PH-EITI Data Sharing Agreement (DSA), and (ii) RA 12253 mandating BO reporting for large-scale metallic mining.

The DSA is a landmark achievement in inter-agency cooperation. It creates a reliable, automated data pipeline giving PH-EITI direct access to BO filings, significantly improving data accuracy and reducing dependence on voluntary disclosures.

RA 12253 institutionalizes BO reporting as a statutory requirement tied to licensing and fiscal obligations. By embedding BO disclosure into the mining fiscal regime, the law transforms BO transparency from a voluntary practice into a mandatory compliance standard with regulatory consequences.

Together, these reforms position the Philippines for a more coherent, technology-enabled, and enforceable BO framework—one that supports transparency, regulatory oversight, and national development objectives.

BO Disclosure and Analysis

This section offers an overview of how extractive companies reported ownership information throughout the 2023–2024 cycle, expanding upon the broader reporting universe and incorporating insights gained from prior years. It extends beyond mere participation rates to evaluate the depth, quality, and comprehensiveness of BO submissions, encompassing the profiles of declared beneficial owners, patterns of ownership and control, sectoral involvement, and emergent trends in disclosure. By analyzing current results alongside historical data and pinpointing ongoing gaps, this report hopes to provide an understanding of the sector's overall compliance trajectory and highlights the areas where additional reforms, capacity development, or enforcement measures are most essential to enhance transparency and accountability.

Reporting and Disclosure

A beneficial owner—consistent with the definition under the Anti-Money Laundering Act (AMLA) and SEC BO Guidelines—is the *natural person who ultimately owns or controls the customer, or the natural person on whose behalf a transaction is conducted, and who ultimately exercises ultimate effective control over a legal entity or arrangement*.[91] Applied to extractive companies, this means the natural person who ultimately owns, controls, or materially benefits from a mining, oil, gas, or quarrying operation, whether directly or through indirect ownership chains or control mechanisms.

Understanding who these individuals are is central to transparency and accountability because it identifies the real actors behind corporate decisions. Beneficial ownership disclosure helps prevent corruption, illicit financial flows, and conflicts of interest; strengthens due diligence and risk monitoring; and ensures that communities, regulators, and the public know who is truly accountable for the country's mineral and energy assets.

EITI Standard 2.5 mandates that implementing countries establish clear definitions of beneficial ownership, request beneficial ownership information from companies holding or seeking extractive rights, disclose essential details including the identity and scope of ownership or control of beneficial owners, require the identification of politically exposed persons (PEPs), and ensure the accuracy and credibility of submissions through supporting documentation and verification procedures. Countries are required to disseminate this information via a publicly accessible platform and to provide explanations for any gaps or limitations in the reporting. These requirements seek to establish BO reporting as a standardized and dependable transparency mechanism.

Across the two reporting years, a substantial number of extractive companies were able to submit complete BO documentation, although participation varied year to year. In 2023, 44 companies submitted complete BO information, while 6 companies provided only partial submissions. In 2024, the number of fully compliant companies increased to 48, with 6 companies submitting partial documentation. These lists of fully and partially participating companies for each reporting year are presented in the tables below. The distribution shows steady engagement across the industry but also highlights recurring gaps in the completion of required documents such as BO declarations, PEP disclosures, waivers, and corporate certifications.

The raw beneficial ownership submission data for these reporting years is publicly accessible through the PH-EITI BO Register, which provides the underlying declarations and attachments submitted by companies: https://pheiti.dof.gov.ph/boregistry/

[91] Under Rule 2, Section 1(g) of the 2018 Implementing Rules and Regulations of the Anti-Money Laundering Act, a beneficial owner is defined as:
"*the natural person who ultimately owns or controls the customer or the natural person on whose behalf a transaction is being conducted, and includes a person who exercises ultimate effective control over a legal person or arrangement*."
The same definition is adopted in the AMLC Registration and Reporting Guidelines (ARRG) and the SEC Beneficial Ownership Transparency Guidelines, making it the operative regulatory definition for all corporations in the Philippines.

Table I-12. Summary of BO Disclosure for FY 2023 Reporting Cycle

FY 2023	
Fully Participating Companies	**Partially Participating Companies**
1. Adnama Mining Resources Incorporated 2. Austral-Asia Link Mining Corporation 3. Cagdianao Mining Corporation 4. Carmen Copper Corporation 5. Carrascal Nickel Corporation 6. Century Peak Corporation 7. Citinickel Mines and Development Corporation 8. Concrete Aggregates Corporation 9. CTP Construction and Mining Corporation 10. Dolomite Mining Corporation 11. Eagle Cement Corporation 12. Eramen Minerals, Inc. 13. Hallmark Mining Corporation 14. Hardrock Aggregates, Inc. 15. Heirs of Elias E. Olegario / Elysee Industries, Inc. 16. Hinatuan Mining Corporation 17. Ibalong Resources and Development Corporation 18. Ipilan Nickel Corporation 19. JLR Construction and Aggregates, Inc. 20. Kafugan Mining, Inc. 21. LNL Archipelago Minerals, Inc. 22. Montalban Millex Aggregates Corporation 23. Northern Cement Corporation 24. Oceanagold (Philippines), Inc. 25. Philex Mining Corporation 26. Philsaga Mining Corporation 27. Platinum Group Metals Corporation 28. PNOC- EC 29. Prime Energy Resources Development B.V 30. Republic Cement & Building Materials, Inc. 31. Republic Cement Land and Resources, Inc. 32. Republic Cement Mindanao, Inc. 33. Rio Tuba Nickel Mining Corporation 34. Semirara Materials and Resources, Inc. 35. Sinosteel Phils. H.Y. Mining Corporation 36. Solid Earth Development Corp. 37. Solid North Development Corp. 38. SR Metals, Incorporated 39. Strongbuilt (Mining) Development Corporation 40. Taganito Mining Corporation 41. Techiron Resources, Inc. 42. UBS Marketing Corporation 43. Westernshore Nickel Corporation 44. Zambales Diversified Metals corporation	1. Bohol Limestone Corporation 2. Dinapigue Mining Corporation 3. Global Min-met Resources, Inc. 4. Lepanto Consolidated Mining Company 5. Marcventures Mining and Development 6. TVI Resource Development Philippines, Inc.

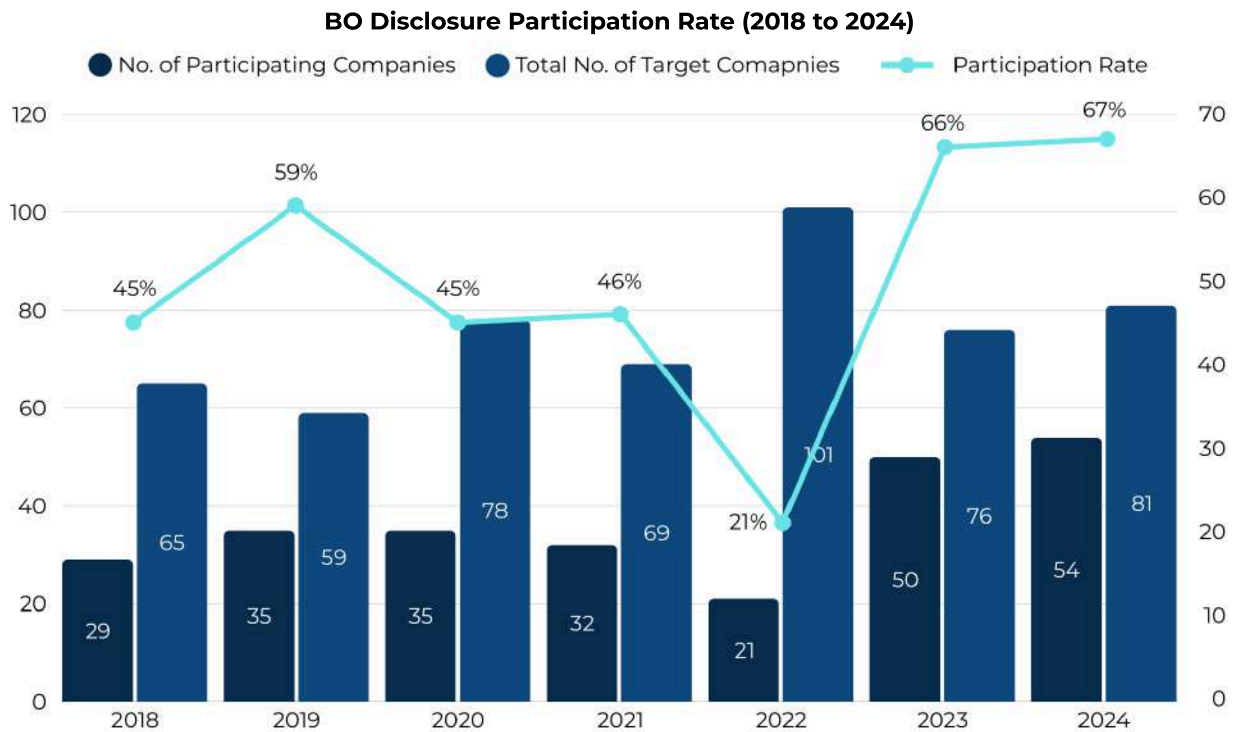
Table I-13. Summary of BO Disclosure for FY 2024 Reporting Cycle

FY 2024	
Fully Participating Companies	**Partially Participating Companies**
1. Austral-Asia Link Mining Corporation 2. Bohol Limestone Corporation 3. Cagdianao Mining Corporation 4. Carmen Copper Corporation 5. Carrascal Nickel Corporation 6. Century Peak Corporation 7. Citinickel Mines and Development Corporation 8. Concrete Aggregates Corporation 9. CTP Construction and Mining Corporation 10. Dinapigue Mining Corporation 11. Dolomite Mining Corporation 12. Eagle Cement Corporation 13. Eramen Minerals, Inc. 14. Hallmark Mining Corporation 15. Hardrock Aggregates, Inc. 16. Heirs of Elias E. Olegario / Elysee Industries, Inc. 17. Hinatuan Mining Corporation 18. Ibalong Resources and Development Corporation 19. Ipilan Nickel Corporation 20. JLR Construction and Aggregates, Inc. 21. Kafugan Mining, Inc. 22. LNL Archipelago Minerals, Inc. 23. Montalban Millex Aggregates Corporation 24. Northern Cement Corporation 25. Oceanagold (Philippines), Inc. 26. Oriental Vision Mining Philippines Corporation 27. Philex Mining Corporation 28. Philsaga Mining Corporation 29. Platinum Group Metals Corporation 30. PNOC- EC 31. Prime Energy Resources Development B.V 32. Republic Cement & Building Materials, Inc. 33. Republic Cement Land and Resources, Inc. 34. Republic Cement Mindanao, Inc. 35. Rio Tuba Nickel Mining Corporation 36. Semirara Materials and Resources, Inc. 37. Shangfil Mining and Trading Corporation 38. Sinosteel Phils. H.Y. Mining Corporation 39. Solid Earth Development Corp. 40. Solid North Development Corp. 41. SR Metals, Incorporated 42. Stagno Mining Corporation 43. Strongbuilt (Mining) Development Corporation 44. Taganito Mining Corporation 45. Techiron Resources, Inc. 46. UBS Marketing Corporation 47. Westernshore Nickel Corporation	1. AAM-Phil Natural Resources Exploration and Development Corporation 2. Global Min-met Resources, Inc. 3. Greenstone Resources Corporation 4. Lepanto Consolidated Mining Company 5. Marcventures Mining and Development 6. TVI Resource Development Philippines, Inc.

48. Zambales Diversified Metals corporation	

Taken together, the results of the 2023–2024 reporting period show a consistent willingness among extractive companies to participate in beneficial ownership transparency, but also highlight the need for stronger institutional support, clearer guidance, and more streamlined systems to achieve higher levels of complete compliance. As the Philippines moves toward a more systematic and legally grounded BO disclosure regime—supported by the SEC–DOF/PH-EITI Data Sharing Agreement and the new mandatory BO provisions under RA 12253—the foundation laid by these reporting years provides an important baseline for strengthening accuracy, completeness, and public accessibility of BO information in the extractives sector.

Figure I-16. Participation Trends



Participation in BO disclosure among extractive companies has fluctuated significantly from 2018 to 2024, reflecting changes in the regulatory environment, evolving expectations from PH-EITI, and the growing complexity of disclosure requirements. In 2018, participation began at 45 percent (29 of 65 companies) and rose sharply in 2019 to 59 percent (35 of 59 companies), the highest level prior to the 2023 rebound. This increase can be attributed to early awareness campaigns and institutional momentum generated by the introduction of BO reporting.

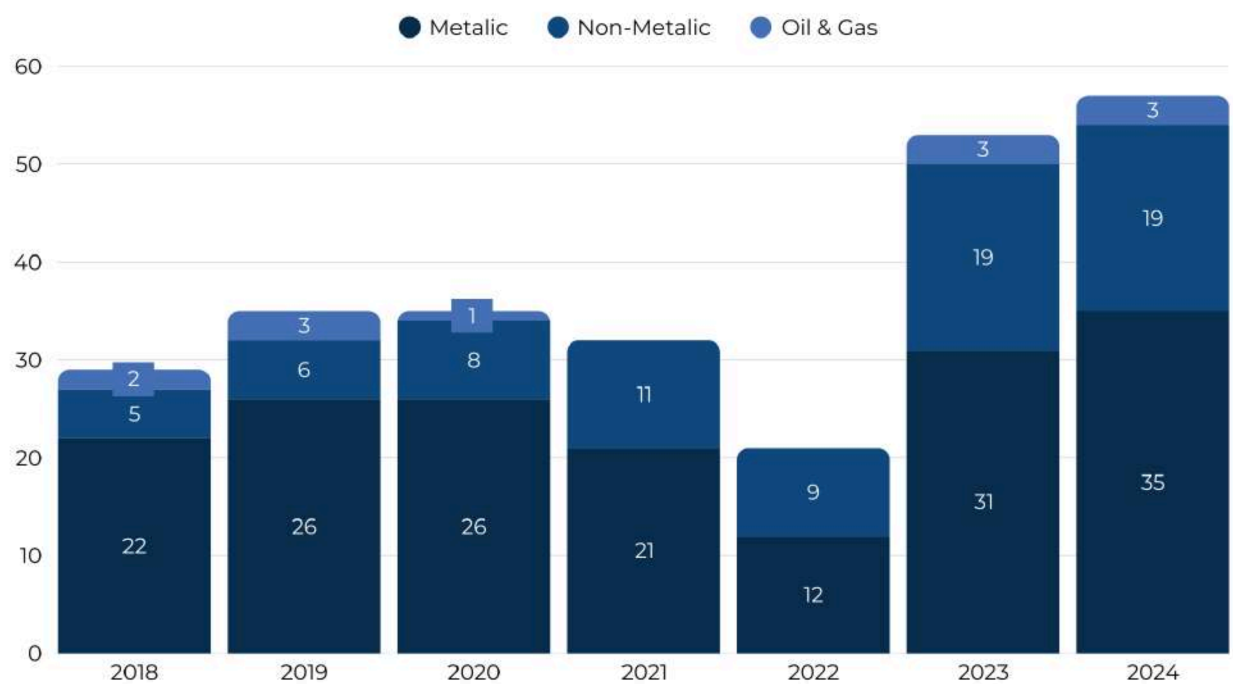
Participation dipped again in 2020, returning to 45 percent despite an increase in the number of target companies. The disruptions caused by the COVID-19 pandemic, combined with operational and logistical challenges, further constrained compliance. In 2021, participation remained almost unchanged at 46 percent (32 of 69 companies), reflecting the persistence of pandemic-related difficulties and the expanding scope of PH-EITI requirements.

The most dramatic decline occurred in 2022, when participation fell sharply to 21 percent (21 of 101 companies). The sudden expansion of the reporting universe diluted the overall participation ratio and revealed structural challenges among companies—particularly those unfamiliar with BO concepts or documentary requirements such as PEP declarations, waivers, and board certifications.

By 2023, however, participation rebounded significantly to 66 percent, with 50 of 76 companies submitting either full or partial BO disclosures. This recovery indicates improved company engagement, clearer reporting guidance, and more proactive outreach by PH-EITI. The upward trend continued into 2024, when participation increased further to 67 percent (54 of 81 companies).

Together, the 2023 and 2024 results show a notable stabilization at the mid-to-high 60 percent level, suggesting growing familiarity with BO obligations, stronger coordination across agencies and industry, and early signs that upcoming reforms—such as SEC–PH-EITI data sharing and preparations for systematic disclosure—are beginning to influence company behavior.

Figure I-17. Beneficial Ownership Disclosure Participation Per Sector



Sectoral participation trends provide deeper insight into how different extractive subsectors have engaged with BO disclosure from 2018 to 2024. Across all reporting years, metallic mining companies consistently account for the largest share of BO submissions, reflecting both the size of the sector and the regulatory emphasis placed on metallic mining. Participation in this subsector rose from 22 companies in 2018 to 35 companies in 2024, with a notable recovery after the sharp dip in 2022.

Participation among non-metallic mining companies has also shown steady improvement. From 5 participating companies in 2018, the number increased gradually to 11 in 2021, dipped slightly to 9 in 2022, and then rose significantly to 19 companies in both 2023 and 2024. This pattern indicates expanding awareness and compliance within the non-metallic subsector as reporting expectations became clearer.

The oil and gas sector remains the smallest contributor to BO reporting, with a defined target of three companies expected to report. Participation has fluctuated between one and three companies over the period, with no submissions recorded in 2021 and 2022, followed by full participation of all three target companies in both 2023 and 2024. Although the absolute numbers remain low, the attainment of the sector's reporting target in recent years indicates improved compliance and growing alignment with BO transparency requirements.

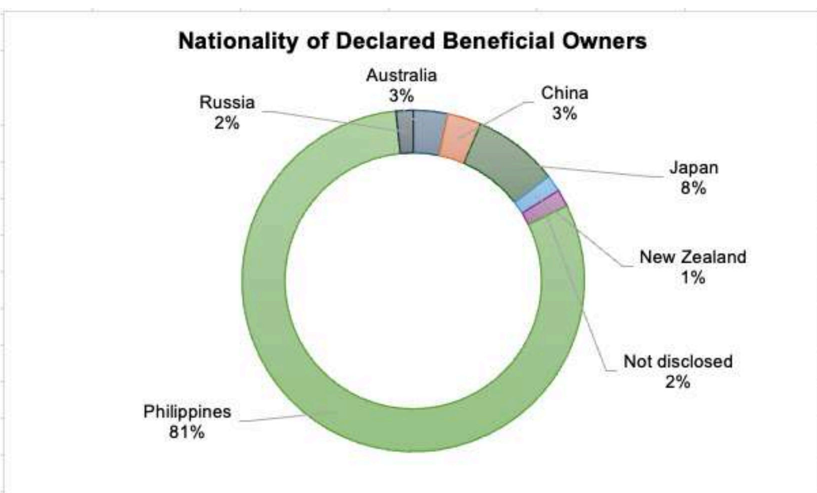
Taken together, the sectoral trends from 2018 to 2024 illustrate a sector in transition—moving from early adoption and uneven engagement to broader participation and greater consistency. The 2022 decline reflects the strain of a rapidly expanded reporting universe, but the strong rebound in 2023–2024 points to clearer guidance, improved industry engagement, and growing institutional emphasis on BO transparency. These patterns indicate building momentum toward more systematic and comprehensive disclosure across all subsectors as the Philippines prepares for deeper policy and regulatory reforms.

Profile of Beneficial Owners

The declared beneficial owners of participating extractive companies represent a predominantly Filipino profile, reflecting the legal and regulatory framework governing nationality requirements in the mining sector. Under the Philippine Constitution and the Mining Act, corporations engaged in mineral exploration and development through a Mineral Production Sharing Agreement (MPSA) must be at least 60 percent Filipino-owned, with foreign equity capped at 40 percent. Only companies operating under Financial or Technical Assistance Agreements (FTAAs) may exceed this threshold.

Based on the BO submissions for 2023–2024, 50 companies identified Filipino nationals as their beneficial owners, indicating that ultimate ownership and control within the reporting universe remain largely domestic. A smaller number disclosed foreign beneficial owners—five Japanese nationals, two Australians, two Chinese, and one each from New Zealand and Russia—while one company did not report the nationality of its BO

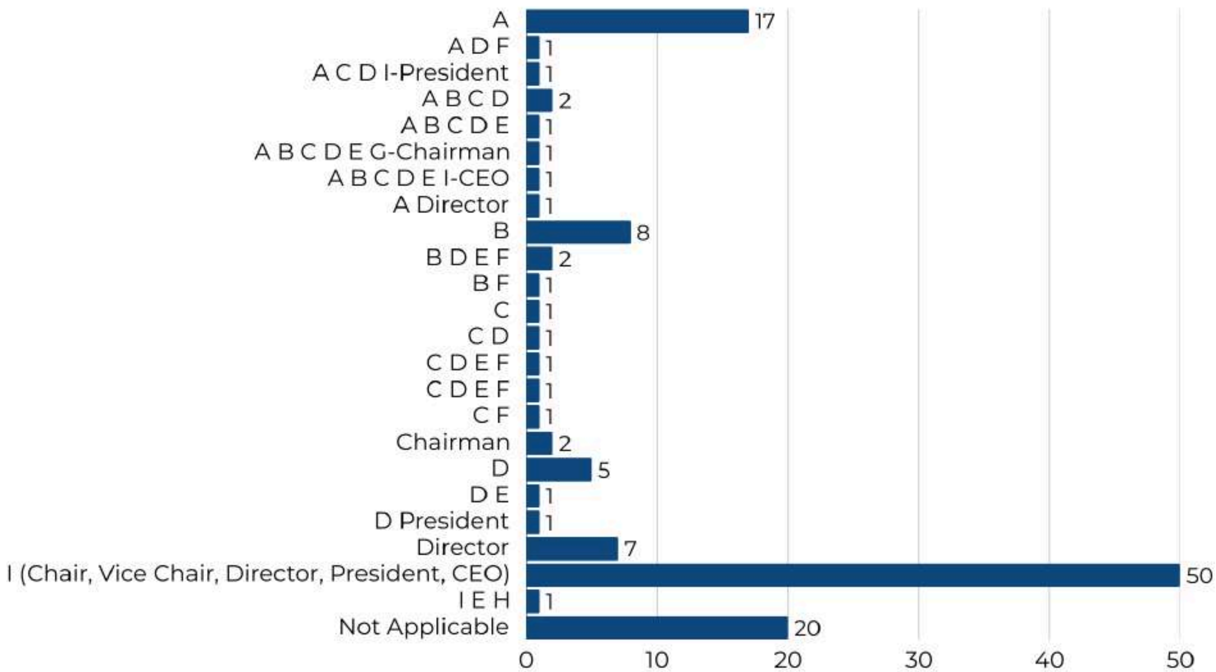
Figure I-18. Nationality of Declared Beneficial Owners



Taken together, this distribution is broadly consistent with the nationality limitations applicable to MPSA holders, although it does not, by itself, constitute definitive proof of compliance. BO declarations provide insight into the natural persons who exercise ultimate ownership or control, but full verification of nationality compliance requires alignment with SEC records, contract type (MPSA versus FTAA), and other relevant regulatory filings. Nevertheless, the available BO data does not indicate widespread deviations from the foreign-equity restrictions embedded in Philippine law, and the predominantly Filipino BO profile suggests general conformity with constitutional and statutory ownership requirements among reporting companies.

The distribution of beneficial owners across the declared categories provides important insight into how ownership and control are structured within extractive companies. These category labels (A, B, C, D, etc.) originate from SEC-prescribed beneficial ownership classifications, which companies are required to use when determining how an individual qualifies as a beneficial owner. Although they are not standardized EITI codes, their application in the extractive sector illustrates the different bases on which individuals meet the BO threshold—whether through direct or indirect ownership, voting rights, the ability to appoint or remove directors, managerial control, or other forms of significant influence. (The categories are described in detail in Annex X.)

Figure I-19. Category of Beneficial Owner (2023 and 2024)



The data show a strong concentration of beneficial ownership declarations under Category I, with 50 companies identifying beneficial owners primarily through formal positions such as Chair, Vice Chair, Director, President, or CEO. This suggests that, for the majority of reporting companies, beneficial ownership is closely aligned with senior governance or executive roles.

In these cases, control is exercised not only through equity but also through positional authority, reflecting governance structures where decision-making power and economic benefit are vested in individuals occupying key leadership roles. This pattern is consistent with founder-led firms, closely held corporations, or long-established extractive companies where ownership and management remain closely intertwined.

Beyond Category I, a significant number of companies reported beneficial owners under Category A (17 companies), corresponding to individuals holding direct share ownership at or above the reporting threshold. These cases represent more conventional ownership structures, where beneficial ownership can be readily established through equity stakes alone. Such disclosures suggest relatively transparent and straightforward ownership arrangements, with clear lines of economic interest and control.

Several companies reported combinations of categories—including A-B-C-D, A-B-C-D-E, A-C-D-I, and other multi-category permutations—each appearing in one or two cases. These combinations indicate more complex ownership and control arrangements, where beneficial owners qualify through multiple bases simultaneously. For example, an individual may combine direct shareholding (A) with voting or appointment powers (B), managerial or contractual influence (C or D), and a formal leadership position (I). Such disclosures highlight hybrid structures in which ownership, control, and influence overlap, and where beneficial ownership cannot be attributed to a single criterion.

Categories B, C, D, E, F, G, and H, whether reported individually or in combination, appear in relatively few cases, often involving one to eight companies per category. Their limited frequency suggests that indirect ownership, contractual influence, or other non-equity-based control mechanisms are less common but still present within the sector. These cases may reflect more complex arrangements involving intermediary entities, shared control among multiple individuals, or governance models that distribute influence across several dimensions rather than concentrating it in majority ownership.

The data also show explicit reporting of positions such as Director (7 cases) and Chairman (2 cases) outside of the broader Category I grouping, reinforcing the observation that formal governance roles are frequently used as the basis for identifying beneficial owners. This underscores the importance of positional control in the extractive sector, particularly where shareholding information alone may not fully capture who ultimately exercises influence over corporate decisions.

Finally, 20 companies were recorded as "Not Applicable", indicating instances where no individual met the beneficial ownership criteria or where ownership structures did not trigger reporting thresholds under the applicable definitions. These cases warrant closer review, as they may reflect genuinely dispersed ownership, state ownership, or potential gaps in understanding or applying the BO definitions.

Overall, the distribution of categories reveals a sector dominated by relatively clear control structures anchored in senior leadership roles, alongside a smaller but important subset of companies with more complex, multi-layered ownership and influence arrangements. This diversity underscores the need for BO disclosure frameworks that can capture both straightforward equity-based ownership and more nuanced forms of control exercised through governance positions or contractual influence

Politically Exposed Persons (PEPs)

Under EITI guidance, a Politically Exposed Person (PEP) is defined as an individual who is or has been entrusted with a prominent public function, either domestically or by a foreign government, or who holds a senior role in an international organization. This includes heads of state, senior politicians, senior government officials, members of parliament, senior executives of state-owned enterprises, and other individuals with significant public authority. EITI also emphasizes that family members and close associates of PEPs may pose similar integrity risks. In line with EITI Requirement 2.5.f.ii, the MSG is required to adopt and publish its own definition of a PEP, ensuring that the national BO reporting framework applies a clear, context-appropriate standard for identifying politically exposed beneficial owners.

Two Politically Exposed Persons (PEPs) were declared among the beneficial owners reported for the period, identified by Citinickel Mines and Development Corporation and PNOC–Exploration Corporation (PNOC-EC). In both cases, the companies disclosed beneficial owners who currently occupy, or have recently occupied, public positions that fall within the EITI definition of a PEP. While the presence of a PEP as a beneficial owner is not prohibited, disclosure is required to promote transparency and to help identify situations where public functions and private interests may intersect.

Declaring PEPs is critical because individuals with high-level public influence are inherently exposed to risks such as conflicts of interest, undue influence, or opportunities for corruption. Transparent reporting enables regulators, oversight bodies, civil society, and the public to understand where public decision-making authority may overlap with private sector benefit and to assess whether appropriate safeguards are in place.

The limited number of PEP declarations—only two across all reporting companies—highlights the importance of continued monitoring and underscores how BO disclosure supports governance risk assessment within the extractive industries.

Compliance Challenges

Despite steady institutional progress and increasing policy support for BO transparency, numerous persistent challenges remain that impede comprehensive disclosure throughout the extractive sector. These challenges encompass regulatory, operational, political, and societal aspects, collectively restricting the capacity of PH-EITI and relevant agencies to acquire, validate, and disseminate comprehensive BO information. Understanding these challenges is essential, as they expose the systemic obstacles that hinder effective transparency, undermine accountability mechanisms, and limit the Philippines' capacity to fulfill both EITI and FATF standards. The succeeding discussions provide the most significant compliance challenges that shaped the 2023–2024 reporting cycle and will continue to influence BO reforms moving forward.

- **Constraints from Data Privacy Regulations.** The guidance provided by the National Privacy Commission (NPC) substantially influences the scope of data that PH-EITI may collect, retain, and disclose concerning beneficial proprietors. Although the primary aim is to protect individual privacy and prevent the misuse of sensitive personal information, these restrictions also impose practical limitations on the depth and granularity of BO data. PH-EITI is authorized to collect only a limited set of fields—name, nationality, country of residence, ownership percentage, classification or category of ownership, and PEP status. This indicates that supplementary information typically employed in international BO verification—such as identification numbers, addresses, dates of birth, and documentation demonstrating control—cannot be recorded.

  The absence of these data points complicates the tracing of ownership chains, particularly in cases involving layered corporate structures, offshore entities, or nominee arrangements. It also reduces PH-EITI's ability to detect red flags, such as circular ownership, intermediary arrangements, or beneficial owners linked to politically exposed persons. In effect, privacy protections, while important, limit the completeness, accuracy, and usability of BO data for transparency and accountability purposes.

- **Voluntary Consent System Undermines Transparency.** A critical weakness in the current BO framework is the reliance on voluntary consent for publication. Companies may submit BO information to PH-EITI as part of the reporting procedure but reserve the right to withhold consent for public disclosure of that information. Consequently, even when BO data is available, it may not be reflected in the publicly accessible BO Registry, thereby diminishing the transparency of the system and limiting the public's capacity to scrutinize ownership structures.

  This creates a fragmented landscape: some beneficial owners are disclosed publicly, while others remain hidden, even if their companies are operating on public resources. The voluntary consent system also produces inconsistent disclosure levels between companies and across reporting cycles. Moreover, companies that may have politically exposed owners, complex ownership structures, or connections to high-risk jurisdictions have incentives to restrict publication, undermining the spirit of EITI Requirement 2.5. Until BO disclosure is mandated by law rather than based on voluntary consent, transparency will remain partial and uneven.

- **Lack of Verification Mechanisms.** PH-EITI currently lacks the legal authority and technical tools to independently verify the accuracy of BO submissions. The present system relies almost entirely on notarized affidavits, board resolutions, secretary's certificates, and company declarations submitted through the ORE tool. While notarization provides a formal legal layer, it does not fully protect against incomplete, inaccurate, or intentionally misleading information.

  Verification is further constrained by the absence of automatic data-sharing channels with the SEC—pending the implementation of the DSA —and by the fact that SEC itself conducts verification only on a risk-based or case-specific basis. These gaps create vulnerability points where inaccuracies can enter and persist in the BO Registry. Without systematic cross-checking, PH-EITI cannot identify discrepancies between corporate filings, SEC records, publicly available disclosures, and international databases. Strengthening verification through automated checks and inter-agency data flows remains critical for future reforms.

- **Political Barriers and Limited Incentives.** Political economy dynamics play a substantial role in the slow progress of BO reforms. As highlighted in stakeholder analyses, many political actors may have little incentive to advance BO legislation or implement stringent disclosure requirements, especially when such reforms could expose their own private interests, business relationships, or links to extractive companies. This self-protective tendency constrains executive leadership and limits the scope of reform initiatives.

Moreover, BO transparency intersects with politically sensitive issues—foreign equity, procurement integrity, national security risks, and anti-corruption measures—making legislative consensus difficult to achieve. Without strong political incentives or public pressure, policy reforms risk stalling at the executive or regulatory level. This dynamic underlines the need for broader societal engagement and coalition-building to ensure political actors see BO reforms as aligned with national interest, governance improvement, and FATF compliance.

- **Public Awareness Gaps.** A persistent, cross-cutting barrier is the low level of public understanding of what beneficial ownership is and why it matters. For many stakeholders—including local communities, civil society groups outside the transparency sector, and even some government actors—the concept remains technical and abstract. Without clear public demand, BO transparency struggles to gain political traction or become a mainstream governance priority.

  Limited public literacy also reduces the ability of communities and civil society organizations to use BO data effectively—to identify conflicts of interest, monitor politically exposed owners, or challenge questionable ownership structures behind mining, oil, or gas operations. Strengthening public awareness through targeted communication campaigns, media engagement, and capacity-building initiatives is essential for creating the kind of bottom-up pressure that drives long-term reform.

Strengthening Beneficial Ownership Transparency: From Disclosure to Real-World Impact

Recent reforms—including the SEC–DOF Data Sharing Agreement, the introduction of mandatory BO reporting under RA 12253, continued improvements in PH-EITI digital systems, and more active engagement from civil society and local governments—have created a timely opportunity to strengthen BO transparency in ways that improve accountability and inclusive participation in extractive governance. These developments mark a shift from treating BO disclosure as a purely technical reporting requirement toward using ownership information as a practical tool for oversight, public scrutiny, and informed participation by communities and stakeholders affected by extractive activities.

International experience shows that BO systems deliver the greatest public value when they are accessible and easy to understand, regularly reviewed and verified, and clearly linked to real government decisions such as licensing, contract renewals, compliance monitoring, and enforcement actions. When BO data is not only collected but actively used and openly communicated, it helps deter hidden ownership, conflicts of interest, and illicit financial flows, while also enabling civil society, local governments, and communities to engage more meaningfully in extractive governance and accountability processes.

Building on these developments, the following recommendations outline practical steps to enhance the effectiveness of beneficial ownership transparency in the extractives sector. They focus on ensuring that BO information is not only disclosed, but verified, understood, and used—by government agencies, oversight institutions, civil society, and local communities—to improve decision-making, reduce governance risks, and promote more inclusive and accountable extractive governance. Drawing on international experience and local realities, the recommendations emphasize simple, workable actions that can be implemented progressively and sustained over time.

1. **Make BO Disclosure Systematic and Meaningful**

   Mandatory and regular disclosure is the foundation of an effective BO system. When reporting is voluntary or irregular, information is often incomplete or quickly becomes outdated. This makes it difficult for regulators, oversight bodies, and the public to rely on BO data when making decisions or monitoring risks. As a result, ownership information may be collected, but its practical value for accountability remains limited.

   In contrast, countries with mandatory BO disclosure are able to use ownership information more actively. In the United Kingdom, for example, authorities and watchdogs can look at company filings over time and spot patterns that may raise concern—such as sudden changes in ownership or the repeated use of shell companies. These patterns act as early warning signs, helping identify cases that may require closer review or follow-up, even before more serious problems emerge.

Recommended Actions:
A clear and consistent disclosure system strengthens both compliance and early risk identification.

- Institutionalize automatic data sharing between the SEC and PH-EITI to ensure BO information is complete, current, and consistent.
- For MGB/DENR to require verified BO information before extractive licenses are approved, transferred, or renewed.
- Establish clear deadlines and proportionate penalties for late, false, or incomplete reporting.
- Gradually extend BO disclosure requirements beyond metallic mining to other high-risk sectors.
- Introduce basic risk-screening at the point of disclosure, allowing authorities to identify higher-risk submissions for follow-up.

2. Strengthen Verification and Focus on Risk

Verification is often the weakest part of beneficial ownership (BO) reporting. While companies may submit the required information, it is not always systematically reviewed, cross-checked, or followed up. As a result, inaccurate, incomplete, or misleading ownership data can remain on record, limiting the ability of authorities to detect risks, resolve inconsistencies, or take timely action. Without effective verification, BO disclosure risks becoming a formality rather than a meaningful accountability tool.

Some countries have addressed this gap by linking BO data with other government systems. In Ukraine**,** BO information is routinely cross-checked against procurement records and asset declarations, making it easier to identify connections to politically exposed persons and potential conflicts of interest. In Indonesia, authorities apply simple risk indicators—such as complex ownership chains or frequent changes in control—to determine which companies require closer scrutiny. These approaches show how targeted verification can help focus attention on higher-risk cases without overburdening regulators.

Recommended Actions:

A risk-based approach ensures verification efforts focus on cases with the greatest governance concern.
- Routinely cross-check BO data with SEC filings, licensing records, and sectoral databases.
- Prioritize review of ownership structures that are unusually complex, frequently changing, or difficult to trace.
- Develop and apply a clear set of BO red flags—such as nominee arrangements, circular ownership, undisclosed PEPs, or recurring discrepancies—to guide verification and enforcement.
- Clarify roles and follow-up actions when red flags are identified, including coordination with AMLC and procurement oversight bodies.

3. Improve Digital Systems to Support Analysis and Oversight

BO registries are most effective when they do more than store information and instead help users see patterns and changes over time. A registry that only holds static records has limited value for oversight, as it does not easily reveal how ownership evolves or where potential risks may be emerging. When BO data can be viewed dynamically, it becomes a tool for monitoring behavior rather than simply documenting compliance.

In the United Kingdom and several European Union countries, digital BO systems allow users to track changes in ownership across reporting periods and link companies through shared owners or intermediaries. These systems make it easier to spot unusual or repeated behavior—such as such as frequent or unexplained changes in ownership**,** the repeated appearance of the same individuals across multiple companies**,** sudden transfers of control just before licenses or contracts are approved, or ownership structures that become more complex over time without a clear business rationale**.**

Recommended Actions:

Better digital tools make it easier to spot potential risks and respond in a timely manner.

- Upgrade the BO Registry to clearly display ownership histories and changes.
- Introduce simple alerts for significant ownership changes, nationality issues, or PEP involvement to support risk review.
- Improve interoperability between BO data and other relevant government systems.

4. Expand the Role of Local Governments, Communities, and Civil Society

Local actors—such as community leaders, civil society organizations, journalists, and local government officials—often have firsthand knowledge of who actually controls extractive companies operating in their areas. This on-the-ground perspective complements formal government oversight by providing context that may not be visible in national-level records or corporate filings. When local knowledge is combined with BO data, it can help validate information, surface inconsistencies, and raise early questions about ownership and control.

In Nigeria and Ghana, civil society groups and local stakeholders have actively used BO data to question discrepancies between declared ownership and local realities—for example, when individuals known locally to exercise influence do not appear in official filings. By bringing these issues to public attention and engaging regulators, local actors have helped strengthen accountability, improve the credibility of BO disclosures, and ensure that ownership transparency responds to conditions on the ground rather than remaining a purely technical exercise.

Recommended Actions:

Local engagement grounds BO transparency in real-world conditions and lived experience.

- Integrate BO checks into local government processes such as permitting, monitoring, and community consultations.
- Develop simple tools and guidance to help communities and CSOs understand ownership information.
- Support training for media, researchers, and civil society on responsible use of BO data.
- Provide clear channels for communities to raise concerns when declared ownership appears inaccurate

5. Strengthen the Legal Framework

Countries with effective BO systems rely on clear, consistent, and well-defined legal rules. A strong legal framework provides certainty for companies on what information must be reported, when updates are required, and how disclosures will be reviewed and used. It also gives regulators and oversight bodies the authority to verify information, address inconsistencies, and take action when reporting obligations are not met. Without this clarity, BO systems risk uneven implementation and weak enforcement.

In the European Union and Ukraine**,** legislation clearly sets out reporting requirements, update obligations, verification responsibilities, and rules for public-interest disclosure. This legal clarity helps ensure that BO information remains accurate and up to date, supports consistent verification across agencies, and balances transparency with data-protection considerations. As a result, BO systems are more predictable, credible, and resilient over time.

Recommended Actions:

Legal clarity ensures consistency and long-term sustainability.

- Build on existing laws toward a comprehensive BO framework covering all high-risk sectors.

- Clearly define reporting requirements, update triggers, and verification responsibilities.
- Clarify how BO data may be shared in the public interest while respecting data-privacy safeguards.
- Standardize the definition and treatment of politically exposed persons across all implementing rules.

6. **Demonstrate that BO Data is Actively Used**

   Transparency is most effective when stakeholders can see that disclosed information actually influences decisions and leads to concrete action. When ownership data is collected but not visibly used, public confidence in transparency reforms can weaken and incentives for accurate reporting diminish. Demonstrating how information is applied in practice helps reinforce the credibility and purpose of disclosure systems.

   In the United Kingdom**,** the European Union**,** Ukraine**,** and Indonesia, governments have taken steps to show how BO information informs real decisions. This includes publishing summaries, analyses, and case examples that illustrate how BO data has been used in licensing reviews, compliance monitoring, and enforcement actions. Making these linkages visible helps deter non-compliance, encourages more accurate reporting, and enables civil society and communities to better understand how transparency contributes to accountability and good governance.

   Recommended Actions:

   Visible use reinforces the credibility and public value of BO transparency.
   - Publish regular summaries highlighting common ownership patterns and key risk areas.
   - Share examples where BO data informed licensing, monitoring, or corrective action.
   - Publicize non-compliance outcomes to reinforce incentives for accurate reporting.
   - Link BO insights with other transparency efforts such as contract disclosure and revenue reporting.

In summary, international experience shows that beneficial ownership transparency is most effective when it is mandatory, verified, supported by targeted risk identification, easy to understand, and visibly used. Applying these principles will help ensure that BO reforms contribute meaningfully to integrity, accountability, and inclusive governance in the extractives sector.

Looking Ahead: A More Transparent Extractive Sector

Looking ahead, the convergence of recent policy reforms and ongoing institutional improvements places the Philippines at the threshold of a fundamentally stronger BO transparency regime for the extractives sector. The challenge—and opportunity—in the coming years is to ensure that these reforms translate into durable practice, institutional coherence, and sustained public value.

The next phase of BO transparency will require coordinated implementation, stronger inter-agency alignment, and clear operational standards so that BO data becomes consistently used in regulatory, fiscal, and environmental decision-making. It will also require continued capacity-building across national and local institutions to ensure that BO information is not only collected but meaningfully applied—whether in validating ownership structures, scrutinizing changes in control, or supporting risk assessments in licensing and compliance monitoring.

Equally important is the need to maintain and deepen public engagement. As BO systems mature and more data becomes available, communities, civil society organizations, and local governments will play a vital role in interpreting information, monitoring extractive operations, and contributing to greater accountability. Their participation will help ensure that transparency reforms lead to tangible improvements in how natural resources are governed and how their benefits flow to the public.

Ultimately, the direction is clear: beneficial ownership transparency in the extractives sector is moving toward being more systematic, more reliable, and more integral to good governance. Sustained commitment—across government, industry, and civil society—will be essential to realize the full promise of these reforms. If carried forward with consistency and collective effort, the initiatives underway today can lay the foundation for a more transparent, accountable, and equitable extractive sector that better serves the interests of the Filipino people.

SECTION IV: RESPONSIBLE AND TRANSPARENT SMALL-SCALE MINING IN THE PHILIPPINES: INITIATIVES AND INTEGRATION EFFORTS

Overview of Small-scale Mining (SSM)

Small-scale mining (SSM) in the Philippines is governed primarily by the People's Small-Scale Mining Act of 1991 (RA 7076) and the Philippine Mining Act of 1995 (RA 7942), which distinguish "people's small-scale mining areas" (minahang bayan) from large-scale operations and prescribe simplified extraction methods, lower production ceilings, and community-based contracts.[92] RA 7076 requires that designated minahang bayan be reserved for Filipino small-scale miners operating with relatively simple technologies and limited capital.[93]

Recent studies note that there is no official count of active small-scale mining operations, but emphasizes that SSM remains widespread across the archipelago and is often informal, using narrow tunnels ("pocket mining"), panning, small mills, and re-processing of tailings. The same study highlights that small-scale gold mining is estimated to account for 70% of total gold production in the country, yet its economic contribution is poorly captured in official accounts due to informality and weak monitoring.[94] While the 70 % figure is widely cited in news and studies, there is no official government census or production statistics disaggregating small-scale from large-scale output because much of the sectors operate informally.

The planetGOLD Philippines estimates about 500,000 miners work in ASGM across over 40 of the country's 81 provinces, with most activities focused on gold and many operations still outside formal minahang bayan areas. These operations typically involve family labor and precarious working conditions, and are concentrated in mineralized upland municipalities in the Cordillera, Bicol, Eastern Visayas, and Mindanao.

Production Data

Official DENR–MGB statistics publish aggregate metallic mineral production but do not consistently disaggregate output by formal SSM and large-scale mines. This makes it difficult to quantify the exact volume of SSM production for 2023–2024. The one category that potentially reflects SSM activity is "Gold sold to BSP", yet even this category is not an SSM-specific variable. The BSP buys gold from both large-scale producers and small-scale miners and from traders who consolidate production. For example, according to the publicly available data from Mines and Geosciences Bureau (industry statistics) gold sold to BSP contributed ₱22.8 billion to total mining production value in 2022 and rose to ₱30.8 billion in 2023; preliminary data show ₱37.0 billion in 2024 and ₱25.4 billion in the first half of 2025. These figures appear alongside larger components such as large-scale metallic mining, which accounted for ₱214.9 billion in 2022 and ₱218.9 billion in 2023, demonstrating that the BSP-purchased gold is only a minor share of overall mining output. Because the BSP-purchased gold pool includes deliveries from large mines and dealers, it cannot be used as a proxy for SSM production.

[92] Republic Act No. 7942, "Philippine Mining Act of 1995

[93] Republic Act No. 7076, "People's Small-Scale Mining Act of 1991

[94] J.P.T. Domingo et al., "Sustainable mining in tropical, biodiverse landscapes: Environmental challenges and opportunities in the archipelagic Philippines (2024)

Field research and policy reports indicate that only a small fraction of SSM output is sold to the BSP. A 2022 study by PJ Lhuillier Inc. (PJLI) study, cited in a 2023 policy story carried by PIDS, estimated that out of US$3.9 billion worth of gold produced in 2021, about US$2.7 billion came from small-scale mining, but only US$27 million (around 1%) was sold legally to the BSP. This implies that the overwhelming majority of SSM gold never enters the formal BSP channel.[95]

The same article noted that MGB records showed 53 approved minahang bayan applications with 224 more under processing as of 2022, a small number relative to the estimated half-million ASGM miners. A DENR presentation by Tuddao (2025) on the status of the Philippine mining and quarrying industry reported 58 declared minahang bayan (small-scale mining) as of 30 June 2024.[96], confirming that the pace of formalization remains slow.

The planetGOLD project also reports that ASGM is practiced in more than thirty provinces and employs hundreds of thousands of miners. These figures explain why gold sold to the BSP captures only part of SSM output: miners often prefer the black market due to convenience and avoid the BSP's procedures and fees. Consequently, the majority of SSM production is unrecorded in official statistics and does not enter the BSP channel.[97]

BSP Gold Purchases and SSM (2023–2024)

RA 7076 requires that gold produced by small-scale miners be sold to the Bangko Sentral ng Pilipinas (BSP), while RA 11256 (2019) reinstated tax incentives for the sale of SSM gold to the BSP to encourage formal reporting. BSP's Responsible Gold Sourcing Policy (2022) clarifies that the BSP may transact with "small-scale miners, gold-panners, accredited traders and/or sellers, and large-scale mining companies" as gold-supplying counterparties, and sets out due-diligence requirements for these transactions.[98]

Available BSP data for 2023–2024 show trends in total gold purchases, but not a clean breakdown by SSM vs. large-scale sources. BSP's 2023 annual report for the layman states that the BSP purchased 298,203.4 troy ounces of gold in 2023, about 26% higher than in 2022, reflecting stronger domestic gold inflows after the tax-incentive reforms.[99] Despite this rebound, the PJLI study indicates that, at least in 2021, only around 1% of SSM-produced gold was sold legally to the BSP, with the remainder flowing through the informal market, suggesting that overall BSP purchases remain dominated by large-scale and trader-intermediated supply.

The same PIDS article notes that there are only five BSP gold-buying stations (Quezon City/Security Plant Complex; Baguio/North Luzon; one each for Bicol, Davao, and Zamboanga), which limits direct access for many SSM communities.

In 2019 the Bangko Sentral ng Pilipinas started accrediting individuals and associations as gold buyers and removed the 4 % excise and 1 % withholding taxes on sales. Early in 2024 Cebuana Lhuillier became one of the first accredited pawnshop buyers and by September 2024 there were only two active pilot

---

[95] Sherwin De Vera, "Despite formalization, small-scale gold miners still prefer black market," *Rappler*, 9 October 2023, re-posted under "In the News" on the Philippine Institute for Development Studies (PIDS) website (cites MGB data, PJLI 2022 study, number of BSP buying stations, and estimated 500,000 SSM miners).
[96] Vicente B. Tuddao Jr., "The Philippine Mining and Quarrying Industry: Mitigation and Regulatory Framework to Address Water Pollution, Challenges and Opportunities," presentation at the 21st WEPA Annual Meeting, Putrajaya, 8 September 2025, slide 3 (reports 58 declared minahang bayan as of 30 June 2024)
[97] Artisanal and small-scale gold mining boosts rural programs and infrastructure development in the Philippines
[98] Bangko Sentral ng Pilipinas, "Responsible Gold Sourcing Policy," 30 September 2022
[99] Bangko Sentral ng Pilipinas, Within Reach: 2023 Annual Report for the Layman (Manila: BSP, 2024), section on gold purchases (reports 298,203.4 troy oz of gold purchased in 2023, a 26% increase from 2022)

sites, in T'boli and Paracale, with a third in Itogon set to open and a mobile station planned for Sagada.[100]

The objective is to reduce travel time and transaction costs for miners who previously had to travel hours to a BSP office and to sell gold through accredited pawnshop branches without processing fees and with full cash payment. This model is intended to reduce transaction costs and competition from the black market.[101] Public data on the volumes purchased through Cebuana, however, remain extremely limited. In Paracale, the teller reported buying only 8–10 grams of gold in the first week of operations[102], a tiny quantity relative to total small-scale output. The programme is still confined to a handful of branches, whereas there are more than 40 provinces with artisanal gold mining and over 3,500 pawnshop outlets nationwide.

Given these facts, it is premature to conclude that the BSP's memorandum of agreement with Cebuana has solved the problem of miners choosing the black market. The pilot does reduce some barriers, miners can receive immediate cash payment at accredited pawnshops without processing fees, but it currently covers only a few locations and purchases remain modest.

Interviews with miners still highlight convenience and quick payment as reasons for preferring informal buyers. Therefore, while the partnership is a promising step toward formalizing small-scale gold sales, it is not yet sufficient and broader expansion and transparent reporting on purchased volumes will be needed to assess its effectiveness.[103]

Key Challenges in Small-scale Mining

(a) Formalisation and legal barriers

SSM remains largely informal despite RA 7076, and that it has been impossible to constrain all small-scale mining activities within declared people's small-scale mining areas. Weak enforcement, limited capacity of local governments, and complex permitting processes mean many operations continue without formal permits (Domingo et al. 2024).

Studies on artisanal and small-scale mining (ASGM/SSM) widely positions formalization as a core strategy for improving governance, reducing environmental harm, and integrating miners into formal markets. However, empirical findings across the Philippines, Latin America, and Sub-Saharan Africa show that the impacts of formalization vary dramatically. Rather than delivering uniform benefits, formalization often produces uneven, fragmented, and sometimes contradictory outcomes.

In the Philippines, Robles (2022) presents one of the most detailed analyses of these contradictions. The study demonstrates that formalization does not automatically translate into safer working conditions, environmental improvements, or better market access. Many miners face administrative burdens, unclear permitting procedures, and capital requirements that exclude them from the formal system. As a result, formalization can unintentionally reinforce inequalities by favoring those with political connections or financial resources. Robles argues that formalization should not be understood as a

[100] Planet Gold's Could pawn shops be a missing link in the Philippine small-scale gold supply chain?
[101] Sherwin De Vera, "Despite formalization, small-scale gold miners still prefer black market," *Rappler*, 9 October 2023, re-posted under "In the News" on the Philippine Institute for Development Studies (PIDS) website (cites MGB data, PJLI 2022 study, number of BSP buying stations, and estimated 500,000 SSM miners)
[102] Planet Gold's Could pawn shops be a missing link in the Philippine small-scale gold supply chain?
[103] Sherwin De Vera, "Despite formalization, small-scale gold miners still prefer black market," *Rappler*, 9 October 2023, re-posted under "In the News" on the Philippine Institute for Development Studies (PIDS) website (cites MGB data, PJLI 2022 study, number of BSP buying stations, and estimated 500,000 SSM miners).

simple shift from “illegal to legal” but as a negotiated and uneven process shaped by local political economies.[104]

This finding aligns with Verbrugge and Besmanos’ comparative work (2016), they note that many formalization policies fail because they are top-down and overly rigid, designed without considering the economic realities of small miners. In several countries, miners remain informal not due to resistance but because formal pathways are costly, lengthy, or incompatible with local customary practices. Compliance, therefore, becomes aspirational rather than achievable.[105]

Complementary insights emerge from Peru and Sub-Saharan Africa. Salas-Urviola (2021) study argues that legalization is insufficient unless governments build a full “support ecosystem” for miners, access to credit, fair pricing systems, technical upgrades, and simpler requirements.[106]

These international examples reinforce that legal status is not the same as actual compliance or transformation.

(b) Environmental and occupational risks

Domingo et al. (2024) and the WEPA presentation highlight severe water-quality and health impacts from both large-scale and small-scale gold mining. In SSM areas (e.g. Paracale, Jose Panganiban), small mines commonly use mercury and cyanide in ore processing, with untreated tailings and wastewater discharged directly into rivers and creeks, resulting in elevated mercury concentrations in sediments and water and long-term ecological and health risks.[107]

These practices are reinforced by limited access to mercury-free technologies and the high cost of proper tailings storage and rehabilitation. Similarly, Siegel & Veiga (2018) warn that formalization without mercury-free technology support simply legalizes hazardous practices.[108]

(c) Market access, informality, and black-market leakage

The PIDS article documents miners’ preference for black-market buyers who pay in cash on the spot, cover transaction costs (e.g. crucibles), and require minimal documentation. Miners report that BSP sales can take one to two days, involve a processing fee and a 1% retention fee (refunded later), and often entail long travel to city-based buying stations.

The PIDS-hosted 2023 article describes miners’ experiences in a legal minahang bayan in Sagada where despite formal contracts, many still sell gold to the black market because the BSP transaction process is time-consuming, involves fees, and requires long travel to buying stations, and because payments are made by cheque rather than cash. These factors undermine RA 11256’s intent to make legal selling more attractive.

The PJLI estimates that only 1% of SSM gold was sold legally to BSP in 2021 implies substantial revenue leakage and a loss of potential gross international reserves. This aligns with broader concerns about tax and royalty losses from unreported SSM production.

---

[104] Maria Eugenia Robles, Boris Verbrugge, Sara Geenen “Does formalization make a difference in artisanal and small-scale gold mining (ASGM)? Insights from the Philippines” (2022)

[105] Boris Verbrugge and Beverly Besmanos “Formalizing artisanal and small-scale mining: Whither the workforce?” (2016)

[106] Gerardo Martinez, Nicole M. Smith, Aaron Malone ““I am formal, what comes next?”: A proposed framework for achieving sustainable artisanal and small-scale mining formalization in Peru” (2023)

[107] Vicente B. Tuddao Jr., “The Philippine Mining and Quarrying Industry: Mitigation and Regulatory Framework to Address Water Pollution, Challenges and Opportunities,” presentation at the 21st WEPA Annual Meeting, Putrajaya, 8 September 2025, slide 3 (reports 58 declared minahang bayan as of 30 June 2024)

[108] Gavin Hilson,Tara Rava Zolnikov, Daisy Ramirez Ortiz, Cynthia Kumah “*Formalizing artisanal gold mining under the Minamata Convention” (2018)*

(d) Social and livelihood vulnerability
Estimates of around 500,000 SSM miners in over 40 provinces indicate that SSM is a safety-net livelihood for many rural households. Other studies note that SSM communities often face precarious working conditions, limited access to social protection, and exposure to toxic substances, with women and children involved in panning, tailings re-processing, and ore transport.

Recent reforms and initiatives relevant to SSM

A. Legislative and policy reforms

A.1 Amendments to RA 7076
The Department of Environment and Natural Resources (DENR) issued Administrative Order (DAO) 2022-03 on 29 April 2022 to implement RA 7076. DAO 2022-03 provides detailed procedures for registering miners, declaring Minahang Bayan sites and requiring contractors to establish environmental-management and social-development funds. Although it aimed to formalize the sector, it also created high financial and administrative barriers for small-scale miners.[109]

During the 5th National Small-Scale Mining Coalition Assembly in July 2024, more than 200 small-scale miners and advocates called for urgent amendments to RA 7076. The coalition argued that the cost of formalizing a Minahang Bayan is exorbitant, the validity of small-scale mining contracts is too short, and the law's definition of "small-scale" (manual labour and rudimentary tools) is outdated and prevents miners from using modern technologies. They urged the government to simplify Minahang Bayan petitions, extend contract validity and allow the use of mechanized equipment while maintaining environmental safeguards.

In September 2024, the coalition, the Associated Labor Unions-TUCP, ILO, BAN Toxics and the Mines and Geosciences Bureau (MGB) held a roundtable to review House Bill (HB) 6408, a bill to amend RA 7076. HB 6408 proposes to lower the costs of establishing Minahang Bayan, extend contract validity and revise the definition of small-scale mining to permit modern machinery and sustainable practices. The coalition stresses that application requirements for formalizing small-scale operations are almost the same as those for large-scale mining, making compliance financially onerous for miners.[110]

Additional efforts was a nationwide MGB-led workshop series for Provincial and City Mining Regulatory Boards (P/CMRBs) in October 2024, which strengthened understanding of ASGM permitting procedures, clarified national and local roles under RA 7076, and reinforced coordination across agencies. Together, these initiatives helped build regulatory capacity at the subnational level and laid the groundwork for the DENR-led consultations initiated in early 2025 to revise DAO 2022-03.[111]

A.2 BSP tax and sourcing policies
RA 11256, enacted in 2019, exempted qualified SSM gold sales to BSP from certain income and excise taxes, addressing the reported "99% drop in domestic gold purchases" that followed an earlier tax regime. This resulted in domestic gold purchases by the BSP to bounce back dramatically and continued to climb under the central bank's Responsible Gold Sourcing Policy. Mines and Geosciences Bureau data showed that in the first half of 2023 the volume of BSP gold purchases rose 11 % (to 4 ,103 kg) and the value rose 21 % (to about ₱13.99 billion) compared with the same period in 2022[112]. A report on full-year 2023 results noted that the central bank bought 8 ,714 kg of gold worth ₱30.31 billion, a 26 %

[109] Susil Ragas, "Minahang Bayan: Better regulation for responsible small-scale mining" (2023)
[110] Daily Guardian, "Miners push for updates to Small-Scale Mining Law" (2024)
[111] planetGOLD, "Documentation of planetGOLD Programme: Formalization Interventions in the Philippines" page 11-12 (2025)
[112] Danessa Rivera - The Philippine Star, "Philippines metallic production up 8 percent in H1" (2023)

increase in volume over the previous year. [113] The BSP's layman's annual report corroborates this, stating that the central bank purchased 298 ,203.4 troy oz (about 9.3 t), 26 % more than in 2022, and produced 737 good-delivery bars, an 11.4 % increase.

The BSP's Responsible Gold Sourcing Policy which was approved on 30 September 2022 requires due-diligence and anti-money-laundering checks for all gold suppliers. The 2023 Sustainability Report explains that under this policy the BSP accepts gold only from counterparties that follow environmental and labor regulations and undergo risk-based assessments[114]. LBMA assurance report found the BSP compliant with the London Bullion Market Association's Responsible Gold Guidance for 2022,[115] in April 2024 the BSP received the LBMA's "Responsible Gold Certificate," affirming its adherence to these standards.[116]

B. BSP partnerships and market innovations

BSP has also worked with international partners to strengthen due diligence on its gold purchases and explore more direct sourcing from domestic producers, including large-scale mines, to bolster reserves. While these agreements primarily involve large-scale operations, they indirectly affect SSM by shaping BSP's overall gold buying strategy and due-diligence framework.

In June 2024, the World Gold Council announced that four central banks, including the Bangko Sentral ng Pilipinas, were the inaugural signatories to the London Principles – a set of operating principles for central-bank domestic purchase programmes. The principles commit participating banks to establish legal frameworks, resource their programmes adequately and include ASGM purchase operations in their public reporting. They also encourage cooperation with Extractive Industries Transparency Initiative processes to build public understanding and accountability. By aligning its gold-purchase program with the London principles, BSP reinforces its responsible-sourcing policy and signals support for transparency and due diligence in the gold supply chain.

C. Environmental and technical interventions

Projects like planetGOLD Philippines (implemented with DENR–MGB and NCSSMPI) have introduced mercury-free processing systems (e.g., gravity concentration and alternative leaching) in SSM sites such as Paracale, with the aim of reducing mercury use, improving recovery rates, and facilitating compliance with the Minamata Convention.[117]

These innovations align with DENR Administrative Orders 2022-03 and 2022-04, which tighten standards on small-scale mineral processing and require integration of biodiversity and ecosystem-service considerations into environmental management plans.

PH-EITI Initiatives: Insights from ETW 2023

During the PH-EITI Extractives Transparency Week (ETW) 2023 sessions on small-scale mining, beneficial ownership, and local revenue flows highlighted the magnitude of unreported SSM

[113] Meg J. Adonis - Inquirer.Net. "PH metal output climbed 4.79% to P249.05B in 2023" (2023)
[114] 2023 BSP Sustainability Report page 76 (2023)
[115] Deloitte, Bangko Sentral ng Pilipinas (BSP) LBMA Responsible Gold Guidance Compliance Independent Reasonable Assurance Report (2022)
[116] Responsible Gold Certificate
[117] Artisanal Gold Council / planetGOLD Philippines, project documentation on financial inclusion and mercury-free processing facilities in Paracale and other SSM sites (2023–2024), especially sections on BSP linkages and centralized mercury-free processing plants.

production and the need for better data sharing between MGB, LGUs, and BSP. It also illuminated the same structural challenges in Philippine artisanal and small-scale mining (ASM). Practitioners and civil-society speakers noted that most miners remain outside the formal frameworks cited provincial case studies from Agusan del Sur and South Cotabato – demonstrated that decentralized, multi-stakeholder governance can enhance transparency and community participation, however, they also exposed persistent obstacles. These include continued reliance on mercury and other unsafe practices that pose severe health and ecological risks, prohibitively complex and costly formalization procedures, entrenched black-market gold trading despite incentives such as BSP's authority to buy gold at market rates and tax exemptions under RA 11256, and pronounced social inequities, particularly the marginalization of women who are heavily involved in ore processing yet largely excluded from decision-making. Discussions also underscored why the Bangko Sentral Gold Buying program continues to struggle despite supportive legislation. Speakers highlighted the reasons why only a tiny fraction of small-scale production reaches official channels. A key structural barrier is accessibility, the central bank operates only five gold-buying stations nationwide, even though small-scale mining takes place in roughly forty provinces. For miners in areas like Sagada or Paracale, selling to the BSP entails travelling several hours, paying processing and retention fees, and waiting days for payment to clear. By contrast, black-market dealers offer immediate cash, cover melting costs and even provide food while miners wait.

Collectively, these findings underscore the need for streamlined permitting, expanded legitimate gold-buying channels, the adoption of mercury-free technologies and gender-responsive governance mechanisms if the objectives of RA 7076 are to be realized. ETW participants therefore called for more accessible buying points and alternative channels, such as the pilot programme accrediting pawn shops as gold buyers. alongside continued tax incentives and awareness campaigns. Without these supply-chain reforms, even robust legal incentives will not be sufficient to divert small-scale gold from informal markets into the formal economy.[118]

In 2023–2024 PH-EITI regional roadshows, outreach activities in mining provinces (e.g., Benguet, Camarines Norte, Surigao) used SSM case studies to explain revenue flows, the role of minahang bayan, and tax incentives for BSP sales, and documented local concerns about permit processing, environmental impacts, and social protection.

[118] PH-EITI's "Extractives Transparency Week 2023 A Decade of Transparency: PH-EITI 10th Anniversary" (2023)

SECTION V: REVENUE MANAGEMENT AND SUBNATIONAL TRANSPARENCY

Subnationalizing EITI

Subnationalizing EITI involves devolving the principles and practices of extractive governance from the national level to regions, provinces, and municipalities/cities. Current MSGs largely operate in metropolitan centers, often overlooking the ground realities of local governments, affected communities, and grassroots civil society, who has the deepest knowledge of, and vested interest in, transparency and accountability in the sector[119]. Localizing EITI is considered a means to address the persistent gaps in stakeholder representation and engagement, particularly in areas directly affected by extractive activity.

PH-EITI has identified subnational implementation of EITI processes as part of its strategic objective for the period 2023-2028. Bringing the EITI model down to the local level offers a mechanism to broaden participation, and creates avenues for more affected sectors, which cover the marginalized groups, to engage more meaningfully with government and industry[120].

Review of Pertinent Developments in PH-EITI Subnationalization

Initial scoping of subnational reporting needs and early initiatives (2013-2017)

Since its introduction in the country, EITI has progressively sought to involve local actors in governance and oversight of extractive industries. Between 2013 and 2017, pioneering efforts focused on outreach and scoping at the subnational level, particularly through engagement with local government units and civil society organizations such as Bantay Kita. The CSO played a pivotal role in conducting capacity-building sessions for IPs, introducing them to transparency mechanisms, Free, Prior, and Informed Consent (FPIC), and community-based agreements in the context of mining[121]. These initiatives were instrumental in equipping IP communities with the knowledge to engage meaningfully with local stakeholders, while also advocating for formal representation of IPs due to the significant presence of mining in ancestral domains[122].

A landmark example of an early subnational effort was the case of Compostela Valley, piloted by Bantay Kita in 2014, which showed the value of engaging communities and local actors in EITI processes. In response to concerns over mismanagement of royalties, provincial and Indigenous leaders autonomously championed a local legislation modeled on the EITI framework, which brought together representatives from government, mining companies, civil society, and IP groups[123]. This locally driven council developed reporting and monitoring requirements that go beyond national EITI standards, demonstrating the significant benefits of localized, community-led transparency initiatives[124]. On the other hand, preparatory works on subnational EITI were conducted in the province of Antique, which hosts the Semirara Mining and Power Corporation (SMPC) and other relevant extractive activities. Stakeholders participated in a seminar aimed at building their awareness of extractive governance

[119] MSI Integrity. (2015). Protecting the Cornerstone Assessing the Governance of Extractive Industries Transparency Initiative Multi-Stakeholder Groups.
https://www.msi-integrity.org/wp-content/uploads/2015/02/MSI-Integrity-Protecting-The-Cornerstone-Report.pdf
[120] Pajares, G. " Learning Experience from the Cebu Eiti Msg Localization." Bantay Kita, 24 Oct. 2020,
http://www.bantaykita.ph/1/post/2020/10/learning-experience-from-the-cebu-eiti-msg-localization.html
[121] Bantay Kita. BK Presents Experience with FPIC in Pre-OGP Cso Day in Mexico. 27 Oct. 2015,
http://www.bantaykita.ph/1/post/2015/10/bk-presents-experience-with-fpic-in-pre-ogp-cso-day-in-mexico.html
[122] ibid
[123] (MSI Integrity, 2015)
[124] ibid

issues in the province, and during this time the vice governor publicly committed to pursuing a local EITI initiative[125].

Existing assessments, review of PH-EITI outcomes and reports highlighted both opportunities and challenges in strengthening EITI implementation. In 2014, PH-EITI published a Scoping Study on Local Revenue Streams and Subnational Implementation. This study revealed the key challenges on subnationalization, which included the limited local administrative capacity, funding constraints, legal uncertainties over revenue distribution, and logistical barriers that impede accurate data collection and reporting[126]. Meanwhile, the 2017 PH-EITI Report noted the weak monitoring of SDMPs, limited LGU involvement in their planning, and emphasized the need for better evaluation and alignment with local development priorities, especially in light of climate and disaster risks[127]. In the following country report, the MSG recommended introducing subnational mechanisms to LGUs so that stakeholder participation in the extractives value chain becomes institutionalized, local governance issues can be better addressed, and data and disclosures can be effectively mainstreamed[128].

The succeeding years presented notable progress that facilitated PH-EITI data disclosures. The seventh country report outlined key improvements such as the availability of more substantive data from agencies, increased company participation, and the development of new transparency tools (e.g. ORE, Contracts Portal, EDGE)[129]. However, the same report emphasized that disclosures still fall short of EITI standards in terms of completeness and reliability, and that major gaps remain in providing timely, accurate data needed to address local governance and fund utilization issues. The targeted assessment report released in 2024 for EITI Requirement 1.3 (Civil society engagement) noted that although civic space has improved, some areas remain difficult to access due to formalization measures tied to anti-insurgency activities[130]. The assessment also pointed out that development partners supported PH-EITI's push for EITI localization, but industry raised concerns about funding, duplication, and data integrity. The assessment also underscored that civil society participation at the local level remains limited, with many groups unaware of their role in consultations and agenda-setting.

Setting the foundation for EITI subnationalization (2018-2024)

Between 2018 and 2021, efforts shifted toward laying the groundwork for more systematic subnationalization. Bantay Kita leveraged the Open Government Partnership (OGP) platform to harmonize disclosure guidelines, promote citizen engagement, and institutionalize reforms at the local level[131]. Through projects funded by the United Nations Democracy Fund, the organization supported

[125] BK conducts seminar on EI in Antique; creates leeway for subnational EITI MSG. (2016, January 31). Bantay Kita. http://www.bantaykita.ph/1/post/2016/01/bk-conducts-seminar-on-ei-in-antique-creates-leeway-for-subnational-eiti-msg.html

[126] Nunez, M., Ramos, J., & Lotilla, J. (2014). Philippines EITI scoping study on local revenue streams and subnational implementation. Philippine Extractive Industries Transparency Initiative. https://ph-eiti.dof.gov.ph/uploads/1/2/1/8/121891939/scoping-study-on-local-revenue-streams-and-subnational-implementation.pdf

[127] Philippine Extractive Industries Transparency Initiative. Forging new frontiers the fifth PH-EITI report (FY 2017). (2018). https://ph-eiti.dof.gov.ph/uploads/1/2/1/8/121891939/the_5th_ph-eiti_report.pdf.

[128] EITI International Secretariat. MSG review of the outcomes and impact of the EITI. Dec. 2020, https://eiti.org/sites/default/files/attachments/eiti_validation_template_-_outcomes_and_impact.pdf.

[129] Congressional Policy and Budget Research Department. (2022). Institutionalizing the Philippine Extractive Industry Transparency Initiative (PH-EITI). House of Representatives. https://cpbrd.congress.gov.ph/wp-content/uploads/2023/09/PB2022-02-Institutionalizing-the-Philippine-Extractive-Industry-Transparency-Initiative-PH-EITI.pdf.

[130] EITI International Secretariat. (2020). Targeted assessment of the Philippines: Assessment of progress in implementing Requirement 1.3 of the 2019 EITI Standard . https://eiti.org/document/23742.

[131] Pimintel, T. (n.d.). Achieving compliance despite the shifting political tides. Bantay Kita. http://www.bantaykita.ph/1/post/2018/04/achieving-compliance-despite-the-shifting-political-tides.html

the establishment of local MSGs in provinces such as Palawan, South Cotabato, and Agusan del Sur, helping create a fair representation of marginalized sectors and enhancing the capacity of communities to participate in governance[132]. The experiences from Cebu raised the need for investments in resources and dedicated budget to support data disclosure processes, as well as the demand for deeper understanding of extractive operations and EITI standards among stakeholders[133].

The period from 2022 to 2023 marked a structured shift with the launch of the Subnationalizing Extractives Transparency-Ushering Participatory Governance (SET-UP-GO) program, aimed at decentralizing EITI implementation to mining-affected communities. Under this initiative, the PH-EITI integrated its objectives into the 6th National Action Plan of the Philippine OGP (2024–2027). The plan prioritizes stakeholder engagement, empowerment of IP communities, and transparent revenue management[134]. PH-EITI draws from the 2003 UN Human Development Report as a framework for its subnationalization strategy where three interdependent elements, effective state capacity, competent local authorities, and empowered private and civil society actors, will serve as guiding principles[135]. Other key elements of the subnationalization capture strengthening local bodies, digitizing government transactions, and fostering civic engagement. To assess the capacity in facilitating localized EITI, the PH-EITI compiled a directory of Provincial and City Mining Regulatory Boards, which signalled a deliberate step toward operationalizing this subnational approach. More recently, PH-EITI's 2024 Regional Roadshow marked the start of its subnationalization efforts that intended to connect national policies with local contexts and engage government, civil society, industry, and IPs in discussions on local EITI implementation to ensure equitable distribution of benefits in areas with significant extractive operations such as Baguio, Zambales, Cebu, Butuan, Palawan, and Naga[136]. Further, the preparatory groundwork for 2025 continued in provinces like Palawan and Benguet, and this aimed to map stakeholders, capacitate, and orient participants on EITI tools, with the ultimate goal of strengthening local ownership of transparency and accountability processes[137]. A unique approach in localizing EITI is the integration of IP rights and environmental monitoring into subnational MSGs, articulating the importance of moving beyond revenue transparency to broader social and environmental accountability. Hence, the phased approach to intervention is instrumental to build capacity and stakeholder trust.

Stakeholder Perspectives on Subnational Implementation

Discussions during the 2023 Extractive Transparency Week (ETW) sessions highlighted a consensus among stakeholders regarding the necessity of localizing governance frameworks. Participants emphasized that national-level policies often face significant implementation hurdles when applied to specific local contexts, underscoring a clear demand for subnational EITI implementation to bridge these gaps.

A primary driver for this call to action is the need for more inclusive and technically grounded representation at the local level. Stakeholders pointed out that current studies and consultative bodies often suffer from limited participation, frequently excluding the private sector and the academe.

[132]Institutionalizing community participation in minerals management at the subnational level in the Philippines. (2018, March 26). Bantay Kita.
http://www.bantaykita.ph/1/post/2018/03/institutionalizing-community-participation-in-minerals-management-at-the-subnational-level-in-the-philippines.html
[133] (Pajares, 2020)
[134]Philippine Extractive Industry Transparency Initiative. (2023). Annual progress report.
https://pheiti.dof.gov.ph/download/apr-2023/?wpdmdl=5766&refresh=6667bf1b320121718075163
[135] Open Government Partnership. (2023). The 6TH PH-OGP National action plan 2023-2027.
https://ogp.dbm.gov.ph/ogp-content/nap/6th/6th-PH-OGP-NAP-Report_final.pdf
[136]Philippine Extractive Industry Transparency Initiative. (2024). Annual progress report.
https://pheiti.dof.gov.ph/download/annual-progress-report_2024/?wpdmdl=6975&refresh=680907faab0391745422330
[137] PH-EITI, "Concept note: Laying the Ground Groundwork for PH-EITI Subnationalization", 2025

Participants argued that expanding inclusivity to include local academic institutions is crucial for providing the technical, legal, and business context necessary for communities to understand the extractive industries. This technical grounding is essential for moving beyond general discourse toward solving specific socio-economic problems experienced by host communities. Furthermore, there is a strong sentiment that governance initiatives cannot rely solely on government and civil society. A genuine multi-stakeholder approach requires the active and balanced voice of the industry to ensure that evidence and findings are comprehensive rather than anecdotal.

Beyond general representation, stakeholders identified critical gaps in existing local governance mechanisms, specifically within Multipartite Monitoring Teams (MMTs) and Mine Rehabilitation Fund Committees (MRFCs). Industry representatives expressed concern that without proper capacity building, Civil Society Organization (CSO) participation in these bodies risks becoming mere tokenism. It was noted that for CSOs to effectively challenge government or industry, they require training in mineral economics, geology, and mining operations. However, a significant gap identified by civil society stakeholders is the lack of clear, standardized guidelines for selecting CSO members for these local bodies. Current practices were described as discretionary, where vocal or critical organizations are often excluded or marginalized in favor of more compliant participants. Subnationalization is therefore seen as a pathway to institutionalize objective selection processes and ensure that local monitoring bodies are populated by capable and independent representatives.

The urgency of subnationalization was further illustrated by the disconnect between national regulations and the realities of small-scale mining communities. While national laws mandate gold sales to the Bangko Sentral, these regulations often fail locally due to logistical barriers, such as the lack of accessible buying stations and impractical minimum weight requirements for subsistence miners. This regulatory gap drives miners toward the black market and informal operations, which are often intertwined with local politics. Participants suggested that these systemic issues persist because national laws, such as the Small-Scale Mining Act, are no longer responsive to ground realities. Consequently, a subnational approach is viewed as a necessary enabling condition to tailor regulations to local capacities, improve accessibility to formal markets, and provide the mobilization resources needed to connect national policy goals with community level livelihoods.

Advancing Subnational Transparency in the Philippine Extractive Sector

Embedding participatory governance in the local extractive sector involves four main agendas: (1) improve the capacity for reporting extractives data, (2) strengthen stakeholder support for EITI processes, (3) reinforce impact of EITI on extractives governance, and (4) establish a system for monitoring and reporting. The key insights based on documentation from roadshows and groundwork activities are discussed according to these agendas.

Improving Capacity for Reporting Extractives Data

Localizing EITI in Palawan highlights the critical need for accessible data, technical support, and collaboration with academic and local institutions. During the consultation, municipal officials identified the need for real-time access to production, sales, and royalty data to verify company compliance, underscoring the necessity of clear procedures and databases for effective transparency. Similarly, academic institutions like Palawan State University have expressed readiness to support technical and research aspects of subnational reporting, pointing to gaps in environmental monitoring and the integration of research into policy. These insights illustrated that capacity building must extend beyond procedural training to effectively aid in integrating existing environmental and governance knowledge base.

Strengthening Stakeholder Support for EITI Processes

Stakeholder engagement has been central to subnationalization efforts. Lessons from earlier initiatives collected from the 2023 Extractive Transparency Week (ETW), such as Bantay Kita's work in Visayas and Mindanao, confirmed that sustained capacity building, consultation, and inclusion of marginalized sectors strengthened ownership and participation. In addition, evidence from Agusan del Sur and South Cotabato shows that well-structured MSGs and supportive local government commitment can create functional, inclusive governance mechanisms that integrate grassroots voices, women, and small-scale miners. In 2025, the groundwork in Benguet and Palawan demonstrates broad support for establishing local MSGs that will comprise local government units, national regulators, civil society organizations, industry, and IPs. Stakeholders highlighted the importance of aligning EITI processes with local capacities in order to address environmental concerns and strengthen gender and IP representation.

Reinforcing Impact of EITI on Extractives Governance

Subnational EITI implementation offers a mechanism to make extractives governance more responsive and accountable. Fieldwork findings in Palawan indicate that local MSGs can help monitor company compliance, clarify revenue-sharing mechanisms, and address community concerns before escalating the issues to national authorities. By situating transparency efforts within existing bodies, such as the Palawan Council for Sustainable Development (PCSD) or the Provincial Mining Regulatory Boards (PMRBs) elsewhere, PH-EITI can reinforce governance without adding unnecessary bureaucracy.

Establishing a System for Monitoring and Reporting

The next phase of the groundwork for subnationalization scheduled in 2025 aims to map stakeholders, conduct capacity building activities, and introduce tools tailored to local needs. Initial consultations in Palawan were already accomplished for this period and revealed that existing monitoring mechanisms are often dominated by industry actors, and local institutions sometimes lack the legal mandate, technical expertise, or funding to oversee compliance effectively. Consequently, integrating EITI reporting into established structures, providing accessible guidance, and enhancing capacity for data collection and analysis are critical to creating sustainable monitoring systems. Moreover, prioritizing local-level dispute resolution and ensuring feedback channels for communities can increase accountability and trust in the system.

Subnational Transfers and Local Government Utilization

Breakdown of revenues from extractives (taxes, royalties, fees)

Table 1-14 summarizes the total collections from mining, oil and gas activities. The total taxes, fees and royalties fell by 13% YoY in 2023 and by 21% YoY in 2024. Lower national tax collections became the most significant factor in the overall decline in 2023, as there was an estimated PhP 7 B drop in tax collections during this period. On the other hand, significant decreases in excise tax collections by the BIR and in taxes and fees collected by LGUs strongly affected overall collections in 2024, resulting in 34% and 33% reductions, respectively.

Table I-14. Tax and Non-Tax Revenues Collected from the Extractives Sector, in million PhP

	2022	2023	2024
Total taxes, fees and royalties from mining*	**₱48,217**	**₱41,732**	**₱32,971**
Fees, charges and royalties collected by DENR-MGB	₱3,586	₱3,261	₱3,466
Excise tax collected by BIR	₱8,843	₱9,627	₱6,308
Taxes collected by national government agencies	₱31,234	₱24,157	₱20,060
Taxes, fees and charges collected by LGUs	₱4,553	₱4,687	₱3,138
Government share from oil^	**₱223**	**₱143**	**₱150**
Non-tax revenue from Malampaya^	**₱25,480**	**₱17,775**	**₱10,700**

Sources: *Mines and Geosciences Bureau, ^Department of Budget and Management

Data from the Department of Budget and Management (DBM) reported that the royalty collections from the national government to LGUs (40% of 90% royalty fees from mineral reservations) declined from PhP 1.80 M in 2022 to PhP 0.99 M in 2023, then further decreased to PhP 0.65 M in 2024. Similarly, the royalty collections allocated to IPs (10% of royalties derived from the development and utilization of mineral resources within reservations) were lower at 9% and 4% in 2023 and 2024, respectively. The world price movements of metallic minerals, particularly a sharp decline in nickel prices and a contraction in non-metallic production values, may have contributed to lower tax collections, given that tax rates are based on value rather than volume of production. On the other hand, actual revenues from natural gas decreased to almost 35% in the past two years, while oil revenues increased by 5% in 2024.

The development of the Enhanced Fiscal Regime for Large-Scale Metallic Mining Act progressed steadily between 2023 and 2024, beginning with the passage of House Bill No. 8937 in September 2023, which aimed to raise the government's share in mining profits and lay the foundation for a more equitable taxation system for the mining industry. One of the proposed inclusions was for mining operations outside mineral reservations to pay a royalty based on their profit margins, specifically 1% for margins between 1% and 10%, increasing up to 5% for margins above 70%, while those within mineral reservations will pay a fixed 4% royalty on gross output[138]. However, the reduction of royalty within

[138] Cruz, B. M. (2023, September 24). Miners see fiscal bill boosting investment, gov't revenue. BusinessWorld Online. https://www.bworldonline.com/economy/2023/09/24/547416/miners-see-fiscal-bill-boosting-investment-govt-revenue/ .

mineral reservations was contested for being inconsistent with the objectives of promoting social and environmental justice[139]. It was further argued that lowering royalties would diminish the government's capacity to safeguard mining-affected communities and critical ecosystems, especially amid increasing mining activities driven by global demand for transition minerals, as reduced revenues could limit resources for environmental protection[140].

Throughout 2024, the public hearings and stakeholder consultations were conducted to refine the proposed framework and balance revenue generation with investment attractiveness. DOF later adjusted its projected mining revenues from PhP 10.23 B to PhP 6.3 B to reflect the fiscal recalibration required under the new margin-based royalty and incentive scheme[141]. The Senate's counterpart measure, Senate Bill No. 2826, was eventually passed in early 2025, incorporating a phased raw-ore export ban to promote value addition at the local level[142]. In the first half of 2025, the disagreeing provisions of HB 8937 and SB 2826 were reconciled to further simplify the proposed fiscal system. Eventually, the "Enhanced Fiscal Regime for Large-Scale Metallic Mining Act" (RA 12253) was passed into law in September 2025. Aside from the mandated public disclosure of mining data and joint audits of mineral sales, the key features of the law that are expected to affect future LGU revenues include the payment of a 0.5 % local business tax, the direct allocation of 40 % of mining taxes to host local governments, and the 10 % of royalties collected from mineral reservations that will fund mining research and capacity-building[143].

How extractive revenues are used at the local level

Mining revenues in the Philippines are collected by the national government and transferred to the local government units that host mining operations. LGUs are legally entitled to a direct share of revenues from extractive activities under the 1991 Local Government Code and the Philippine Mining Act (RA 7942) and its implementing rules. The principal mechanisms that deliver benefits from extractive revenues to LGUs are:

1. The statutory 40% share of gross collections from mining taxes, royalties and other charges that are allocated to different political units, for example, provinces, municipalities, or barangays hosting the operations;
2. LGU collections from local business taxes, permits and quarry fees. These collections are a separate revenue line for LGUs and may rise or fall with licensing and enforcement; and
3. mandatory company-funded Social Development and Management Program (SDMP) and other community development obligations

However, the ambiguous land classification that resulted in lower collections, and lack of clarity among LGUs on how revenue shares are calculated and tracked due to limited data sharing between concerned agencies were reported as significant challenges in managing extractive revenues at the

---

[139] Domingo, S. (2024, April 1). Comments on house bill 8937. Philippine Institute for Development Studies. https://pidswebs.pids.gov.ph/CDN/document/1712058076_660beedc70446.pdf .

[140] "Statement on committee report no. 720 on the proposed mining fiscal regime. (2023, September 4). Bantay Kita. http://www.bantaykita.ph/1/post/2023/09/statement-on-committee-report-no-720-on-the-proposed-mining-fiscal-regime.html

[141] "DOF lowers revenue projections from mining fiscal reform bill to PHP 6.3 billion. (2024, August 20). Metrobank Wealth Insights. https://wealthinsights.metrobank.com.ph/bworldonline/dof-lowers-revenue-projections-from-mining-fiscal-reform-bill-to-p6-3-billion/

[142] Sarmiento, B. (2025, February 7). Ban on export of raw minerals gets Senate nod. MindaNews. https://mindanews.com/top-stories/2025/02/ban-on-export-of-raw-minerals-gets-senate-nod/ .

[143] Las Piñas, J. A. (2025, September 4). President Marcos signs Enhanced Fiscal Regime for Large-Scale Metallic Mining Act into law. Philippine Extractive Industries Transparency Initiative. https://pheiti.dof.gov.ph/mfr/

local level[144]. Adding to these challenges were the delays in transfers and the lack of guidance on fund utilization[145]. Table I-15 presents the amount of payment to LGUs from mining operations based on the available data from regional offices of MGB. The data shows that Regions VIII recorded the highest payment to LGUs (30% increase from 2023), followed by Region VII (up by 14%). In contrast, the payment to LGUs in Region V was significantly lower by 80% in 2024. Comprehensive information on how local governments allocate and spend revenues from extractive activities remain largely absent.

Based on the issues raised during roadshows and PH-EITI reports, LGUs should strategically direct extractive revenues toward funding local development priorities, including targets for climate resilience and disaster risk mitigation, to ensure spending addresses actual community vulnerabilities. To prevent mismanagement, LGUs can consider allocating resources to modernize data collection and administrative capacity, so that revenue utilization is based on timely, accurate disclosures. Additionally, local governments may consider utilizing funds from extractive revenues to mobilize resources that connect national policies to local livelihoods, such as creating accessible formal markets for small-scale miners, in order to reduce reliance on illicit markets. Further, investing in technical capacity building for local monitoring bodies was found to be necessary to institutionalize independent oversight and ensure that financial decisions are driven by comprehensive evidence rather than political discretion.

Table I-15. Annual payment to LGUs, in PhP

	2023	**2024**
Region I*	37,045,538	-
Region II^	-	-
Region III^	-	-
Region IV-A	431,941,596	448,825,528
Region IV-B*	-	-
Region V	305,795,977	62,667,272
CAR*	-	14,530,003
Region VI	3,183,298	2,796,547
Region VII	673,516,310	771,175,763
Region VIII	209,540,867	271,634,824
Region IX^	-	-
Region X*	-	-
Region XI^	-	-
Region XII	124,868,871	126,619,022
Region XIII*	128,385,532	-

Source: MGB Regional data. ^Data not published in the regional website. *2024 data not yet available on website

144 2024 PH-EITI Regional Roadshow
145 ibid.

SECTION VI: ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) CONSIDERATIONS

Environmental impacts and mitigation measures

Responsible mining currently has no legal definition that can aid in developing parameters to measure environmental impacts holistically. According to the Intergovernmental Panel on Climate Change (IPCC), extractive and primary industries account for about 30% of global greenhouse gas emissions, with industrial emissions nearly doubling between 1970 and 2010 due to rising demand for materials. Climate change threatens these sectors through extreme weather, water scarcity, and infrastructure damage, thereby increasing production costs. Efficiency improvements through the adoption of best available technologies to optimize and expand product use could cut industrial energy intensity by up to 25%, with innovation providing an additional 20% reduction potential in emissions[146]. A study finding estimated that for every percentage increase in mineral and gas rents the rate of forest loss rises by 0.13%-0.34%[147].

Aside from the accelerated climatic impacts of extractive industries, activities in this sector were precursors to a series of hazards across various areas of the Philippines. For instance, a massive landslide in the mining village of Maco, Davao de Oro reignited debates about the safety of mining operations in landslide-prone areas and demanded stricter monitoring of active and abandoned mine sites[148]. The event prompted a resolution which sought to investigate contributing factors and responsible entities to inform the crafting of new policies or improve existing laws[149]. Another incident that followed involved the collapse of a tailings facility in Siana gold mine in Surigao del Norte, which revealed the failure of a long-inactive tailings dam, raising concerns about the monitoring of decommissioned mining structures and the potential for similar hazards across the country's older mining districts[150].

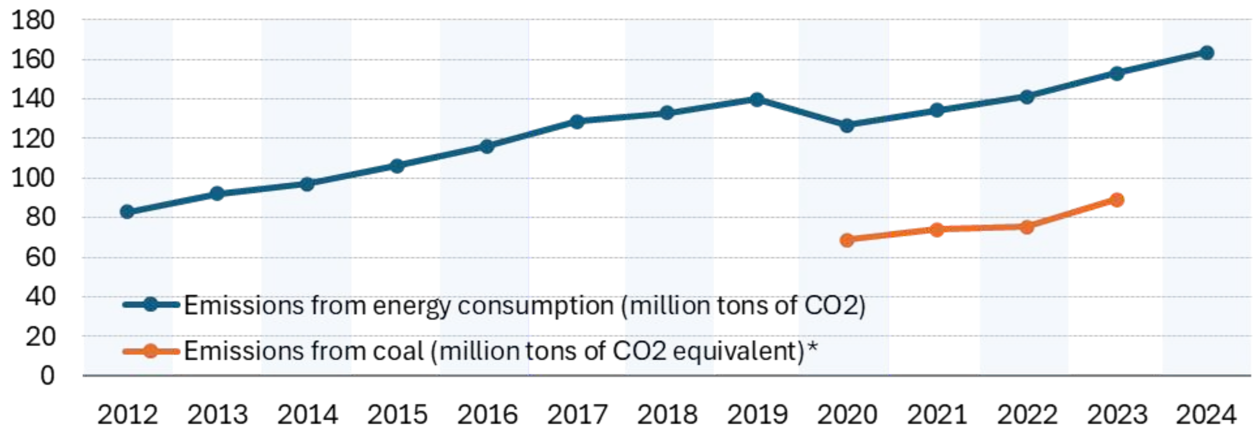
Mining also affects the river systems and farmlands. In Davao del Sur, residents protested against quarry activities, citing damage to water sources, dust pollution, and declining soil productivity[151]. Similarly, environmental groups in Davao City called on authorities to intensify their search for illegal quarry operations along the Tamugan River, a critical watershed that supplies potable water to the city[152]. This water contamination and increased landslide risk also threaten biodiversity in the natural environment of host areas. National government agencies took several steps to tighten environmental safeguards, for instance, the DENR promulgated orders emphasizing biodiversity protection and rehabilitation planning for mining sites, and the MGB continued to press for environmental compliance as mining investments and production rose. In 2022, the "Enhancing Biodiversity Conservation in Mining Operations" (AO 2022-04) was issued to provide biodiversity measures across all stages of mining

---

[146] Bourgouin, F. (2014). Climate change: Implications for extractive and primary industries. University of Cambridge. https://climate.gov.ph/files/Extractives_Briefing_Web_EN.pdf
[147] Kinda, H., & Thiombiano, N. (2021). The effects of extractive industries rent on deforestation in developing countries. Resources Policy, 73, 102203. https://doi.org/10.1016/j.resourpol.2021.102203
[148] Esterman, I. (2024, February 21). Landslide in Philippines mining town kills nearly 100, prompts calls for action. Conservation News. https://news.mongabay.com/2024/02/landslide-in-philippines-mining-town-kills-nearly-100-prompts-calls-for-action/
[149] https://web.senate.gov.ph/lisdata/4361139646!.pdf
[150] Panganiban, C. V. (Mudslide hits Surigao mine; early evacuation prevents casualties). Mudslide hits Surigao mine; early evacuation prevents casualties. Inquirer.Net. https://newsinfo.inquirer.net/1939880/mudslide-hits-surigao-mine-no-casualties-reported
[151] Palicte, C. (2024, December 5). Davao Sur villagers oppose quarry activities over envi concerns. Philippine News Agency. https://www.pna.gov.ph/index.php/articles/1239369
[152] Colina , L. (2024, November 20). Environment group urges authorities to widen search for illegal quarries along Tamugan River. MindaNews. https://mindanews.com/top-stories/2024/11/environment-group-urges-authorities-to-widen-search-for-illegal-quarries-along-tamugan-riverv/

activity[153]. At the exploration stage, the measures include the assessment of critical habitats and rapid valuation of ecosystem services areas, while the utilization phase requires that biodiversity measures be integrated into the Environmental Protection and Enhancement Program (EPEP) and Social Development and Management Program (SDMP) of operators.

Figure I-20. Carbon Dioxide Emissions from Energy Consumption and Coal Production



Source: Kearney; KPMG; Energy Institute. *Data was collected from DOE; 2024 data not available (154)

Meanwhile, the coal industry remained a source of environmental and public health concern despite the government's declared moratorium on new coal power projects. Coal's environmental footprint, especially on air quality, ecosystems, and toxic deposition, is severe and long-ranging. One report estimates coal is responsible for around 87% of SO_2 emissions in the Philippines and about a third of particulate emissions from power generation[155]. The same report estimated that in 2019, the existing coal fleet led to an estimated USD 165 m of public health costs. Figure I-20 shows that the country is emitting about 89 million tons of CO_2 equivalent in 2023 from coal production alone. Overall, CO_2 attributed to energy consumption is increasing annually. As a result, gas projects were recognized as crucial component of decarbonization scheme, which aims to reduce coal dependence and respond to energy security concerns. The passage of the Philippine Natural Gas Industry Development Act[156] will further support natural gas as a transition fuel and prioritize locally sourced gas where possible. Part of the national strategy is the creation of a Philippine Energy Plan (PEP) 2023-2050 that sets the target for renewable energy to reach 50% of the power generation mix by 2040, with LNG serving as a backup for intermittent renewable energy sources like wind and solar[157]. A more concrete strategy undertaken by government was the promotion of investments in LNG import terminals and infrastructure intended to create a conducive market for private sector participation. Since 2023, Philippine National Oil Company (PNOC) has been developing a third LNG infrastructure in Bataan that will serve as the main LNG supply hub in the country[158].

The moratorium on new coal projects enforced in 2020 continues to be referenced in recent policy

---

[153]Enhancing Biodiversity Conservation Protection in Mining Operations, Nos. 2022–04. https://bmb.gov.ph/wp-content/uploads/2024/01/dao2022-04.pdf
[154] Data can be accessed here: Statistical Review of World Energy 2025 datasets
[155] Myllvirta, L., & Suarez, I. (2020). Air quality & health impacts of coal-fired power in the Philippines . Centre for Research on Energy and Clean Air. https://energyandcleanair.org/wp/wp-content/uploads/2021/06/PH-Coal-Health-Report_FINAL.pdf
[156] Further information can be found here: https://lawphil.net/statutes/repacts/ra2025/ra_12120_2025.html
[157] Department of Energy. (2023). Philippine energy plan 2023-2050. https://legacy.doe.gov.ph/pep
[158] Philippine National Oil Company. (2023). Illuminating our path: Transitioning to a sustainable future [Annual Report]. https://www.pnoc.com.ph/wp-content/uploads/2024/08/2023-Annual-Report-Final.pdf

discussions. DOE clarified that the coal moratorium is not a total ban and excludes existing, committed, and coal projects that have substantial accomplishments, such as those having a signed land acquisition or endorsements from LGUs[159]. On the other hand, DENR drafted stricter emission standards for sulfur oxides, nitrogen oxides, and particulate matter to address public health risks. The proposed order will cut the allowable emissions of the said pollutants from coal plants by 50%[160]. At least four major domestic banks also participated in this initiative by reaffirming their coal exclusion policies. For example, BPI pledged to stop financing new coal power projects, halve coal loan exposure by 2026 and eliminate it by 2032, ahead of Paris Agreement targets for non-OECD countries[161]. These initiatives signal a gradual transition toward reduced coal dependence and regulated climate emissions across the country.

Social development programs and community engagement

The participation of the community is crucial in holding operators and government authorities accountable for the proper management of extractive resources. SDMP is a five-year plan mandated by the Mining Act of 1995 and implemented through MGB, remains the main mechanism for channeling at least 1.125% of mining firms' operating costs toward local development. These programs fund livelihood, infrastructure, education, and environmental rehabilitation initiatives in host and neighboring communities. A study in the Cordillera Administrative Region (CAR) found that while SDMP implementation as well as multistakeholder consultations and monitoring were proven effective in enhancing transparency and stakeholder trust, financial and operational bottlenecks had a moderate impact on these mandatory community programs[162]. However, a more recent analysis of the role of civil society organizations (CSOs) noted that while the SDMP helps partially address negative externalities from it, it is not fully effective in mitigating social costs due to limited inclusiveness. Community participation in these programs is often tokenistic, with decision-making dominated by corporations or state actors[163]. Further, the mandatory nature of SDMPs has led to bureaucratic compliance and created ambiguity in defining 'community' as this equates communities with administrative units, thus failing to capture social and cultural diversity within mining areas. Despite these limitations, there were exceptional cases that exemplified efforts to strengthen inclusive and participatory governance at the local level. In Agusan del Sur, the establishment of the Agusan del Sur Environment and Sustainable Development Council (ASEDC) and its embedded Mineral Resource Management Committee (MRMC) demonstrated progress toward integrating grassroots participation, particularly among women, Indigenous Peoples (IPs), and local organizations such as Bantay Danao and small-scale miners. The MRMC's institutionalization, with dedicated funding for policy work and community participation, reflects a strong political will and community collaboration in managing mineral resources[164].

In another development, MGB conducted a consultation workshop which sought stakeholder inputs that will help integrate the Sustainable Development Goals (SDGs) into the SDMP framework[165]. In the

---

[159] Department of Energy. (2024, July 19). Clarification on the coverage of the coal moratorium policy. Media Release. https://legacy.doe.gov.ph/press-releases/clarification-coverage-coal-moratorium-policy
[160] Cabico, G. K. (2024, April 16). Philippines urged to tighten emission standards to protect public health. Philstar.Com. https://www.philstar.com/headlines/climate-and-environment/2024/04/16/2348116/philippines-urged-tighten-emission-standards-protect-public-health
[161] Bank of the Philippine Islands. (n.d.). Coal policy. https://www.bpi.com.ph/about-bpi/sustainability/coal-policy
[162] Laroco, M. A. (2023). Social development and management program of the Mines and Geosciences Bureau-CAR. Iconic Research and Engineering Journals, 7(1), 61–71. https://www.irejournals.com/formatedpaper/1704839.pdf
[163] Villanueva, M. E. (2024). Mining and mandatory community development programs in the Philippines: A legal interrogation. TANAW: The ANU Philippines Institute Policy Brief Series, 2(1). https://philippinesinstitute.anu.edu.au/content-centre/research/mining-and-mandatory-community-development-programs-philippines-legal
[164] 2023 PH-EITI Roadshow, p.28
[165] Mine Safety, Environment, and Social Development Division. (2024, February 27). MGB conducts SDMP consultation workshop on SDGs. https://mgb.gov.ph/2015-05-13-02-02-11/mgb-news/1543-mgb-conducts-sdmp-consultation-workshop-on-sdgs

following year, DENR issued Administrative Order No. 2025-10, mandating mining contractors and permit-holders to explicitly support one or more SDGs in every program and align the projects to national development plans[166]. Prior to these government initiatives, the Philippine Nickel Industry Association (PNIA) reported that its member companies invested PHP 4.3 B in 2023 toward activities aligned with SDGs, with some of these investments directed through SDMP and others in EPEP and corporate social responsibility (CSR)[167].

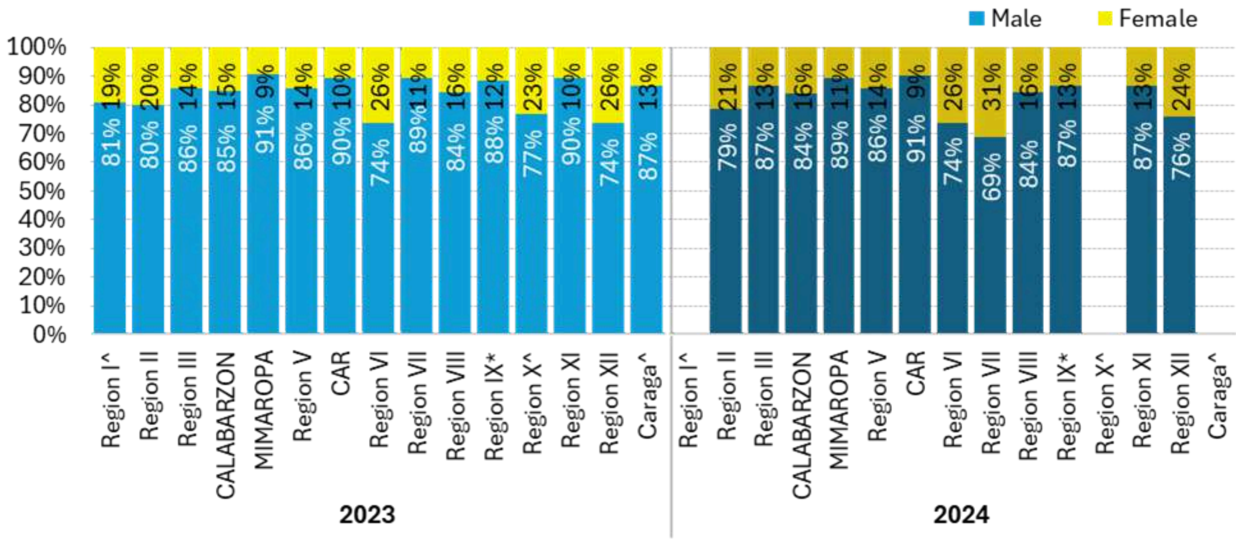
The upstream oil and gas sectors operate under the Petroleum Service Contract (PSC) system, which governs exploration and production agreements between the government and private contractors. While the mining industry mandates SDMP, oil and gas sectors follow a parallel framework within the Model PSC managed by DOE. This requires contractors to undertake Social Development Programs (SDPs) during the production period and to include these initiatives in the annual work program and budget, which the DOE must approve. These social development activities, which may cover scholarships, local training, and community assistance, are often cost-recoverable under the PSC's accounting procedures, making them binding obligations rather than voluntary CSR efforts. These distinctions reveal that while both frameworks aim to ensure equitable community benefits, the oil and gas approach allows more flexibility in negotiation and implementation, albeit with less standardized disclosure compared to mining SDMPs. The Malampaya project has its long-term community programs through the Malampaya Foundation, focusing on education, livelihood development, and coastal conservation[168]. These illustrate how the PSC system embeds social development obligations in practice, translating contractual clauses into community investments.

Gender and inclusivity in the extractive sector

Figure I-21 presents the gender distribution across regions for the mining sector. There were only slight changes in the proportion of female workers across most regions, except in Region VII, where the share of employed women increased by 20%. Nevertheless, the mining industry remains predominantly male.

[166]Mine Safety, Environment, and Social Development Division. (2025, March 4). DENR issues DAO on integrating UN-SDGs in SDMP.
https://mgb.gov.ph/2015-05-13-02-02-11/mgb-news/1644-denr-issues-dao-on-integrating-un-sdgs-in-sdmp
[167]Philippine Nickel Industry Association, Inc. (2024, October 14). PNIA reports PHP 4.3 Billion investment in Sustainable Development Goals for 2023.
https://www.philippinenickel.org/news-and-updates/pnia-reports-php-4-3-billion-investment-in-sustainable-development-goals-for-2023/
[168]Malampaya Foundation. (2024). Annual report. Malampaya Foundation.
https://cdn.prod.website-files.com/60f06a88403509115b3328b5/689c8add3a42de24d18d8b3a_MFI%202024%20Annual%20Report.pdf

Figure I-21. Proportion of Male and Female Workers in Mining Sector, by region



Source: Regional MGB offices. *Disaggregated data not available in some companies. ^Data not available in 2024

As of 2020, EITI disclosures in the country noted that women make up about 12% of the workforce of reporting extractive companies and occupy few leadership roles[169]. Women are long-recognized as vulnerable to mining-linked environmental changes. Those in resource-host communities often bear differentiated burdens, for instance, the impacts of polluted water and loss of livelihood compound their familial responsibilities[170]. Moreover, livelihood programmes tied to mining often inadequately support women, for example, the lack of gender-responsive components in SDMPs has been flagged as a gap[171]. Another reason female workers are often overlooked in project planning is the belief that their income is merely supplementary rather than a recognized household contribution[172]. In Sagada for example, gendered cultural taboos prohibit women from entering mine tunnels, relegating them to lower-paid, informal, and unprotected roles despite their integral participation in mining rituals[173]. Women remain largely unprotected due to laws that cover only formal workers. Thus, there is a need for inclusive legal mechanisms and support systems that can help women access training and sustainable employment. This is crucial since, women comprise one-third of the illegal mining workforce yet face a fatality risk that is 90 times higher than men[174].

[169]Ursua, E., Baquirin, A. M., Real, M. J., & Villalba, M. A. (2020). Women & large-scale mining in the Philippines: A scoping study. Philippine Extractive Industries Transparency Initiative. https://eiti.org/sites/default/files/2023-03/women_and_lsm_in_ph_-_a_scoping_study.pdf
[170] Rivera, D. (2023, March 12). DENR seeks to address gender gap in mining. Philstar.Com. https://www.philstar.com/business/2023/03/12/2250964/denr-seeks-address-gender-gap-mining-
[171] ibid
[172]World Bank. (2023). State of the artisanal and smallscale mining sector. World Bank. https://documents1.worldbank.org/curated/en/099540502092428278/pdf/IDU1a2ef3b9c1969f1487a18ae51269304a44e0a.pdf
[173]Ramos, M. (2024, August 29). Toxic, deadly, cheap: Life for women gold miners in Philippines. Thomson Reuters Foundation. https://www.context.news/socioeconomic-inclusion/toxic-deadly-cheap-life-for-women-gold-miners-in-philippines
[174] Ramos (2024)

Similarly, IP's rights remain a concern in fostering an inclusive extractives sector. Despite the Indigenous Peoples' Rights Act of 1997 (IPRA), FPIC processes often fail to ensure genuine participation. For instance, indigenous communities in Palawan and Mindanao reported that FPIC consultations were rushed or inadequately informed, limiting meaningful consent[175]. Furthermore, allegations about unpaid royalties owed to IPs in Agusan del Sur prompted congressional inquiries[176]. These suggest structural gaps, such as weak monitoring of FPIC implementation, poor enforcement of royalty transparency, and limited community control over benefit funds. Legislative developments such as the proposed Mining Fiscal Regime Bill, which seeks to cap royalties to IPs, have drawn criticism for undermining the principle of equitable benefit sharing. Critics argue that such fiscal reforms risk deepening social exclusion and reigniting local conflicts.

Discussions attempting to address gender gaps involved DENR who urged mining companies to adopt more gender-responsive policies, especially around consultations and benefit-sharing[177]. PH-EITI capacitated stakeholders on the use of National Gender Impact Assessment (GIA) tool, developed by MGB, to help assess differential impacts of mining across genders and vulnerable groups along the mining life cycle[178]. On the other hand, in a study led by the Artisanal Gold Council, several areas were identified as starting points for enhancing women's visibility and access to support in the mining sector. creating an inter-agency council to formalize and support women's work in ASGM and the informal sector, enabling coordinated action, shared resources, and non-duplicative efforts[179]. Such a council can potentially help improve women's working conditions through formal membership, fair labor standards, access to benefits, skills training, and broader social support. Industry associations and companies have also increasingly adopted gender initiatives. Examples of these are Women in Mining campaigns to corporate GESI plans, and the celebration of International Women in Mining days.

Towards Sustainable Mining Initiative

Environmental, Social, and Governance (ESG) reporting has become increasingly central to the operations of mining companies in the Philippines as regulatory pressures intensify. Expectations on adopting sustainable practices in business operations now influence corporate strategy, particularly in governance and workforce standards. Despite the added pressure, ESG compliance is anticipated to drive workforce demand for skills in ESG risk management and reporting among sustainable industries[180].

---

[175]Esterman, I. (2024, March 28). Indigenous Filipinos fight to protect biodiverse mountains from mining. Conservation News.
https://news.mongabay.com/2024/03/indigenous-filipinos-fight-to-protect-biodiverse-mountains-from-mining/
[176]Flores, D. N. (2024, October 21). Lawmakers call for probe into mining firm's unpaid royalties to indigenous peoples. Philstar.
https://www.philstar.com/headlines/2024/10/21/2394206/lawmakers-call-probe-mining-firms-unpaid-royalties-indigenous-peoples
[177]Rivera, D. (2023, September 7). DENR wants more women to lead mining sector. Philstar.
https://www.philstar.com/business/2023/09/07/2294302/denr-wants-more-women-lead-mining-sector
[178] Philippine Extractive Industries Transparency Initiative. (2025, March 20). PH-EITI conducts workshop on National Gender Impact Assessment Tool for the mining sector.
https://pheiti.dof.gov.ph/pr-mgb-national-gender-impact-assessment-gia-tool/
[179]Artisanal Gold Council. (2024). Golden opportunities: Gender study on increasing women's visibility, access to, and support for work in the artisanal and small-scale gold mining communities. Planet Gold Philippines.
https://www.planetgold.org/sites/default/files/%5BplanetGOLD%20Philippines%5D%20Golden%20Opportunities_Gender%20Study%202024.pdf
[180] National Economic and Development Authority. (2025). Philippine development report.
https://depdev.gov.ph/wp-content/uploads/2025/01/PDR2024.pdf

A cornerstone of the mining industry's response has been the adoption of the Towards Sustainable Mining (TSM) initiative, an international performance system that guides companies in evaluating and managing their environmental and social responsibilities. TSM provides structured tools and indicators to ensure responsible risk management in mining and metallurgical facilities. The Chamber of Mines of the Philippines (COMP) adopted TSM in 2017 and mandated the participation of all member companies through public disclosure of of a TSM Verification Summary Report that captures the following protocols[181]:

- Biodiversity conservation management
- Climate change
- Crisis management and communications planning
- Indigenous people and community outreach
- Preventing child and forced labor
- Safety and health performance
- Tailings management
- Water stewardship

The rollout of TSM followed a phased, structured approach. By 2023, COMP completed its modified TSM cycle requiring evidence-backed 2022 self-ratings (without public reporting), while Nickel Asia Corporation provided the Mine Site Sustainability Audit (MSSA) application to standardize data submission[182].COMP noted that TSM offers a roadmap for improving ESG performance and strengthening relationships with stakeholders, particularly host communities. In the 2023 verification cycle, four companies underwent external review alongside four other randomly selected mines, while all 19 COMP members with active sites submitted self-assessments for 2023[183]. Verified assessments revealed strong performance in Indigenous Peoples outreach, social development, and safety and health, but highlighted needed improvements in water stewardship and climate change protocols[184]. These findings mark the first full year of TSM implementation after extensive preparation since 2018.

In its most recent announcement, COMP confirmed that all 19 member-companies will fully implement TSM and submit self-assessment reports covering eight core protocols[185]. Notably, the Philippines remains the only Asian country subscribed to TSM, positioning its large-scale metallic mining sector as a regional leader in ESG-aligned governance[186].

Table I-16. Excerpts from the Verified Results of Selected Mining Companies[187]

Company	Product/Minesite	Selected Indicator with Highest (AAA) Rating	Examples of Evidence (taken from External Verification Report)

[181] hamber of Mines of the Philippines. (2023). Primer: Towards sustainable mining. https://chamberofmines.com.ph/beta/tsm/about/
[182] Chamber of Mines of the Philippines. (n.d.). 2023 Annual report: 3rd year of the modified TSM cycle. https://chamberofmines.com.ph/beta/2023-2/
[183] Villegas, M. (2024, November 1). Chamber of Mines pushes for policy reforms. Philippine Resources Journal. https://www.philippine-resources.com/articles/2024/11/chamber-of-mines-pushes-for-policy-reforms
[184] ibid
[185] Gonzales, A. L. (2024, February 25). Chamber of Mines to fully implement sustainability initiative. Philippine News Agency. https://www.pna.gov.ph/articles/1219506
[186]Chamber of Mines of the Philippines. (2024, February 29). Chamber of mines members to fully implement towards sustainable mining this year. https://chamberofmines.com.ph/beta/chamber-of-mines-members-to-fully-implement-towards-sustainable-mining-this-year/
[187]Information can be accessed in [TSM 2024 external Verification Reports]

Filminera Resources Corporation	Gold and silver Masbate Gold Project	Corporate biodiversity conservation commitment, accountability and communications	The Biodiversity Management Plan is available, prepared by 3rd party consultant. This plan is being used as the basis for the Annual Reforestation Plan for year 2023 The assessment of flora and fauna done yearly
Philex Mining Corporation	Copper and gold Philex Padcal Minesite	Tailings Management System	The Tailings Management System was developed and implemented containing controls and mitigation plans, and its effectiveness was reviewed and evaluated by external auditors
TVI Resource Development Phils., Inc.	Gold and silver ore Balabag Gold Silver Project	Water Governance	Commitment to water stewardship is embedded in top management policies. Processes are in place to track and correct non-compliance with water-related regulatory requirements and permits commitments. Assessment of water risks and opportunities is incorporated into the Environmental Management Systems in accordance with ISO 14001. Internal and external audits to comply with EMS requirements include water related aspects of mining operations.
Taganito Mining Corporation-Nickel Asia Corporation	Nickel Taganito Mining Corporation	Social Development Management	SDM Program adequately implemented

Anti-Corruption Measures in Mining Sector

Anti-corruption policies in mining companies commonly state a clear “zero-tolerance” stance against bribery, facilitation payments, kickbacks and related fraud, and explicitly prohibit corrupt practices by employees, contractors and anyone acting on the company’s behalf. These policies are typically embedded in a Code of Conduct or Anti-Bribery Policy that sets expected behaviours, conflict-of-interest rules and record-keeping requirements. Companies routinely require due diligence and contractual warranties for third parties to reduce exposure to corruption through intermediaries. Whistleblower and reporting channels, as well as commitments to investigate and discipline misconduct, are standard features of which many firms publish formal whistleblowing procedures. Training, periodic risk assessments, board oversight and public disclosure in sustainability or governance reports are used to demonstrate compliance and continual improvement. OceanaGold and Nickel Asia Corporation, for instance, provide publicly accessible, detailed anti-bribery/anti-corruption standards that illustrate these elements in practice. Meanwhile, cement companies often outsource the trucking of raw materials. As a result, some companies extend the application of their Code of Conduct to third-party haulers, in order to establish clear accountability mechanisms that hold the trucking company responsible for any bribery committed. This "flow-down" requirement ensures that mining companies cannot outsource bribery to third-party logistics or permit providers. Moreover, anti-corruption is no longer just a legal topic as this is reported as one of the primary metrics for the governance pillar in Sustainability Reports. For example, SMPC and Atlas Consolidated Mining highlight their compliance history to attract ESG-focused investors. The table below presents the publicly available anti-corruption measures in selected mining companies.

Table I-17. List of Publicly Available Anti-Corruption Measures/Policies in Selected Mining Companies

Company Name	**Sector**	**Policy/Document Title**	**Year Revised/ Adopted**
Benguet Corporation	Gold/Nickel	Anti-Fraud, Corruption & Whistleblowing Policy	2019
Global Ferronickel Holdings (FNI)	Nickel	Anti-Bribery & Corruption Policy	2014
Philex Mining Corporation	Gold/Copper	Revised Manual on Corporate Governance	2017
Apex Mining Co., Inc.	Gold	Code of Business Conduct and Ethics	2017
Semirara Mining & Power Corp.	Coal & Energy	Code of Conduct and Business Ethics	2019
Marcventures Holdings, Inc.	Nickel	Code of Business Conduct and Ethics	2020
Lepanto Consolidated Mining	Gold	Whistleblowing Policy	2014
Atlas Consolidated Mining	Copper	Anti-Bribery and Anti-Corruption Policy	*not indicated*

Nickel Asia Corporation	Nickel	Anti-Bribery and Anti-Corruption Policy	2022
Oceana Gold	Gold	Anti-Bribery and Anti-Corruption Standard	2024
Holcim Philippines	Aggregates & Cement	Building with Integrity	2021
CEMEX Holdings Philippines	Limestone & Cement	Global Anti-Corruption Policy	2020
Eagle Cement Corp. (San Miguel)	Limestone & Shale	Anti-Corruption and Sanctions Compliance Policy	*not indicated*

Case Study: ***Looms of Empowerment: The Role of Women Weavers in Advancing Gender Equity***

Kasibu is an upland municipality where traditional loom weaving is an important cultural practice among Indigenous communities. In August 2023 a memorandum of agreement was signed between the local government of Brgy. Capisaan, Department of Trade and Industry (DTI) Region 2, Alayan Pag-asa Abot-Palad Association (APAPA) of Women, and OceanaGold to formalize Mun-Abol (Maximizing Network and Unveiling Natural Talents through Acceleration of Business Opportunities and Livelihood) Project[188]. The partnership led to the establishment of a weaving and training center as well as supported skills upgrading, cultural design innovation, and market expansion[189].

Didipio Mine, though not situated on ancestral domain, invests in preserving Indigenous culture through its Indigenous Peoples Culture Revitalisation Program[190]. The Mun-abol project, rooted from "MunAbol", an Ifugao term meaning "to weave", is one of these initiatives. The project provides a valuable source of income among 16 women weavers, many of whom are mothers[191]. Moreover, this project demonstrates a distinct approach in promoting women's economic empowerment. By establishing a training center, providing capital, and facilitating market entry and developing value-adding skills, the project helps in reducing entry costs and building women's agency over income. Women weavers play a vital role in preserving Indigenous cultural traditions while earning local income to support their households, and the Mun-Abol project enables this dual role by ensuring that the intervention is tailored to the community's needs and grounded in its cultural orientation.

[188] Villaflor, J. (2024, April 21). Slow fashion: Keeping IP culture alive. Didipio Mine. https://didipiomine.com.ph/slow-fashion-keeping-ip-culture-alive/
[189] Campos, O. V. (2024, June 22). Alayan weavers spin brighter future. Manila Standard. https://manilastandard.net/?p=314462850
[190] OceanaGold. (2023). Sustainability report. https://climindstorage123.blob.core.windows.net/climind/upload/2025-01-26/a0dc9ecf-52d5-4de5-aace-16efe69b9df5.pdf
[191] Domingo, L. C. (2023, September 11). DTI, Canada mine firm boost IP culture. The Manila Times. https://www.manilatimes.net/2023/09/11/regions/dti-canada-mine-firm-boost-ip-culture/1909439

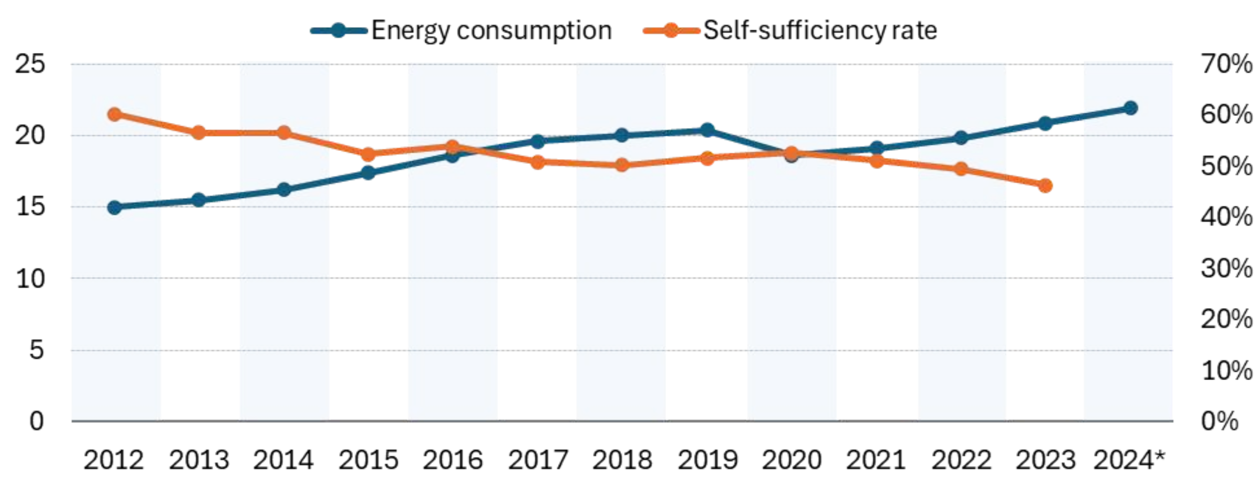
SECTION VII: ENERGY TRANSITION AND THE FUTURE OF EXTRACTIVES

The role of extractives in the Philippines' energy transition

The Philippines' power sector stands out in Southeast Asia for having fully unbundled its generation, transmission, and distribution segments, allowing private companies to take central roles in the energy supply chain. The establishment of the Wholesale Electricity Spot Market (WESM) further reinforced this liberalized framework by introducing a transparent trading platform for electricity as a commodity. WESM has demonstrated the robustness of a market-oriented energy system and positioned the country favorably for integrating renewable energy sources, as competition and price discovery mechanisms promote efficiency and innovation[192]. Despite these structural advantages, the country's generation mix remains heavily reliant on fossil fuels.

Over the past two decades, this dependence has deepened as coal became the primary response to growing electricity demand. With economic expansion driving the need for baseload generation, fossil fuels were prioritized, pushing their share in total electricity generation from 67% in 2003 to 78% in 2022, while coal's share more than doubled from 28% to 60%[193]. Renewable generation, in contrast, expanded only marginally, locking the country into carbon-intensive infrastructure. This overreliance exposes the economy to global price shocks and undermines commitments to decarbonization and climate resilience. In Figure I-22, the per capita energy consumption is shown to have gradually increased since 2020, while the self-sufficiency rate started to decrease during the same period. A lower self-sufficiency rate of primary energy implies that a larger share of the country's total energy supply comes from imports rather than from domestic sources. The trend underscores that the Philippine energy transition involves not just adopting new policies but dismantling entrenched economic and technological dependencies built over decades.

Figure I-22. Primary Energy Consumption per Capita and Primary Energy Self-Sufficiency Rate, per capita consumption in gigajoules and rate in %



Source: Kearney; KPMG; Energy Institute. *Data was collected from DOE; 2024 data not available

---

[192]Ahmed, S., Dalasung , A., David, A., Gray, M., Le Galiot, A., Logarta, V., & Valencia, P. (2021). Analysing energy transition risk in the Philippines power sector. https://icsc.ngo/wp-content/uploads/2021/08/KEEP_Analysing_Energy_Transition_Risk_PH_Power_Sector_April21_Final.pdf

[193]Department of Energy. (2024a). Power statistics [Dataset]. https://doi.org/https://legacy.doe.gov.ph/sites/default/files/pdf/energy_statistics/02_Summary.pdf

Recognizing these long-term risks, the government has taken a more proactive stance in climate and energy policy. The country's first Nationally Determined Contribution (NDC), submitted in 2021, pledges a 75% reduction in greenhouse gas emissions by 2030 relative to a business-as-usual scenario[194]. Meeting these targets, however, requires mobilizing an estimated USD 337 B through 2040, and the Organisation for Economic Co-operation and Development (OECD) investment roadmap identified offshore wind and energy efficiency in buildings as key sectors with transformative potential[195]. Offshore wind, in particular, could supply up to 23% of national electricity demand by 2050[196], but realizing this potential will require regulatory coherence, modernized port and grid infrastructure, and sustained investments where the extractives sector plays a crucial enabling role.

The production of critical minerals[197,198] forms the backbone of renewable technologies, from wind turbines and solar panels to electric vehicle batteries and smart grids. Table I-18 presents the identified green energy minerals based on the USAID report in 2021. The report consolidated key development issues in mining among USAID-presence countries with most green energy minerals which included Philippines. Except for nickel, where the country ranked as the world's second-largest producer, it was considered an emerging or relatively minor producer of the other green minerals on the list.

Table I-18. Green Energy Minerals

Mineral	Uses in Green Technology	Key Issues in Mining
Chromium	Wind, energy storage, geothermal	Governance, environment, labor and working conditions, conflict
Cobalt	Energy storage	Governance, environment, labor and working conditions, land tenure
Copper	Solar, wind, energy storage, electric cars (excl. batteries), geothermal	Governance, environment, labor and working conditions, land tenure, leveraging minerals for local/national growth
Nickel	Energy storage, wind, solar, geothermal	Governance, environment, conflict, land tenure, leveraging minerals for local/national growth
Silver	Solar	Governance, environment, land tenure, leveraging minerals for local/national growth

Source: Mining and the Green Energy Transition: Review of International Development Challenges and Opportunities (199)

[194] NDC partnership: Philippines. (n.d.). https://ndcpartnership.org/country/phl
[195](OECD, 2024)
[196] ibid
[197] The UN Working Group on Transforming the Extractive Industries for Sustainable Development refers to critical energy transition minerals as "commodities that are necessary for the construction, production and storage of renewable energy". The criteria for these mineral commodities tend to be highly "subjective and location-specific". (https://wedocs.unep.org/bitstream/handle/20.500.11822/46623/critical_transitions.pdf?sequence=3&isAllowed=y)
[198] The International Renewable Energy Agency noted the absence of a universal list of 'critical minerals' as well as a limited focus on RE transition technologies and scope. (https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2024/Oct/IRENA_Ranking_critical_materials_for_the_energy-transition_2024.pdf)
[199] https://donorplatform.org/wp-content/uploads/2022/07/Green-Energy-Minerals-Report_FINAL.pdf

Overall, the extractives sector occupies both enabling and transitional positions in the Philippines' energy transition efforts. It provides the essential materials for producing renewable and low-carbon technologies while actively working to decarbonize its own operations.

Challenges and Risks

The context of just transition encompasses a wide spectrum of goals, ranging from reskilling and greening the economy to a fundamental transformation of the energy system based on the rights of workers and communities[200]. For many local populations, the immediate need for financial stability often outweighs long-term environmental health, creating a cycle of dependency that is difficult to break. A study done by the Center for Energy, Ecology, and Development (CEED) revealed that coal operators like SMPC and Sem-Calaca provide significant employment for neighboring communities, offering routine work and income that, although low, is often higher than earnings from traditional livelihoods like farming and fishing. However, this employment created tensions within host communities, as local residents who experience adverse environmental impacts oppose the coal operations while workers from nearby areas benefit economically[201].

Governance gaps and inconsistencies amplify risks for local communities. A review by the Mining Industry Coordination Council revealed that mining operations often underperform in environmental and social criteria, even while excelling economically and technically[202]. This highlights the disconnect between economic incentives and socioenvironmental safeguards, showing that revenue generation does not automatically translate into equitable or sustainable development for host communities. Moreover, rapid proliferation of international agreements and investment partnerships, such as the U.S.-Philippines Partnership Act of 2024, introduces risks of resource nationalism and power asymmetries, where foreign interests may overshadow national priorities, reduce policy autonomy, and potentially exacerbate social and environmental harm[203].

Procedural and distributive injustices were also evident in how communities are excluded from meaningful consultation on mining projects. Reports indicate that Indigenous and rural communities are often denied Free, Prior, and Informed Consent (FPIC), while environmental impact assessments and project maps are withheld or unclear[204]. Environmental risks are similarly significant. Mining expansion that occurs in a country highly vulnerable to climate impacts amplify the consequences of environmental degradation. Mining operations often encroach on Indigenous ancestral lands, depriving communities of economically and culturally significant forests and non-timber resources that erode their spiritual and cultural ties, which are essential to the collective identity of IPs[205]. Existing literature

---

[200] Quirino, M., & Taqueban, E. M. (2023). Toward a just minerals transition in the Philippines. Legal Rights and Natural Resources Center .
https://foeasiapacific.org/wp-content/uploads/2023/02/Toward-a-Just-Minerals-Transition-FINAL-31-Jan-2023.pdf
[201] Center for Energy, Ecology, and Development . (2020). Just transition in the Philippines.
https://ceedphilippines.com/wp-content/uploads/2020/05/CEED-Just-Transition-in-the-Philippines-Full-Study.pdf
[202] Zaplan, M., Taqueban, E. M., & Quirino, M. (2023). Energy transition minerals: Paving the path to a just energy transition in the Philippines. Legal Rights and Natural Resources Center.
https://www.lrcksk.org/_files/ugd/dc2292_483df3282e3d4bfaafba352b867e4259.pdf
[203] Asuncion, A., Skensved, M., & Ubaldo, J. E. (2024). From just transitions to just transformations: Community based scoping study on the impacts of transition mineral mining in the Philippines. Bantay Kita.
https://drive.google.com/file/d/1S9jBIb7IwaUdNLIcxJWqY_0MLJCkresn/view
[204] Amnesty International. (2025, January 9). Philippines: Nickel mining projects approved despite inadequate consultation and serious risks to communities' health and environment.
https://www.amnesty.org/en/latest/news/2025/01/philippines-nickel-mining-projects-approved-despite-inadequate-consultation-and-serious-risks-to-communities-health-and-environment/
[205] International Union for Conservation of Nature . (2025, January 23). Palawan: A natural treasure in peril as the world scrambles for critical minerals | IUCN NL.
https://www.iucn.nl/en/story/palawan-a-natural-treasure-in-peril-as-the-world-scrambles-for-critical-minerals/

acknowledges that mining expansion often leads to social conflicts, as much of the country's mineral reserves are found within ancestral domains and key biodiversity areas. Bantay Kita outlined key recommendations that may help fill in the gaps on just transition. In particular, they call for binding human rights and environmental due diligence standards, diverse legal safeguards, and social safety nets to protect host communities and critical ecosystems. The organization also urges the subnationalization of PH-EITI to improve transparency and participation at local levels, and amendments to the Philippine Mining Act to align mineral development with sustainable industrialization and climate goals[206]. Moreover, a clear national direction is required to ensure that the move to renewables does not replicate historical injustices in the extractives sector[207]. CSOs advocate for a transition that prioritizes community consent and equitable benefit-sharing[208]. Furthermore, a study finding challenges the necessity of indiscriminate mining, asserting that national energy goals are achievable without compromising ecological integrity[209]. Consequently, there is a strong call for policymakers to enforce safeguards, such as the Alternative Minerals Management Bill, to guarantee a transition that is truly sustainable and inclusive[210].

Workforce transition remains a vital component of a just and sustainable shift. Based on the study done by the International Labour Organization (ILO), employment in the mining of metal ores represents only about 2% of total employment in the Philippines, with 70% of workers engaged in low-skilled, elementary occupations[211]. The study highlighted that, although these workers earn slightly more than their counterparts in other low-skill sectors, overall wages in the mining of metal ores remain below the national average, underscoring persistent inequality and limited value addition. Programs like the Government Energy Management Program (GEMP) may open pathways for retraining workers from traditional fossil and extractive sectors to new roles in green energy technologies, manufacturing, and services[212].

The Green Jobs Act of 2016 serves as the foundational legislation for generating and maintaining employment during the transition to a more sustainable economy. To operationalize this, a roadmap, the National Green Jobs Human Resource Development Plan (2020-2030) was created to seek pathways focused on decent work and skills, while the Technical Education and Skills Development Authority (TESDA) manages the regulations, assessments, and certifications necessary for training programs[213]. The research brief on this development plan demonstrated possible ripple effects across various industries that the transition may offer[214]. For instance, the transition may catalyze employment

[206]Asuncion, A., & Ubaldo, J. E. (2023). Unearthing transition mineral accountability in the Philippines:At the intersection of the climate crisis, energy transitionlandscapes & extractive industries. Bantay Kita. http://www.bantaykita.ph/1/post/2024/09/unearthing-transition-mineral-accountability-in-the-philippinesat-the-intersection-of-the-climate-crisis-energy-transitionlandscapes-extractive-industries.html
[207](Asuncion & Ubaldo, 2023)
[208]Alyansa Tigil Mina. (2024). Energy transition minerals: Digging out the critical issues. https://www.ohchr.org/sites/default/files/documents/issues/climatechange/cfis/life-cycle-minerals/subm-hr-life-cycle-cso-atm-annex-5.pdf
[209] Center for Energy, Ecology, and Development . (2024, October 18). Groups launch watchdog campaign on mining and energy transition in PH, call for ban on new mines. https://ceedphilippines.com/call-for-ban-on-new-mines/
[210] Legal Rights Center. (2023, February 23). Study urges new law for energy transition metals in PH. https://www.lrcksk.org/post/study-urges-new-law-for-energy-transition-metals-in-ph
[211] International Labour Organization. (2025). Employment in the critical minerals sector: A case study of Indonesia, Mongolia and the Philippines [ILO Brief]. https://www.ilo.org/sites/default/files/2025-09/Employment%20in%20the%20critical%20minerals%20sectorL.pdf
[212]Organisation for Economic Co-operation and Development. (2024). Clean energy finance and investment roadmap of the Philippines. OECD Publishing. https://doi.org/10.1787/7a13719d-en
[213] United Nations, Asian Development Bank, & United Nations Development Programme. (2025). 2025 Asia-Pacific SDG partnership report–Delivering a just transition: Advancing decent work, gender equality, and social protection. Asian Development Bank. https://www.adb.org/documents/2025-asia-pacific-sdg-partnership-report
[214]Son, A. M., & Gamboa, J. (2024). National green jobs human resource development plan 2020-2030: Pathways for building a sustainable workforce. Institute for Labor Studies. https://ils.dole.gov.ph/downloads/file/787-national-green-jobs-human-resource-development-plan-2020-2030-pathways-for-building-a-sustainable-workforce

in technical and administrative roles such as solar engineers, energy analysts, and project managers. Beyond creating new jobs, the roadmap outlined strategies that will serve as social protection measures, such as the review and institutionalization of unemployment benefits and insurance schemes specifically for displaced and at-risk workers, formation of technical working groups to develop new benefit schemes, introduction of Coal Retirement Program under the Climate Investment Fund Act[215].

Policy shifts towards renewable energy and just transition efforts

The path toward a just and sustainable energy transition remains complex, shaped by longstanding structural and institutional barriers. The Electric Power Industry Reform Act (EPIRA) was enacted to enhance competition and private investments in the liberalized power market. However, two decades later, the sector remains dominated by oligarchic interests, with 11 families controlling nearly three-quarters of the country's installed generation capacity. Similarly, transmission and distribution are also concentrated[216]. This concentration of power stifles competition and might make policymaking prone to corporate influence. Despite increasing policy commitments to decarbonization, market incentives remain skewed toward fossil fuels, which continue to generate higher and more predictable returns for dominant players. The profitability of coal, gas, and oil discourages conglomerates from shifting their capital toward renewables, often perceived as riskier due to technological and policy uncertainties[217]. Consequently, renewable deployment has lagged, with limited entry of smaller innovators capable of advancing community-based and decentralized energy systems. In this context, the Philippines' transition must extend beyond technological substitution to confront the deeper political economy of energy governance.

Based on the policy tracker of the International Energy Agency (IEA), between 2019 and 2024, the key policy areas related to critical minerals introduced and implemented in the Philippines mainly focused on advocating for sustainable and responsible practices, while a few promoted exploration, production and innovation (Table I-19). This consolidated policy database suggests other categories such as ensuring supply reliability and resiliency and minerals recycling that are not explicitly captured in the current set of policies in the country.

Table I-19. Active policies related to critical minerals needed for the energy transition

Policy	Year	Focus Areas and Policy Type	
		Promoting exploration, production and innovation	**Encouraging sustainable and responsible practices**
Enhanced Fiscal Regime for Large-Scale Metallic Mining	2025	Tax incentives	

[215]ibid.
[216]Miraflor, J., Diokno, M., Tutor, M., Ong, T. A., & Fortaleza, W. (2024). Saan umabot ang bente mo: EPIRA 20 years after. Friedrich Ebert Stiftung.
https://philippines.fes.de/fileadmin/user_upload/PUBLICATIONS/PUBLICATION_Saan_umabot_ang_bente_mo_EPIRA.pdf
[217]Dressel , B., & Saguin, K. (2025, April 2). Challenges and prospects of the energy transition in the Philippines. ANU Philippines Institute.
https://philippinesinstitute.anu.edu.au/content-centre/research/challenges-and-prospects-energy-transition-philippines

DENR Administrative Order 2022-04: Enhancing Biodiversity Conservation and Protection in Mining Operations	2022		Financing
DENR Administrative Order 2021-40	2021		Financing, Innovation funds
Philippine Mineral Reporting Code	2020		Enhanced geological surveys
WePOWER Network in South Asia	2019		Tax incentives
EITI Standard	2019		Enhanced geological surveys
Guidelines for additional environmental measures for operating surface metallic mines (DENR AO 2018-19)	2018		Financing, Innovation funds
Executive Order No. 79	2012	Tax incentives	Financing, Innovation funds
Revised Implementing Rules and Regulations of R.A. 7942, Philippine Mining Act of 1995 (DENR Administrative Order 2010-21)	2010	Tax incentives	Enhanced geological surveys, Innovation funds
The Indigenous Peoples' Rights Act of 1997	1997		Tax incentives, Innovation funds
Philippine Mining Act of 1995 (Republic Act No. 7942)	1995	Tax incentives	Financing, Tax incentives, Innovation funds
Small Scale Mining Laws in the Philippines	1991		Innovation funds

Source: International Energy Agency (2025) (218)

A recent development in the energy transition policy was the release of the Philippine Energy Plan (PEP) 2023-2050 that functions as the umbrella strategy, where DOE circulars, auctions and storage policies are implementation pieces to deliver the PEP goals. In particular, the energy transition pathway outlined in PEP aims to contribute to offshore wind and marine energy development, rightskilling of workforce, manufacturing of green metals, and voluntary retirement and repurposing of coal-fired power plants. Some of the targets/key components of this transition pathway include the following[219]:

- Reference scenario: increase the renewable energy share to 35% by 2030; Clean energy scenarios: above 50% by 2040

[218] International Energy Agency. (2025). Critical minerals policy tracker [Dataset]. https://www.iea.org/data-and-statistics/data-tools/critical-minerals-policy-tracker
[219](Department of Energy, 2023)

- Reference scenario: 10% EV penetration rate by 20; Clean energy scenarios: 50% EV penetration rate by 2040
- Reference scenario: maintain 5% energy and efficiency conservation (EEC) efforts; Clean energy scenarios: improve oil and electricity EEC rates by 10% in 2040-2050
- Accelerate infrastructure support through advanced and smart grids and enhance resiliency by adopting climate-proof energy infrastructure

The plan's emphasis on smart grids, offshore wind port facilities, and workforce rightskilling suggests a recognition that energy transition is a systemic process requiring institutional coordination and sustained investment. Ultimately, the PEP's policy implications move beyond energy substitution as this will chart a pathway where energy transition drives broader industrial modernization and inclusive growth.

Collaborative efforts from government and private sector have yielded mixed outcomes, including various publicly announced commitments and initiatives to expand renewable energy generation, modernize energy infrastructure, and attract green investments to meet the country's transition targets (Table I-20). A set of other ongoing reforms such as increasing the Renewable Portfolio Standard (RPS), opening renewables to 100% foreign ownership, and streamlining permitting via the Energy Virtual One-Stop Shop (EVOSS) intended to spur investments. Notably, the RE capacity additions in 2024 were largely driven by the strengthened RPS, which increased the annual minimum renewable energy requirement from 1% to 2.5%, and created stronger demand for renewables[220]. This policy, alongside streamlined permitting and investment-friendly reforms, has significantly accelerated the country's clean energy transition toward its 2030 and 2040 targets. Meanwhile, the launch of the Renewable Energy Market (REM) in December 2024, which enabled trading of Renewable Energy Certificates, marked another milestone in operationalizing the RPS mechanism[221].

Table I-20. Overview of Energy Initiatives and Announcements

Year	Selected Initiatives/Announcements
2023	DOE announced that the Philippines is open to 100 % foreign ownership of renewable energy projects to attract investment and accelerate the RE transition[222]
2023	President Marcos Jr. included in his State of the Nation Address (SONA) that the administration targets to pursue measures and policies that will support the transition to cheap and reliable energy and advocate the utilization of RE sources[223]
2024	DOE stated the country would need a higher Renewable Portfolio Standard (RPS) of up to 52.83 GW of RE capacity by 2040[224]

[220]Department of Energy. (2025, February 10). PH push for renewable energy yields record-breaking installations. https://legacy.doe.gov.ph/press-releases/ph-push-renewable-energy-yields-record-breaking-installations
[221]Department of Energy. (2024b, December 23). REC trading starts 26 December 2024 with the full operationalization of REM. https://legacy.doe.gov.ph/press-releases/rec-trading-starts-26-december-2024-full-operationalization-rem
[222] Gita-Carlos, R. A. (2023, September 13). PH open to full foreign ownership of renewable energy projects: PBBM. Philippine News Agency. https://www.pna.gov.ph/articles/1209831
[223] Parrocha, A. (2023, January 1). Marcos administration prioritizes cheap, renewable energy. Parrocha. https://www.pna.gov.ph/articles/1191809
[224] Crismundo, K. (2024b, April 7). PH needs 53GW by 2040 under higher RE portfolio standard. Philippine News Agency. https://www.pna.gov.ph/index.php/articles/1222195

Year	Selected Initiatives/Announcements
2024	DOE simplified the application process for RE projects by allowing developers to commence permit processing/surveys before 25-year contracts start, as part of the department's update to the Energy Virtual One-Stop Shop System (EVOSS)[225]
2024	The Board of Investments (BOI) issued "Green Lane" certificates to accelerate permits/licenses for 126 projects, of which 114 were RE projects that are valued at PhP 3.74 T[226]
2024	President Marcos Jr. led the groundbreaking of world's largest integrated solar storage project, the Meralco Terrawatt (MTerra) Solar Project, in Nueva Ecija and Bulacan. The project spans 3,500 ha, combining solar PV and battery storage, which aims to power around 2 million households[227]
2024	Meralco announced it will invest PHP 100 billion until 2030 for sustainability projects focused on improving energy infrastructure and aligning with national sustainability goals[228]

The PEP views upstream and downstream oil and gas as strategic sub-sectors, with dedicated oil and gas roadmaps and active measures to expand LNG infrastructure. However, national action on the extractives sector lacks a clearly harmonised just transition or mining sector roadmap that links mine permitting, phased closures, rehabilitation funding, social protection and workforce reskilling to the country's climate and energy targets. Policy moves such as new petroleum service contract awards and auctions to replace declining supplies from Malampaya show the government is simultaneously encouraging new fossil exploration even while pursuing large renewable projects and international clean energy partnerships, a tension that must be acknowledged in any policy assessment. The Philippines' NDC implementation plans and external technical assistance programs imply commitment to meeting GHG and RE targets, but they also indicate dependence on foreign finance and TA to operationalize the transition at scale[229]. Therefore, a key finding is that while credible national roadmaps exist for the power and oil/gas subsectors, governance remains fragmented. There is no single, implementation-ready national framework that integrates extractives sector management, climate commitments, and just-transition safeguards. Policymakers should close this gap by commissioning an integrated extractives and energy transition roadmap that aligns licensing and fiscal rules with the PEP timeline, establishes mandatory mine closure/reclamation funding and social protection mechanisms, and sequences fossil-fuel authorisations against clear decarbonisation milestones to ensure transparency, investor certainty, and a socially just transition.

---

[225] Crismundo, K. (2024c, June 14). DOE simplifies renewable energy application process. Philippine News Agency. https://www.pna.gov.ph/index.php/articles/1226963
[226] Crismundo, K. (2024d, September 26). P4.13-T projects logged under green lane initiative. Philippine News Agency. https://www.pna.gov.ph/articles/1234214
[227] Esguerra, D. (2024, November 21). Marcos leads groundbreaking of world's largest solar project. Philippine News Agency. https://www.pna.gov.ph/articles/1238377
[228] Crismundo, K. (2024a, February 26). Meralco to invest P100B for sustainability projects until 2030. Philippine News Agency. https://www.pna.gov.ph/articles/1219520
[229]Climate Change Commission & Department of Environment and Natural Resources. (2023). Implementation plan for the Republic of the Philippines Nationally Determined Contribution (NDC) 2020–2030. https://niccdies.climate.gov.ph/files/documents/The%20Philippines-%20NDC%20Implementation%20Plan%20-%2007 2024.pdf

Case Study: *Pioneering Floating Solar: Carmen Copper Corporation's Shift Toward Renewable Energy*

Carmen Copper Corporation (CCC), a subsidiary of Atlas Consolidated Mining and Development Corporation, is among the leading copper producers in the Philippines. Located in Toledo City, Cebu, the company has long relied on conventional energy sources such as thermal power and diesel to sustain its high energy demand, which reached approximately 49 megawatts (MW) at peak production levels of 50,000 tons per day[230]. Historically, CCC's electricity supply came primarily from Toledo Power Company's (TPC) Sangi Thermal Power Plant, with additional sources from the Cebu Electric Cooperative (CEBECO III) and the Wholesale Electricity Spot Market (WESM). The company's reliance on fossil-based energy made it increasingly vulnerable to fluctuating market prices and carbon-related regulations, prompting the management to explore more sustainable and resilient energy alternatives.

CCC began outlining clear plans in 2022 to align its energy management strategies with the country's clean energy transition goals. The company initiated exploratory studies for a floating solar project at Malubog Dam in Toledo City to evaluate the feasibility of renewable energy integration into its mining operations. It also designated its administration building as a pilot site for solar panel installation to test system performance under actual operating conditions[231].

In its 2023 Integrated Report, CCC stated that it advanced its renewable energy initiatives by fully operationalizing its PhP 8-million solar panel system on the Administration Building. Based on the report, the installation has a 180-kilowatt (kW) capacity and a 25-year service life. In the same year, CCC moved forward with its flagship renewable energy project, a 5 MW floating solar power plant located at Malubog Dam. Black & Veatch served as the engineering, procurement and construction contractor for this project. The Malubog floating solar facility spans about three hectares and uses 8,540 solar panels mounted on recycled plastic floaters, with each section built onshore and placed using GPS-guided systems to keep it stable and reduce environmental impact[232]. Completed in just 15 months with over 250,000 man-hours worked and zero lost-time incidents, the 4.996 MW system became the first megawatt-scale floating photovoltaic (PV) plant in the country, making this project a national blueprint for sustainable industrial power solutions[233].

Carmen Copper's shift to renewable energy is not only a technological innovation but also a social and environmental milestone. The project was developed in consultation with the local community, with residents trained and employed during the construction phase[234]. From an operational standpoint, the integration of renewable energy is expected to stabilize CCC's energy costs and reduce its carbon footprint. The floating solar panels currently provides about 10% of CCC's power demand, with scalability designed to eventually supply the entirety of its mining operations[235]. Published information on the company's energy management indicates an increase in both emission intensity and electricity consumption in 2024. Electricity generated from the installed solar panels was relatively low as this is still in the early stages of scaling up, hence, the adoption of renewable

[230] Carmen Copper Corporation. (2022). Draft environmental performance report and management plan (EPRMP) Toledo Copper Mine.
https://eia.emb.gov.ph/wp-content/uploads/2022/08/EPRMP-CARMEN-COPPER-CORPORATION_compressed-2.pdf
[231] https://atlasmining.com.ph/sites/default/files/sustainability%20reports/2022_atlas_mining_integrated_report.pdf
[232] Black & Veatch Corporation. (n.d.). Responsible mining: Carmen Copper floating solar project in Philippines.
https://www.bv.com/projects/responsible-mining-carmen-copper-floating-solar-project-in-philippines
[233] Clean Technica. (2025, August 14). Philippines' first floating solar farm sets a national blueprint for clean energy.
https://tfa.ph/property_news/philippines-first-floating-solar-farm-sets-a-national-blueprint-for-clean-energy/
[234] (Black & Veatch Corporation, n.d.)
[235]Lagare, J. (n.d.). Carmen Copper switches on 4.99-MW floating solar power system in Cebu. Inquirer.Net.
https://business.inquirer.net/539041/carmen-copper-switches-on-4-99-mw-floating-solar-power-system-in-cebu/amp

energy may offer benefits that are not yet fully realized. CCC's renewable shift also complements its three-year redevelopment program (2023–2026) aimed at optimizing production efficiency and extending the mine's life by 12 to 15 years[236].

Table I-21. Energy Management Disclosure[237]

Year	Emission Intensity (tonnes CO2 /PhP million revenues)	Electricity Consumption (million KWh)	Electricity Consumption from Renewable Energy Sources (million KWh)
2020	23.4	423.9	
2021	20.1	428.8	
2022	22.9	428.4	
2023	21.8	415.4	0.1
2024	24.5	444.4	0.2

In 2024, the company reaffirmed its energy transition goals by emphasizing the coherence of its renewable energy strategies and reaffirming its target timeline, the floating solar plant is expected to reach full operation by June 2025[238]. The plant's modular and scalable design ensures flexibility for future expansion, allowing CCC to incrementally increase capacity based on operational needs and technological advancements.

Carmen Copper's renewable energy transition showcases how extractive industries can adopt innovative energy solutions without compromising productivity. Its investment in the country's first large-scale floating solar facility reflects a strategic response to global decarbonization pressures and a proactive stance on sustainable mining. CCC has positioned itself as a model for responsible resource development in the Philippines by demonstrating that even energy-intensive industries can meaningfully contribute to the just energy transition.

[236]Atlas Consolidated Mining and Development Corporation. (2023). Integrated report. https://atlasmining.com.ph/sites/default/files/sustainability%20reports/2023_at_sustainability_report.pdf
[237] Data can be accesde here: Atlas Mining Sustainability Reports
[238] Atlas consolidated Mining and Development Corporation. (2024). Steeling resilience: Integrated report. https://atlasmining.com.ph/sites/default/files/sustainability%20reports/sustainabilityreport2024_2.pdf

SECTION VIII: MAINSTREAMING TRANSPARENCY: PROGRESS TOWARD SYSTEMATIC DISCLOSURE

Continued effort toward systematic disclosure

Even prior to the EITI International's campaign on EITI mainstreaming, the Philippine government has already been implementing efforts to promote open and accountable governance of the oil, gas, and mineral resources through the creation of systems and tools that publish extractive data and information.

Guided by global standards, PH-EITI is advancing systematic disclosure, a framework where transparency requirements are met through routine, publicly available company and government reporting. This approach moves beyond separate data collection, integrating EITI data directly into public financial reports, annual agency filings, information portals, and open data initiatives.

To ensure integrity, PH-EITI prioritizes the comprehensiveness and reliability of this published data. This necessitates clear explanations of underlying audit and assurance procedures, along with public access to supporting documentation. The journey toward this goal, known as "mainstreaming," involves PH-EITI implementing interim measures, pilots, and capacity-building activities.

This approach offers a dual benefit: it reduces the reporting burden, making the process more cost-effective, and it empowers stakeholders to focus on analysis rather than collection. For industry partners, PH-EITI emphasizes that regular and accessible disclosure is key to maintaining a social license to operate, leveling the business playing field, and setting transparent expectations with communities

Table I-22. Summary of the systematically disclosed information in the Philippines aligned with EITI Standard

Agency	EITI Requirement	Title	Source/Link
PCO	2.1. Legal framework and fiscal regime	The Constitution of the Republic of the Philippines	https://www.officialgazette.gov.ph/constitutions/1987-constitution/
		Philippine Mining Act of 1995.	https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/2/3617
	EITI Requirement 2.5: Beneficial ownership	Enhanced Fiscal Regime for Large-Scale Metallic Mining Act	https://lawphil.net/statutes/repacts/ra2025/ra_12253_2025.html
MGB	EITI Requirement 2.1. Legal framework and fiscal regime	AD - Rules and Regulations	http://databaseportal.mgb.gov.ph/#/public/documents/AD/Rules%20and%20Regulations
	EITI Requirement 2.2: Contract and license allocations	Mining Application	https://mgb.gov.ph/2015-05-04-07-00-12/2015-06-05-05-48-55

	EITI Requirement 2.3 and 2.4: Register of licenses and Contract disclosure	Approved Mining Permits and Contracts	https://mgb.gov.ph/priority-programs/2015-05-13-01-44-56/2015-05-13-01-46-18/2015-06-03-03-42-49
	EITI Requirement 3.1: Exploration	Exploration Permits	http://databaseportal.mgb.gov.ph/#/public/mining-tenements?type=EP
	EITI Requirement 3.2: Production by commodity	Philippine Mineral Production	https://mgb.gov.ph/priority-programs/2015-05-13-01-44-56/2015-05-13-01-47-51/23-industry-statistics/1306-msc-philippine-metallic-mineral-production#metallic-mineral-production
	EITI Requirement 3.3: Exports EITI Requirement 6.3: Economic Contributions	The Philippine Mineral Industry at A Glance	https://mgb.gov.ph/priority-programs/2015-05-13-01-44-56/2015-05-13-01-47-51/23-industry-statistics/1336-msc-the-philippine-mineral-industry-at-a-glance
DOE	2.1. Legal framework and fiscal regime	Compendium of Energy Regulation Laws, Circulars and other Issuances	https://doe.gov.ph/articles/group/laws-and-issuances?maincat=Laws&subcategory=Compendium%20of%20Energy%20Laws&display_type=Card
	EITI Requirement 2.2: Contract and license allocations	DOE External Processes 2025	https://doe.gov.ph/articles/group/citizen-s-charter-4?category=Citizen%27s%20Charter&display_type=Card
	EITI Requirement 2.3 and 2.4: Register of licenses and Contract disclosure	Coal and Petroleum Service Contract Operators/Holders	https://legacy.doe.gov.ph/energy-information-resources?q=energy-resources/sc-operators
	EITI Requirement 3.1: Exploration	Exploration phase	https://legacy.doe.gov.ph/energy-information-resources?q=energy-resources/sc-operators

	EITI Requirement 3.2: Production by commodity	INTEGRATED KEY ENERGY STATISTICS AND ENERGY-RELATED INDICATORS DATABASE	https://legacy.doe.gov.ph/energystat Statistics - Downstream Oil and Natural Gas
	EITI Requirement 3.3: Exports	OIL SUPPLY/DEMAND REPORT	https://legacy.doe.gov.ph/sites/default/files/pdf/downstream_oil/0455962%20%28OIMB%29%20-%20Request%20for%20Posting%20of%201H%202024%20Supply%20and%20Demand%20Report%20%281%29.pdf
SEC	EITI Requirement 2.5: Beneficial ownership	SEC ISSUANCES	https://www.sec.gov.ph/sec-issuances/memorandum-circulars/by-year/#gsc.tab=0
PMDC	EITI Requirement 2.6: State participation	Creation of the Philippine Mining Development Corporation (PMDC)	https://pmdc.com.ph/about-us/
PNOC-EC	EITI Requirement 2.6: State participation	Mandate and Functions	https://pnoc-ec.com.ph/mandate-and-functions
COA	EITI Requirement 4.9: Data quality	Annual Audit Reports	https://www.coa.gov.ph/reports/annual-audit-reports/
DBM	EITI Requirement 5.1: Distribution of extractive industry revenues	Shares in National Wealth	https://www.dbm.gov.ph/index.php/shares-in-the-utilization-and-development-of-national-wealth
	EITI Requirement 5.3: Revenue management and expenditures	General Appropriations Act (GAA) FY 2025	https://www.dbm.gov.ph/index.php/2025/general-appropriations-act-gaa-fy-2025
PSA	EITI Requirement 6.3: Economic	Economic Accounts	https://openstat.psa.gov.ph/PXWeb/pxweb/en/

	Contributions		DB/DB__2B__NA__AN__9MAO/?tablelist=true https://psa.gov.ph/system/files/nap/Q1%202024%20NAP%20Publication.pdf
EMB	EITI Requirement 6.4: Environmental impact	Philippine EIS System Basic Laws/Policies	Philippine EIS System Basic Laws/Policies | Environmental Impact Assessment and Management Division
		Revised EIA Report for Public Comments	https://eia.emb.gov.ph/?page_id=1806

SECTION IX: REVIEW OF RECOMMENDATIONS FROM THE PREVIOUS COUNTRY REPORTS

Between 2012 and 2022, the PH-EITI generated a total of 127 recommendations aimed at strengthening transparency, accountability, and governance in the extractive sector. These recommendations emerged from PH-EITI Country Reports and reflected evolving priorities under the EITI Standard, national governance reforms, and stakeholder concerns raised through the Multi-Stakeholder Group (MSG).[239]

As of the FY 2023–2024 reporting period, implementation progress indicates that a significant portion of these recommendations has been either completed or substantially advanced, while others remain ongoing or require renewed attention due to structural, legal, or institutional constraints. Overall, 54 recommendations have been completed, 4 remain ongoing, 26 are classified as implemented with issues, and 43 require further attention.

Completed recommendations largely relate to foundational and institutional reforms that have since been mainstreamed into regular government and PH-EITI processes. These include the establishment and strengthening of PH-EITI governance mechanisms, regular and timely publication of Country Reports, improved disclosure of company payments and government revenues, and enhanced accessibility of extractive sector information through agency websites and Freedom of Information mechanisms. Many of these completed actions no longer exist as stand-alone reforms, as they have been absorbed into routine disclosure systems, standard operating procedures, and institutional mandates of participating agencies. Their completion reflects the institutionalization of EITI principles within the Philippine extractive governance framework.

A small number of recommendations remain ongoing. These typically involve initiatives that require phased implementation, such as improvements to information systems, enhanced inter-agency data sharing, or refinements to reporting processes that depend on coordination across multiple institutions. While substantial progress has been made, full completion of these recommendations is subject to technical finalization and continued engagement among concerned agencies. These items remain under active monitoring by the PH-EITI Multi-Stakeholder Group (MSG) and the Secretariat.

Recommendations categorized as "with issues" reflect partial implementation, where actions have been initiated but continue to face structural or operational challenges. These challenges include legal or regulatory limitations, concerns related to data availability and quality, reliance on broader policy reforms beyond the direct mandate of PH-EITI, and changes in institutional roles or mandates over time. Several of these recommendations pertain to complex reform areas such as beneficial ownership disclosure, contract transparency, consistency of subnational data, and the harmonization of extractive sector information across government information systems.

These pending items will be carried forward and form part of the PH-EITI Work Plan 2026. They will be subject to reassessment by the Multi-Stakeholder Group (MSG) to determine their continued relevance, feasibility, and alignment with the 2023 EITI Standard. Where appropriate, original recommendations may be refined, consolidated, or recalibrated to reflect current institutional realities, with updated implementation strategies incorporated into the medium-term work plan.

Recommendations requiring further attention represent the largest category and generally involve reforms that necessitate legislative action, high-level policy decisions, structural changes to information systems, or sustained inter-agency coordination over multiple years. These include

[239] Summary of Country Report Recommendations (2012-2022).
https://docs.google.com/spreadsheets/d/1-NfdIUB_19ofQu5Vba0PQigJTOpMy1a9Wfr45Ve3sUc/edit?gid=1798425492#gid=1798425492

long-standing issues such as comprehensive contract and license disclosure, verification and use of beneficial ownership data, systematic disclosure of state participation and SOE financial relations, and deeper integration of environmental, social, and gender-related information into extractive sector reporting. While progress on these recommendations has been limited, they remain relevant to both EITI requirements and broader national governance objectives.

PH-EITI will prioritize these outstanding recommendations through a structured approach. This includes clustering related recommendations into thematic reform areas, identifying lead and supporting agencies, and aligning actions with the PH-EITI Work Plan, Validation corrective actions, and national reform agendas. Implementation is expected to proceed on a phased basis from FY 2026 onward, with support from development partners where applicable and continued oversight by the MSG.

Taken together, the status of PH-EITI recommendations from 2012 to 2022 demonstrates both the depth of reforms already achieved and the scale of work that remains. The completion and mainstreaming of over forty percent of recommendations underscore the Philippines' sustained commitment to extractive sector transparency. At the same time, the remaining recommendations highlight the need for continued political support, institutional coordination, and strategic prioritization to ensure that EITI implementation remains responsive, forward-looking, and impactful.

This review of recommendation status will inform the refinement of PH-EITI priorities for FY 2026 and beyond, ensuring that next steps are realistic, time-bound, and aligned with both EITI requirements and national development objectives.

PH-EITI Action Plan on Pending Country Report Recommendations (2012–2022)

This Action Plan consolidates pending PH-EITI recommendations from 2012 to 2022 that remain ongoing, partially implemented, or require further attention. These actions are aligned with the 2023 EITI Standard and will be carried forward to form part of the next PH-EITI Work Plan 2026, ensuring continuity between past recommendations, current implementation experience, and future Validation requirements.

The MSG will review progress against this Action Plan on a regular basis, reassess materiality and relevance where appropriate, and update implementation approaches to reflect evolving policy, legal, and institutional contexts. This approach supports a structured, risk-based, and forward-looking implementation of EITI in the Philippines.

Table I-23. Summary of Pending Recommendations from Previous Country Reports and Corresponding Actions

Thematic Area	Key Pending Issues/ Recommendations	Status Category	Relevant EITI Standard 2023	Next Steps	Indicative Timeline	Link to PH-EITI Work Plan
Beneficial Ownership Transparency	Incomplete coverage, verification, and use of beneficial ownership data	With issues / Requires further attention	Requirement 2.5 (Beneficial Ownership)	Strengthen inter-agency data sharing (SEC, DENR, DOE); improve data	FY 2026-2027	Priority reform area under governance and anti-corruption

Thematic Area	Key Pending Issues/ Recommendations	Status Category	Relevant EITI Standard 2023	Next Steps	Indicative Timeline	Link to PH-EITI Work Plan
				verification and integration into licensing and monitoring systems; publish analysis on BO risks		
Contract and License Disclosure	Partial disclosure of extractive contracts; lack of systematic publication of amendments and annexes	Requires further attention	Requirement 2.4 (Contracts and licenses)	Conduct legal and policy review; issue guidance on contract publication; expand PH-EITI portal to host contracts and metadata	FY 2026	Transparency and legal reform cluster
State Participation and SOE Disclosures	Limited disclosure on terms of state equity, joint ventures, loans, guarantees, and reinvestment policies	With issues	Requirement 2.6 (State participation)	Enhance SOE disclosures on equity terms and JV arrangements; update SOE profiles annually; integrate disclosures into mainstream platforms	FY 2026	SOE and the fiscal transparency component
Subnational Revenues and Transfers	Inconsistent LGU-level data; delays and gaps in reporting and reconciliation	With issues	Requirements 4.6 & 5.2 (Subnational payments and transfers)	Improve coordination with DBM, BTr, and LGUs; standardize subnational reporting templates; capacity-building for LGUs	FY 2026	Subnational transparency and capacity-building
Revenue Allocation and Use	Limited public understanding of how extractive revenues are allocated and used	Requires further attention	Requirement 5.1 (Distribution of revenues)	Produce simplified explanatory notes; link revenue data to budget documents; enhance	FY 2026	Public engagement and data use

Thematic Area	Key Pending Issues/ Recommendations	Status Category	Relevant EITI Standard 2023	Next Steps	Indicative Timeline	Link to PH-EITI Work Plan
				citizen-oriented disclosures		
Quasi-Fiscal Expenditures	No evidence identified, but need for continued monitoring as SOE roles evolve	Ongoing	Requirement 6.2 (Quasi-fiscal expenditures)	Annual MSG assessment; include explicit confirmation in Country Reports; monitor SOE mandates and expenditures	Annual	Validation preparedness
Environmental and Social Disclosures	Fragmented reporting on environmental impacts, social expenditures, and monitoring	Requires further attention	Requirements 6.1 & 6.3 (Social and environmental expenditures)	Map available disclosures; improve cross-referencing with DENR and DOE data; expand contextual reporting	FY 2026	ESG integration
Gender and Inclusivity	Limited gender-disaggregated data and analysis	Requires further attention	Requirement 6.3 & cross-cutting EITI principles	Integrate gender indicators into reporting; align with national gender and development frameworks	FY 2026	Gender-responsive EITI implementation
Data Timeliness and Quality	Delays in data submission	Ongoing	Requirement 4.1 (Comprehensive disclosure of revenues)	Streamline data collection schedules; strengthen data validation protocols; move toward systematic disclosures	FY 2026	Systematic disclosure roadmap
Use of EITI Data	Limited uptake of PH-EITI data for policy, oversight, and public debate	Requires further attention	Requirement 7.1 (Public debate)	Produce thematic briefs; conduct policy dialogues; develop data visualization tools	FY 2026	Communications and impact agenda

Section X: Review and Analysis of PH-EITI Work Plans 2023-2024

The Philippine Extractive Industries Transparency Initiative (PH-EITI) serves as a vital institutional mechanism for fostering transparency, accountability, and public participation in the governance of the nation's mining, oil, and gas sectors. Since its inception, the initiative has functioned as a multi-stakeholder platform comprising government, industry, and civil society representatives tasked with reconciling the payments made by extractive companies with the revenues received by the government. This strategic review provides a granular analysis of the operational roadmaps that guided the initiative during the 2023 and 2024 cycles, while tracing the programmatic continuity and institutional evolution that culminated in the 2025 Work Plan. A critical finding of this analysis is that the 2025 Work Plan, while implemented in the succeeding year, was primarily formed, discussed, and finalized during the 2024 calendar year, reflecting a proactive approach to strategic planning aligned with the evolving 2023 EITI Standard.

Comprehensive Review of the 2023 Work Plan: Recovery and Corrective Action

The 2023 Work Plan focused on four strategic pillars: enhancing stakeholder capacity, ensuring genuine multi-stakeholder participation, developing robust documentation of progress, and setting a long-term direction for implementation. The year was marked by the 10th anniversary of PH-EITI, providing a thematic backdrop for reflecting on the reconciliation of over PHP 405.4 billion in government revenue across nine fiscal years.

Progress Tracking and Completion Status

Analysis of the 2023 Work Plan Progress Tracker reveals a concerted effort to address the backlog of administrative and technical requirements. While some activities were successfully completed, such as the publication of the 2021 and 2022 Annual Progress Reports (APR), other technical areas faced delays.[7] The following table provides a matrix of the progress status for key 2023 result areas as of the initial review period.

Strategic Objective	Key Result Area / Specific Activity	Timeline	Completion Status
Objective No. 3	Capacity-building on production and export data analysis	Q1 2023	Delayed/No Progress
Objective No. 4	MSG Strategic Planning for EITI Direction	Q1 2023	Delayed/Initiated Q2
Objective No. 1	Implementation of plan to address corrective actions	Q1-Q3 2023	Completed/ Documented

Objective No. 4	Reporting responses to stakeholder concerns	Q1-Q4 2023	Ongoing; Portal Revamped
Objective No. 4	Publication of stakeholder activity minutes	Q1-Q4 2023	Carried Over to 2024
Objective No. 1	Publication of 2021 and 2022 Annual Progress Reports	Q1 2023	Completed
Objective No. 4	Update and publication of matters arising from MSG meetings	Q1-Q4 2023	Completed/Systemic

The documentation of stakeholder minutes and the development of technical capacity-building modules were the primary activities carried over to 2024, as the Secretariat prioritized the publication of country reports and the fulfillment of validation-related mandates. This transition period underscored the necessity of institutionalizing transparency not just as a reporting cycle, but as a continuous administrative function.

Addressing Validation Corrective Actions in 2023

A significant portion of the 2023 efforts was dedicated to Requirement 1.3 (Civil Society Engagement). The MSG developed and approved a plan to mitigate ad-hoc restrictions and strengthen the environment for civil society to engage in natural resource governance. This included revamping the feedback mechanism and the internal tracker to ensure that concerns raised by stakeholders were not only recorded but addressed through formal MSG resolutions. By the end of 2023, these efforts laid the groundwork for the targeted assessment that would take place in early 2024.

Analysis of the 2024 Work Plan: Regional Empowerment and Local Governance

The 2024 Work Plan represented a strategic shift toward subnationalization, themed "Bridging Transparency: Empowering Local Voices in Natural Resource Governance". The plan explicitly recognized that while national-level transparency was robust, the impact of extraction is most acutely felt at the local level, where mining operations occur. A defining administrative feature of the 2024 plan was the identification of Validation corrective actions in red text within the activity column, signifying their non-negotiable status for international compliance.

The 2024 Regional Roadshow Framework

A cornerstone of the 2024 cycle was the resumption of face-to-face regional roadshows across various clusters, including the Luzon, Visayas, Mindanao, Bicol, and Region IV-B clusters. These roadshows were designed to bridge the gap between national policy and local realities. The technical sessions focused on empowering Local Government Units (LGUs) and Provincial/City Mining Regulatory Boards (P/CMRBs) to monitor and report on extractive activities effectively.

The following table summarizes the technical outputs and discussion clusters targeted during the 2024 regional outreach.

Cluster Location	**Primary Technical Theme**	**Key Discussion Topics**
Luzon (Zambales / Baguio)	Subnationalizing PH-EITI	Manual of Operations for devolved MGB functions; LGU revenue strategies
Region IV-B (Puerto Princesa)	Supporting LGU Monitoring	MGB support for extractive reporting; Environmental law compliance
Bicol (Naga)	IP Welfare and Protection	IP representation in the EITI process; LGU share from national wealth
Mindanao (Butuan)	IP Wealth Framework	Indigenous People (IP) welfare; Benefit-sharing mechanisms
Visayas (Cebu)	Sustainability Impacts	Social Development and Management Program (SDMP) sustainability

Validation Progress and the Targeted Assessment

In June 2024, the EITI Board concluded its targeted assessment of Requirement 1.3, finding that the Philippines had "mostly met" the requirement. This improvement was attributed to the robust environment fostered through the 2024 roadshows and the MSG's adherence to the EITI protocol on civil society participation. However, the Board continued to urge for the implementation of plans for further subnational EITI engagement and the strengthening of accountability mechanisms for ad-hoc restrictions.

Another critical area of focus in 2024 was the engagement of the Department of Energy (DOE). Historically, the DOE's participation was noted as insufficient for initiating reforms in the coal sector, particularly concerning the disclosure of payments by the Semirara Mining and Power Corporation.[6] The 2024 plan included specific activities to formalize DOE's reporting obligations through administrative orders, a task that remained a focus of legislative advocacy throughout the year.

The Formation and Discussion of the 2025 Work Plan during 2024

One of the most critical observations for the current reporting period is the timeline of the 2025 Work Plan's development. While the 2025 Work Plan serves as the current operational guide, its conceptualization, multi-stakeholder discussion, and finalization occurred throughout 2024. This anticipatory planning was essential to align the initiative with the 2023 EITI Standard, which introduced new provisions on energy transition, anti-corruption, and gender.

Throughout the latter half of 2024, the MSG and its various committees—including the Implementation Committee and the Stakeholder Engagement Committee—convened to identify priority areas for the 2025 cycle. The 94th and 95th MSG meetings in late 2024 were particularly instrumental in debating the resource requirements and thematic focus of the 2025 roadmap. The final version of the work plan was circulated for referendum and deemed approved in the second quarter of 2025, but the substantive work of identifying pilots for subnationalization and scoping studies for the energy transition was a product of the 2024 strategic sessions.

Detailed Analysis of the 2025 Work Plan: Continuity and Innovation

The 2025 Work Plan builds upon a decade of institutional reforms, placing a stronger emphasis on localizing governance and environmental accountability. It is characterized by its alignment with national priorities on decentralization and climate action. The plan is divided into four strategic objectives: stakeholder capacity, mainstreaming, building capacity, and monitoring progress.

Strategic Objective 1: Stakeholder Engagement and Subnationalization

Subnationalization remains the flagship program for 2025, with an objective to establish a shared understanding and unified direction for local EITI implementation in at least three LGUs and BARMM. The plan allocates PHP 481,015.00 for the salary of Secretariat staff managing this program, while the actual implementation costs are integrated into the stakeholder engagement component.

Output	Activity	Success Indicator
Subnational EITI framework	Facilitate MSG workshops to finalize criteria	MSG consensus on pilot areas
MOU with LGUs	Identify and engage LGUs with active mining	LGUs committed to local MSG
LGU PH-EITI Workplans	Facilitate co-creation workshops	Workplans aligned with national priorities
Localized IEC Materials	Translate and adapt EITI materials	Use of tailored training manuals

Strategic Objective 2: Legislative Advocacy and IP Engagement

Legislative advocacy in 2025 centers on the inclusion of transparency provisions in the Mining Fiscal Regime (MFR) bill, which was a primary focus of the 2024 legislative session. The plan also intensifies engagement with Indigenous Peoples (IP) through a formalized MOU with the NCIP. The objective is to institutionalize royalty tracking mechanisms and ensure that IP payments are disclosed in the FY

2023-2024 Report.

Strategic Objective 3: Mainstreaming and Digitalization

Mainstreaming disclosures involves integrating EITI transparency principles into the core systems of government agencies. The 2025 plan introduces a feasibility study on a Risk-Based Approach (RBA) for reporting, aimed at improving the efficiency and sustainability of the reconciliation process.[7] This represents a shift from the circuitous reporting processes of previous years toward a more streamlined, automated model.

Strategic Objective 4: Climate Action and Energy Transition

A new thematic focus for 2025 is the analysis of the extractive industry's role in the energy transition.[12] This includes conducting desk reviews of GHG emissions and exploring the potential for reporting on critical minerals. The success indicators include the integration of GHG data into the contextual report of the FY 2023-2024 Country Report.

Matrix of Activities Carried Over from 2023-2024 to 2025

Institutional continuity is maintained through the systematic carry-over of multi-year projects. The following matrix tracks the evolution of these activities from their origins in the 2023-2024 plans to their current status in the 2025 roadmap.

Activity Description	Origin Cycle	2024 Progress / Focus	2025 Strategic Role
Subnationalization Pilot	2023	Regional roadshows in 5 clusters	Institutionalization in 3 LGUs and BARMM
IP Royalty Database	2023	NCIP inter-agency visitations	Database implementation and pilot test
Beneficial Ownership Registry	2021	Study on PEPs and BO disclosure gaps	SEC Data Sharing Agreement & BO registry
Gender Mainstreaming	2024	MGB GIA Tool workshop	Adoption of Gender Action Plan 2025-2030
Legislative Institutionalization	2022	Advocacy for MFR Bill in Congress	Operationalizing RA 12253 transparency
SSM Scoping Study	2023	Analysis of local government revenue	Integration of SSM data into Country Report

		shares	
Reporting Tool Update	2024	Development of ORE Tool enhancements	Dual-cycle reporting (FY 23-24) using ORE

Resource Mobilization and Budgetary Analysis

The 2025 Work Plan operates with a total allocated budget of PHP 17,102,000.00. This budget reflects a strategic reallocation of resources toward high-impact areas like subnationalization and stakeholder outreach, which together account for a significant portion of the MOOE. The 2024 planning sessions were crucial for securing external funding commitments, including the World Bank's approval in principle for civil society capacity-building initiatives.

Program Category	**Focus**	**Allocated Budget (In PHP)**
Subnationalization (Staff)	Secretariat Management	481,015.00
IP Engagement (Activities)	IP Royalty Tracking	328,750.00
Women in Extractives Forum	Gender Mainstreaming	150,000.00
Development Partner Forum	Resource Mobilization	50,000.00
EITI International Board Representation	International Engagement	1,137,257.67
Country Report Production	Independent Administrator (IA)	1,300,000.00
Stakeholder Outreach (MOOE)	Travel and Regional Dialogues	804,000.00
MSG Capacity Building (MOOE)	MSG Governance	1,970,000.00

Implications for Future Governance: Mainstreaming and Sustainability

The strategic trajectory from 2023 to 2025 indicates a maturation of PH-EITI's role in the national governance framework. The shift from manual reconciliation to "mainstreamed" systematic disclosure is intended to reduce the administrative burden on both government agencies and industry partners. In late 2024, the MSG decided to launch a concurrent reporting cycle for FY 2023 and FY 2024, allowing companies to complete documentation for both years simultaneously. This "step-up" approach is a direct result of the efficiency gains identified during the 2024 planning period.

Furthermore, the institutionalization of transparency through RA 12253, signed in September 2025, marks a permanent shift in the mining tax regime. The law removes distinctions between different mining contracts (MPSA vs. FTAA) and mandates a unified fiscal regime, underpinned by EITI-aligned transparency requirements. This legislative milestone ensures that the objectives set in the 2023-2025 work plans will have long-term legal standing, moving beyond the life of executive orders.

Conclusion and Strategic Outlook

The analysis and review of the 2023 and 2024 Work Plans demonstrate that PH-EITI has successfully transitioned from a period of recovery to one of proactive, innovative leadership in the extractive sector. The 2023 cycle served to address critical Validation gaps and stabilize institutional governance, while the 2024 cycle expanded the reach of transparency to the subnational level through an extensive regional roadshow program.

A key takeaway for this report is the foresight displayed by the MSG in forming the 2025 Work Plan during the 2024 calendar year. This early development allowed for the integration of emerging global themes—such as the energy transition and risk-based reporting—into a cohesive national strategy. The systematic carry-over of projects ensures that technical progress on IP royalty tracking, beneficial ownership disclosure, and gender mainstreaming is sustained. As PH-EITI implements the 2025 roadmap, it remains positioned to translate data disclosure into tangible results for local communities, fostering public trust and ensuring that the country's natural resource wealth contributes to sustainable national development.

Matrix of Programmatic Evolution (2023-2025)

Year	Strategic Focus	Primary Achievement / Objective
2023	Institutional Recovery	Fulfillment of 2021 Validation corrective actions; Stabilizing Secretariat
2024	Regional Outreach	Launch of "Bridging Transparency" roadshows in 5 clusters; CS Protocol adherence
2025	Local Institutionalization	Launch of subnational EITI pilots; Mainstreaming GHG and Critical Minerals data

The details contained in this review are consistent with the records of the PH-EITI Multi-Stakeholder Group and the annual progress evaluations conducted between January 2023 and December 2025.

REFERENCES

AngMinero News. (2025, March 20). Apex mining posts P4. 3b net income in 2024, eyes expansion in Davao de Oro. *AngMinero*. https://angminero.com/apex-mining-posts-p4-3b-net-income-in-2024-eyes-expansion-in-davao-de-oro/

Arcalas, J. E. (2024, October 21). *Nickel miners expect output recovery next year*. https://www.philstar.com/business/2024/10/21/2393960/nickel-miners-expect-output-recovery-next-year

AstuteAnalytica. (2024, October 21). *Philippines petroleum industry valuation to reach sky high us$ 21. 54 billion by 2032 | pharma and cosmetics products demand ignites fastest growth says astute analytica*. GlobeNewswire News Room. https://www.globenewswire.com/news-release/2024/10/21/2966329/0/en/Philippines-Petroleum-Industry-Valuation-to-Reach-Sky-High-US-21-54-Billion-By-2032-Pharma-and-Cosmetics-Products-Demand-Ignites-Fastest-Growth-Says-Astute-Analytica.html

Bengguet Corporation. (2024). https://benguetcorp.com/wp-content/uploads/2024/09/2024-First-Quarter-Report-SEC-form-17Q.pdf

Bethlehem, M. T., Magsayo, B. M., Bacosa, H. P., Aggangan, N. S., Gilbero, D. M., Amparado, R. F., & Guihawan, J. (2022). *Characterization of nickel and gold mined-out areas of taganito mining corporation and manila mining corporation, claver and placer, surigao del norte, philippines*. https://doi.org/10.21203/rs.3.rs-2037334/v1

BK presents experience with fpic in pre-ogp cso day in mexico. (2015, October 27). Bantay Kita. http://www.bantaykita.ph/1/post/2015/10/bk-presents-experience-with-fpic-in-pre-ogp-cso-day-in-mexico.html

BusinessWorld. (2022) Mining bill expected to raise gov't revenue but poses risk to FDI growth. https://www.bworldonline.com/economy/2022/08/29/471228/mining-bill-expected-to-raise-govt-revenue-but-poses-risk-to-fdi-growth/

Campos, O. V. (2025, January 7). *Mineral production increased 3% to P195.9b in three quarters of 2024*. Manila Standard. https://manilastandard.net/?p=314544392

Crismundo, K. (2024, August 2). *Cooling coal prices drag PH largest coal miner's H1 '24 net income*. https://www.pna.gov.ph/articles/1230350

Dave, S., Basadre, J., Lastra, E., Umpil, I., & Adlaon, M. (2024). *Exploring community perspective on mining activities and respiratory health in Claver Surigao Del Norte, Philippines*. *25*(2), 1–7. https://www.innspub.net/wp-content/uploads/2024/08/JBES-V25-No2-p1-7.pdf

Department of Economy, Planning, and Development. (2023). Philippine Development Plan 2023-2028, https://pdp.depdev.gov.ph/wp-content/uploads/2023/08/082023-Philippine-Development-Plan-2023-2028.pdf

Department of Energy. (2023). *Philippine Energy Situationer*. https://legacy.doe.gov.ph/sites/default/files/pdf/energy_statistics/2023%20Philippine%20Energy%20Situationer.pdf

Domestic Material Consumption Amounted to 427.00 Million Metric Tons in 2023. (2023, https://psa.gov.ph/content/domestic-material-consumption-amounted-42700-million-metric-tons).

Ej Atlas. (n.d.). *Shenzhou Mining / Claver Mineral Development Corporation Nickel mining in Claver, Philippines*. Retrieved December 17, 2025, from https://ejatlas.org/conflict/shenzhou-mining-claver-mineral-development-corporation-nickel-mining-in-claver-philippines

Environmental Science for Social Change. (2008). *2000 Mining dialogue*. https://essc.org.ph/content/wp-content/uploads/2011/05/svd_surigao-mmc.pdf

Esterman, I. (2024, September 17). *Philippine coal mine roars into production amid waves of complaints*. Conservation News. https://news.mongabay.com/2024/09/philippine-coal-mine-roars-into-production-amid-waves-of-complaints/

Extractive Industries Transparency Initiative. (2022). EITI REQUIREMENT 1.4 (Establishment and governance of multi-stakeholder groups) Guidance Note. https://eiti.org/sites/default/files/attachments/en_eiti_gn_1.4.pdf?hash=1766142000

Extractive Industries Transparency Initiative. (2023). EITI STANDARD 2023 Part 1: Principles and requirements. https://eiti.org/sites/default/files/2024-04/2023%20EITI%20Standard_Parts1-2-3.pdf?hash=1766401200
Extractive Industries Transparency Initiative. Philippines. https://eiti.org/countries/philippines
Extractive Industries Transparency Initiative. (19 June 2024). The EITI Board agreed the outcome of the Philippines' targeted assessment. https://eiti.org/board-decision/2024-32
Extractive Industries Transparency Initiative. (19 June 2024). The Philippines achieves "mostly met" on civil society engagement. Outcome of the targeted assessment of the Philippines on Requirement 1.3. https://eiti.org/news/philippines-achieves-mostly-met-civil-society-engagement
Flores, M., & Lema, K. (2024, May 10). *Philippines eyes boost to nickel processing capacity*. https://www.reuters.com/markets/commodities/philippines-says-us-china-eyeing-mining-opportunities-especially-nickel-2024-05-10/
Gonzales, A. L. (2023, August 2). Preliminary works at PH's largest copper mine in Mindanao start. *Philippine News Agency*. https://www.pna.gov.ph/articles/1207004
Gonzales, A.L. (06 March 2024). DOF pushes for rationalization of mining fiscal regime. https://www.pna.gov.ph/articles/1220204
Ho, J. (2023, May 5). *Philippines wants to leverage on its critical minerals | Latest Market News*. https://www.argusmedia.com/en/news-and-insights/latest-market-news/2446301-philippines-wants-to-leverage-on-its-critical-minerals
INQUIRER.net. (2024, January 23). *The Philippine cement industry has faced challenges: Buy local cement and save jobs*. https://business.inquirer.net/442153/the-philippine-cement-industry-has-faced-challenges-buy-local-cement-and-save-jobs
International Trade Administration. (2024, January 23). *Philippines country commercial guide*. https://www.trade.gov/country-commercial-guides/philippines-energy-0
Lagare, J. B. (2024, April 12). *Coal-fired generators still Philippines' top source of electricity*. https://business.inquirer.net/454236/coal-fired-generators-still-philippines-top-source-of-electricity
Las Piñas, J.A. (04 September 2025). President Marcos Signs Enhanced Fiscal Regime for Large-Scale Metallic Mining Act into Law. https://pheiti.dof.gov.ph/mfr/
Learning experience from the cebu eiti msg localization. (2020, October 24). Bantay Kita. http://www.bantaykita.ph/1/post/2020/10/learning-experience-from-the-cebu-eiti-msg-localization.html
Lelis, B. (2025, January 5). *Philippines soaring power demand triggers rise in coal use*. Philstar.Com. https://www.philstar.com/business/2025/01/05/2411853/philippines-soaring-power-demand-triggers-rise-coal-use
Lopez, A. (2025, January 21). *Mining firm pays over P63.5-M in taxes, fees to Surigao Norte LGU*. https://www.pna.gov.ph/index.php/articles/1242223
Manila Electric Company. (2023). *SEC report*. https://meralcomain.s3.ap-southeast-1.amazonaws.com/2023-04/1q_2023_results_press_release.pdf
Manila Electric Company. (2025). *Annual report*. https://edge.pse.com.ph/openDiscViewer.do?edge_no=509108b20f8c348fec6e1601ccee8f59
Market Research Future. (n.d.). *Chromite market size, share & forecast report 2035*. Retrieved December 17, 2025, from https://www.marketresearchfuture.com/reports/chromite-market-22575
Metal prices forecast to decline as supply improves. (2023, May 23). World Bank Blogs. https://blogs.worldbank.org/en/opendata/metal-prices-forecast-decline-supply-improves
Mines and Geosciences Bureau. (n.d.-a). *Metallic production value sustains growth*. https://www.mgb.gov.ph/attachments/article/1545/Metallic%20Production%20Value%20Sustains%20Growth.pdf
Mines and Geosciences Bureau. (n.d.-b). Philippines metallic mineral production value rises by 3.17%. *Mine Matters*. https://mgb.gov.ph/attachments/article/1637/Philippines%20Metallic%20Mineral%20Production%20Value%20Rises.pdf
Mines and Geosciences Bureau Region IV-A. (2024). *Mineral Industry at a glance*. https://denrmgb-my.sharepoint.com/personal/ict4a_mgb_gov_ph/_layouts/15/onedrive.aspx?id

=%2Fpersonal%2Fict4a%5Fmgb%5Fgov%5Fph%2FDocuments%2FITS%2FWebsite%2FMineral%20Industry%20Statistics%2F2024%2FIV%2DA%20at%20a%20Glance%2F2024%20Mineral%20Industry%20at%20a%20Glance%2Epng&parent=%2Fpersonal%2Fict4a%5Fmgb%5Fgov%5Fph%2FDocuments%2FITS%2FWebsite%2FMineral%20Industry%20Statistics%2F2024%2FIV%2DA%20at%20a%20Glance&ga=1

MSI Integrity. (2015). *Protecting the Cornerstone Assessing the Governance of Extractive Industries Transparency Initiative Multi-Stakeholder Groups*. https://www.msi-integrity.org/wp-content/uploads/2015/02/MSI-Integrity-Protecting-The-Cornerstone-Report.pdf

Municipality of Claver profile. (n.d.). https://claver.gov.ph/about-us/

Municiplaity of Claver. (2014). *Comprehensive land use plan*. https://claver.gov.ph/wp-content/uploads/2021/12/CLUP2014.pdf

Nickel Asia Corp. (2024). *Investor Presentation*. https://nickelasia.com/assets/documents/NAC-2024-FEB-IR-Deck.pdf

Nickel Asia Corporation. (2023). *Towards our green future: Integrated report*. https://nickelasia.com/assets/documents/NAC-Integrated-Report-2023.pdf

OceanaGold (Didipio Mine). (2025, February 20). *OceanaGold (Philippines) Inc. Reports Fourth Quarter and Full Year 2024 Operating and Financial Results and Declares Dividend*. https://didipiomine.com.ph/wp-content/uploads/2025/02/OceanaGold-Philippines-Results-Announcement-Q4-2024-and-Full-Year-2024.pdf

Orboc, D. R., Jumawan, J., Ombat, L., Capangpangan, R., & Seronay, R. (2022). Marine benthic macrophytes diversity and concentration of heavy metals in thalassia hemprichii near mining area of claver, surigao del norte, philippines. *Journal of Ecosystem Science and Eco-Governance*, 29–39. https://doi.org/10.54610/jeseg/4.2.2022.004

Oriental Petroleum and Minerals Corporation. (2023). *Annual report*. https://opmc.com.ph/wp-content/uploads/2023-Annual-Report-Complete_compressed-1.pdf

Pascual, L. J. H., Domingo, S. N., & Manejar, A. J. A. (2023). *Opposing development perspectives in open-pit mining in the Philippines* (Nos. 2023–11). Philippine Institute for Development Studies. https://pidswebs.pids.gov.ph/CDN/document/pidspn2311.pdf

Philex Mining Corporation. (n.d.). *Better days, new beginnings: 2024 annual report*. https://www.philexmining.com.ph/build/assets/PHILEX-2024-AR.pdf

Philippine Extractive Industries Transparency Initiative. (2022). Resolution No. 2, series of 2022, RESOLUTION CREATING A TECHNICAL WORKING GROUP ON BENEFICIAL OWNERSHIP TRANSPARENCY IN THE EXTRACTIVES. https://drive.google.com/file/d/1ZaMfcYCjYsKlWXA8hq-QmSaWDYfS3G61/view

Philippine Extractive Industries Transparency Initiative. (2022). Resolution No. 4, series of 2022, RESOLUTION CREATING THE COMMITTEE ON STAKEHOLDER ENGAGEMENT. https://drive.google.com/file/d/1nKklied-Ej0lj94SrYOmbKesQ1JCnUre/view

Philippine Extractive Industries Transparency Initiative. (2022). Resolution No. 5, series of 2022, RESOLUTION REQUESTING THE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI) TO DEFER THE OCTOBER 2022 BOARD REVIEW OF THE PHILIPPINES' PROGRESS ON TWO CORRECTIVE ACTIONS (REQUIREMENT 1.1 AND REQUIREMENT 1.3) AND THE APRIL 2023 VALIDATION TO OCTOBER 2023. https://drive.google.com/file/d/1wRGLxOBc3YmCytGhP7Gcp6hxWcDlDs0A/view

Philippine Extractive Industries Transparency Initiative. (2023). Strategic Objective No. 4, PH-EITI 2023 Work Plan. https://pheiti.dof.gov.ph/download/ph-eiti_work-plan-2023/?wpdmdl=3797&refresh=658d24c06ef401703748800

Philippine Extractive Industries Transparency Initiative. (2023). The Ninth PH-EITI Report (FY 2021). https://eiti.org/sites/default/files/2024-09/9th%20PH-EITI%20Country%20Report%20%282nd%20version%29_Chap%203.pdf

Philippine Extractive Industries Transparency Initiative. (2025). 2025 PH-EITI Work Plan. https://pheiti.dof.gov.ph/download/2025-ph-eiti-work-plan/?wpdmdl=7355&refresh=684f65a172aa51750033825

Philippine Statistics Authority. (2023, December 7). *Compendium of Philippine environment statistics component 2: Environmental resources and their use*. https://psa.gov.ph/statistics/environment-statistics/node/1684061706

Philippine Statistics Authority. (2024a, December 26). *Domestic material consumption amounted to 427.00 million metric tons in 2023*.

https://psa.gov.ph/content/domestic-material-consumption-amounted-42700-million-metric-tons-2023
Philippine Statistics Authority. (2024b, December 26). *Highlights of the economy-wide material flow accounts of the Philippines 2018 to 2023*. https://psa.gov.ph/system/files/enrad/2%20Highlights_ao23Dec24.pdf
Philippine Statistics Authority. (2025, April 22). *Highlights on the economic performance of regional economies for 2024*. https://psa.gov.ph/content/highlights-economic-performance-regional-economies-2024
Philippines Coal exports—Data, chart. (n.d.). TheGlobalEconomy.Com. Retrieved December 17, 2025, from https://www.theglobaleconomy.com/Philippines/coal_exports/
Reyes, M. A. L. (2024, December 1). *Decisive move*. Philstar.Com. https://www.philstar.com/business/2024/12/01/2404091/decisive-move
See, D. A. (2022, November 19). *Mining and ecotourism co-exist in Claver*. https://www.manilatimes.net/2022/11/19/news/regions/mining-and-ecotourism-co-exist-in-claver/1866884
Semirara Mining and Power Corporation. (2024a). *Annual report*. https://edge.pse.com.ph/openDiscViewer.do?edge_no=a412a0bad3da7794abca0fa0c5b4e4d0
Semirara Mining and Power Corporation. (2024b). *Unlocking sustainability: 2024 Annual and sustainability report*. https://semiraramining.com/storage/app/media/SMPC_ASR_2024.pdf
Senate of the Philippines. 26 February 2024. Press Release. MANIFESTATION OF SENATOR JOEL VILLANUEVA ON THE CONCURRENCE TO THE PH-GLOBAL GREEN GROWTH INSTITUTE (GGGI) AGREEMENT. https://legacy.senate.gov.ph/press_release/2024/0226_villanueva2.asp
Solid North Mineral Corporation. (2023). *SNMC Quarry Expansion Project*. https://eia.emb.gov.ph/wp-content/uploads/2023/04/SNMC-ESP-English.pdf
Taiheiyo Cement Philippines, Inc. (2024, July 24). *Taiheiyo Cement Philippines, Inc. Hosts inauguration ceremony for its new production line* . https://www.taiheiyo-cement.co.jp/english/summary/pdf/240724_1.pdf
Talavera, S. J. (2025, February 27). PXP Energy cuts net loss to P30.9M in 2024 on higher sales, cost reductions. *BusinessWorld Online*. https://www.bworldonline.com/corporate/2025/02/28/656156/pxp-energy-cuts-net-loss-to-p30-9m-in-2024-on-higher-sales-cost-reductions/
Tria, J. (2025, March 10). *The future of our minerals industry is in processing*. Manila Bulletin. https://mb.com.ph//10/3/2025/the-future-of-our-minerals-industry-is-in-processing
Villanueva, M. (14 November 2024). Mining and mandatory community development programs in the Philippines: A legal interrogation. https://philippinesinstitute.anu.edu.au/content-centre/research/mining-and-mandatory-community-development-programs-philippines-legal
Republic Act No. 7942, “Philippine Mining Act of 1995
J.P.T. Domingo et al., “Sustainable mining in tropical, biodiverse landscapes: Environmental challenges and opportunities in the archipelagic Philippines (2024) https://centaur.reading.ac.uk/117685/1/Domingo%20et%20al%20%28Sustainable%20Mining%20Philippiiiines%29%202024.pdf
Republic Act No. 7076, “People’s Small-Scale Mining Act of 1991 https://lawphil.net/statutes/repacts/ra1991/ra_7076_1991.html
Sherwin De Vera, “Despite formalization, small-scale gold miners still prefer black market,” Rappler, 9 October 2023, re-posted under “In the News” on the Philippine Institute for Development Studies (PIDS) website (cites MGB data, PJLI 2022 study, number of BSP buying stations, and estimated 500,000 SSM miners). https://www.pids.gov.ph/details/news/in-the-news/despite-formalization-small-scale-gold-miners-still-prefer-black-market
Vicente B. Tuddao Jr., “The Philippine Mining and Quarrying Industry: Mitigation and Regulatory Framework to Address Water Pollution, Challenges and Opportunities,” presentation at the 21st WEPA Annual Meeting, Putrajaya, 8 September 2025, slide 3 (reports 58 declared minahang bayan as of 30 June 2024) https://wepa-db.net/wp-content/uploads/2025/09/AM21_090912_21st-WEPA-International-Workshop_Dr.-Tuddao.pdf
Artisanal and small-scale gold mining boosts rural programs and infrastructure development in the Philippines

https://www.planetgold.org/artisanal-and-small-scale-gold-mining-boosts-rural-programs-and-infrastructure-development
Bangko Sentral ng Pilipinas (30 September 2022), "Responsible Gold Sourcing Policy," https://www.bsp.gov.ph/Coins%20and%20Notes/Policies%20and%20Programs/ResponsibleGoldSourcingPolicy.pdf
Bangko Sentral ng Pilipinas, Within Reach: 2023 Annual Report for the Layman (Manila: BSP, 2024), section on gold purchases (reports 298,203.4 troy oz of gold purchased in 2023, a 26% increase from 2022)
https://www.bsp.gov.ph/Media_And_Research/Annual%20Report%20for%20the%20Layman/Within%20Reach_2023%20Annual%20Report%20for%20the%20Layman.pdf
Planet Gold's Could pawn shops be a missing link in the Philippine small-scale gold supply chain? https://www.planetgold.org/could-pawn-shops-be-missing-link-philippine-small-scale-gold-supply-chain
Sherwin De Vera, "Despite formalization, small-scale gold miners still prefer black market," Rappler, 9 October 2023, re-posted under "In the News" on the Philippine Institute for Development Studies (PIDS) website (cites MGB data, PJLI 2022 study, number of BSP buying stations, and estimated 500,000 SSM miners)
https://www.pids.gov.ph/details/news/in-the-news/despite-formalization-small-scale-gold-miners-still-prefer-black-market
Maria Eugenia Robles, Boris Verbrugge, Sara Geenen "Does formalization make a difference in artisanal and small-scale gold mining (ASGM)? Insights from the Philippines" (2022) https://www.sciencedirect.com/science/article/abs/pii/S2214790X22000399
Boris Verbrugge and Beverly Besmanos "Formalizing artisanal and small-scale mining: Whither the workforce?" (2016) https://www.sciencedirect.com/science/article/abs/pii/S0301420716300034
Gerardo Martinez, Nicole M. Smith, Aaron Malone ""I am formal, what comes next?": A proposed framework for achieving sustainable artisanal and small-scale mining formalization in Peru" (2023) https://www.sciencedirect.com/science/article/abs/pii/S2214790X23000187
Gavin Hilson,Tara Rava Zolnikov, Daisy Ramirez Ortiz, Cynthia Kumah "Formalizing artisanal gold mining under the Minamata Convention" (2018)
https://www.sciencedirect.com/science/article/abs/pii/S1462901118300534
Susil Ragas, "Minahang Bayan: Better regulation for responsible small-scale mining" (2023) https://pia.gov.ph/news/minahang-bayan-better-regulation-for-responsible-small-scale-mining/
Daily Guardian, "Miners push for updates to Small-Scale Mining Law" (2024)
https://dailyguardian.com.ph/miners-push-for-updates-to-small-scale-mining-law/
planetGOLD, "Documentation of planetGOLD Programme: Formalization Interventions in the Philippines" page 11-12 (2025)
https://www.planetgold.org/sites/default/files/Documentation_planetGOLD_Programme-Formalization_Interventions_Philippines.pdf
Danessa Rivera - The Philippine Star, "Philippines metallic production up 8 percent in H1" (2023) https://www.philstar.com/business/2023/09/05/2293828/philippines-metallic-production-8-percent-h1
Meg J. Adonis - Inquirer.Net, "PH metal output climbed 4.79% to P249.05B in 2023" (2023) https://business.inquirer.net/450031/ph-23-metal-output-climbed-4-79-to-p249-05b
2023 BSP Sustainability Report page 76 (2023)
https://www.bsp.gov.ph/Media_And_Research/Publications/2023_BSP_Sustainability_Report.pdf
Deliotte, Bangko Sentral ng Pilipinas (BSP) LBMA Responsible Gold Guidance Compliance Independent Reasonable Assurance Report (2022)
https://cdn.lbma.org.uk/gdl-downloads/BSP-RGG-FY2022-reports-for-website.pdf
Artisanal Gold Council / planetGOLD Philippines, project documentation on financial inclusion and mercury-free processing facilities in Paracale and other SSM sites (2023–2024), especially sections on BSP linkages and centralized mercury-free processing plants.
https://www.artisanalgold.org/philippines
PH-EITI's "Extractives Transparency Week 2023 A Decade of Transparency: PH-EITI 10th Anniversary" (2023) https://pheiti.dof.gov.ph/download/2023-extractives-transparency-week

PH-EITI FY 2023 - 2024

COUNTRY REPORT

Expanding Horizons

Promoting Accountability through Transparency and Inclusive Participation in Extractive Governance

CHAPTER 2

DATA RECONCILIATION

23 December 2025

PH - Extractive Industries Transparency Initiative (EITI)
Department of Finance
Roxas Blvd., Malate, Manila

To: PH-EITI Multi-Stakeholder Group

I have performed the procedures agreed with you with respect to information disclosed in the reporting templates (Templates) of identified companies and government agencies (Agencies). Our engagement was undertaken in accordance with Philippine Standard on Related Services 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*. The agreed upon procedures (AUP) were performed in accordance with the seventh implementation of the Extractive Industries Transparency Initiative (EITI) project (Project) in the Philippines, and ultimately in the preparation of the Financial Reconciliation Report (Report).

Please refer to the Sections *II and IV* for the procedures and actual results, respectively.

Because the procedures do not constitute either an audit or a review made in accordance with Philippine Standards on Auditing (PSA) or Philippine Standards on Review Engagement (PSRE), I do not express any assurance on the information detailed in the Templates based on the said standards.

Had I performed additional procedures or performed an audit or review of the financial information as reported in the Templates in accordance with PSA or PSRE, other matters might have come to my attention that would have been reported to you. My report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. In addition, this report relates only to information disclosed in the Templates submitted by companies and agencies, and does not extend to the financial statements of each taken as a whole.

Linnet Madelane C. Chan
CPA Certificate No. 143584
P.T.R. No. 1567187; issued on January 08, 2025, issued in Dagupan City
CTC No. 22432580, issued on January 08, 2025
Tax Identification No. 311-823-265-000
BOA Reg. No. 8355, issued on October 29, 2024, effective until October 31,2027

I. CHAPTER SUMMARY

The FY 2023 - FY 2024 Country Report (Report) covers the reconciliation procedures performed on the tax and other payments made by the companies engaged in large-scale metallic and non-metallic mining, oil and gas, and coal sectors of the extractive industry and collections disclosed by the government for the fiscal years 2023 and 2024. The detailed reconciliation procedures are discussed in page 28, Section II, Methodology.

In the context of the Report, a "project" is defined as a series of extractive activities in one or more sites (based on the permit granted to the holder) developed by a mining/oil and gas/coal company for exploration and commercial operation and is identified on a per contract/permit basis (i.e., per MPSA/FTAA for mining companies, per SC for oil and gas companies or per COC for coal companies). "Project" would be consistently used throughout the Report to refer to mining projects, oil and gas, and coal companies.

FY 2023 covers a total of 43 metallic mining companies (42 metallic mining projects), 32 non-metallic mining companies (53 non-metallic projects), three (3) oil and gas companies (3 oil and gas project), 51 local government units for direct payments to LGU, and 258 local government units for shares in national wealth. On the other hand, FY 2024 covers a total of 48 metallic mining companies (49 metallic mining projects), 32 non-metallic mining companies (53 non-metallic projects), three (3) oil and gas companies (3 oil and gas project), 53 local government units for direct payments to LGU, and 296 local government units for shares in national wealth. In both fiscal years, eight (8) national agencies are included which are BIR, MGB, DOE, DBM, BLGF, BOC, PPA, and NCIP. The data for LGU was obtained from BLGF. The details of participating projects and companies are shown in Tables II-21 to 26 in page 32-46, Section III, Scope of the report.

Both participating projects and national and local agencies completed and submitted reporting templates disclosing, among others, revenue streams paid or collected, mandatory expenditures, and funds for fiscal year 2023 and 2024.

A. Revenue streams and other taxes as reported by government agencies

Tables II-1 and II-2 show the aggregate data for revenue streams and other taxes reported by the government agencies for the extractive industry segregated by sectors and the aggregate data for revenue streams reported by the government agencies for the targeted projects, respectively, for both fiscal years 2023 and 2024. Figures II-1 to II-3 then compares the aggregate data presented in Table II-1 from fiscal years 2024 to 2022.

Table II-1. Aggregate data for revenue streams and other collections as reported by each government agency for the extractive industry segregated by sectors

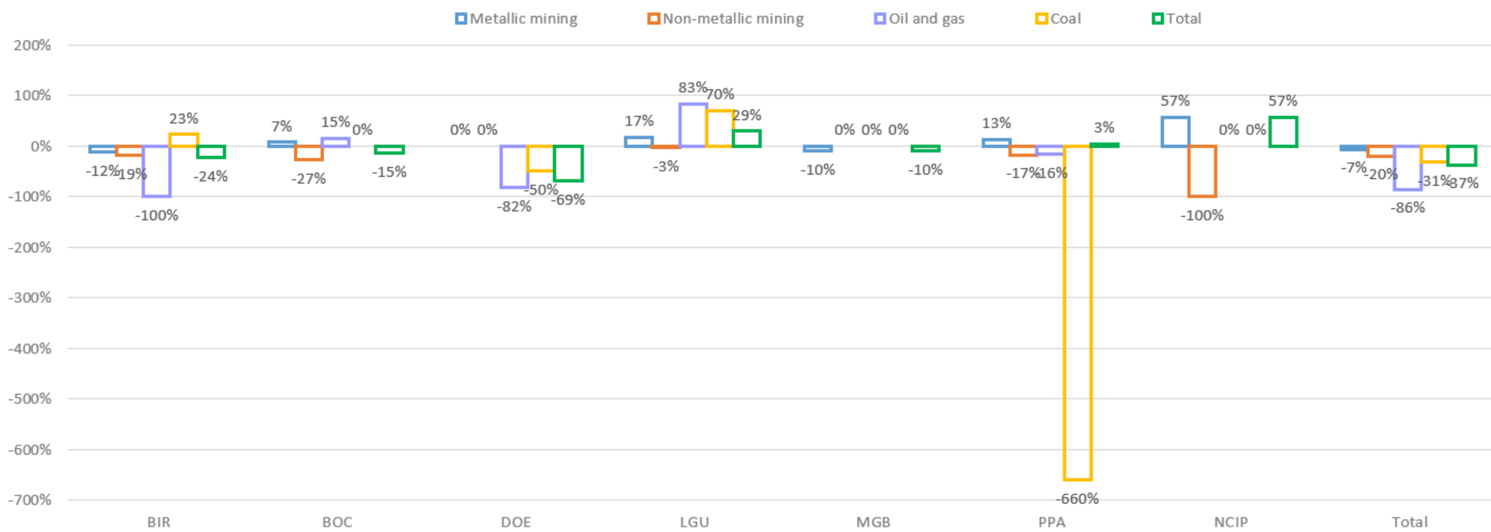
Agency	Metallic mining	Non-metallic mining	Oil and gas	Coal	Total
FY 2023					
BIR	14,861,458,320	9,862,296,826	4,089,051,254	2,220,221,363	31,033,027,763
BOC	926,789,916	1,569,003,185	52,982,109	-	2,548,775,209
DOE	Not applicable	Not applicable	14,878,677,109	10,564,234,292	25,442,911,402
LGU	1,614,946,997	495,573,540	1,677,332	829,038,271	2,941,236,141
MGB	2,257,071,777	-	Not applicable	Not applicable	2,257,071,777
PPA	413,295,310	46,773,521	14,182	4,400,550	464,483,562
Subtotal	**20,073,562,320**	**11,973,647,071**	**19,022,401,985**	**13,617,894,477**	**64,687,505,853**

NCIP	394,425,694	-	Not applicable	Not applicable	394,425,694
Total	**20,467,988,013**	**11,973,647,071**	**19,022,401,985**	**13,617,894,477**	**65,081,931,546**
FY 2024					
BIR	14,671,812,346	8,787,663,687	3,630,875,115	2,198,913,744	29,289,264,893
BOC	959,768,536	2,188,970,785	51,130,906	-	3,199,870,226
DOE	Not applicable	Not applicable	11,433,275,915	6,462,236,494	17,895,512,409
LGU	1,761,074,381	412,754,455	2,689,290	66,271,246	2,242,789,372
MGB	2,181,737,102	-	Not applicable	Not applicable	2,181,737,102
PPA	472,048,704	31,753,244	55,952	31,830,949	535,688,849
Subtotal	**20,046,441,070**	**11,421,142,171**	**15,118,027,178**	**8,759,252,434**	**55,344,862,852**
NCIP	91,569,872	-	Not applicable	Not applicable	91,569,872
Total	**20,138,010,942**	**11,421,142,171**	**15,118,027,178**	**8,759,252,434**	**55,436,432,724**

Table II-2. Aggregate data for revenue streams and other collections of targeted projects as reported by each government agency for the extractive industry segregated by sectors

Agency	Metallic mining	Non-metallic mining	Oil and gas	Coal	Total
FY 2023					
BIR	15,157,701,648	9,758,616,135	4,087,355,467	No BIR waiver*	29,003,673,249
BOC	916,823,816	1,569,003,185	52,982,109	-	2,538,809,109
DOE	Not applicable	Not applicable	14,878,610,628	10,554,149,400	25,432,760,028
LGU	1,380,578,002	312,138,186	-	558,162,541	2,250,878,729
MGB	2,079,315,828	-	Not applicable	Not applicable	2,079,315,828
PPA	345,399,957	34,691,558	14,182	4,400,550	384,506,247
Subtotal	**19,879,819,250**	**11,674,449,063**	**19,018,962,385**	**11,116,712,491**	**61,689,943,190**
NCIP	301,568,615	-	Not applicable	Not applicable	301,568,615
Total	**20,181,387,865**	**11,674,449,063**	**19,018,962,385**	**11,116,712,491**	**61,991,511,804**
FY 2024					
BIR	14,803,080,267	8,561,833,865	3,629,619,451	No BIR waiver*	26,994,533,584
BOC	959,768,536	2,188,970,785	51,130,906	-	3,199,870,226
DOE	Not applicable	Not applicable	11,433,275,915	6,403,714,189	17,836,990,104
LGU	1,605,693,225	282,123,304	4,600	4,163,432	1,891,984,561
MGB	1,963,600,924	-	Not applicable	Not applicable	1,963,600,924
PPA	392,884,410	31,626,567	55,952	31,830,949	456,397,878
Subtotal	**19,725,027,363**	**11,064,554,521**	**15,114,086,823**	**6,439,708,569**	**52,343,377,276**
NCIP	88,569,872	-	Not applicable	Not applicable	88,569,872
Total	**19,813,597,235**	**11,064,554,521**	**15,114,086,823**	**6,439,708,569**	**52,431,947,149**

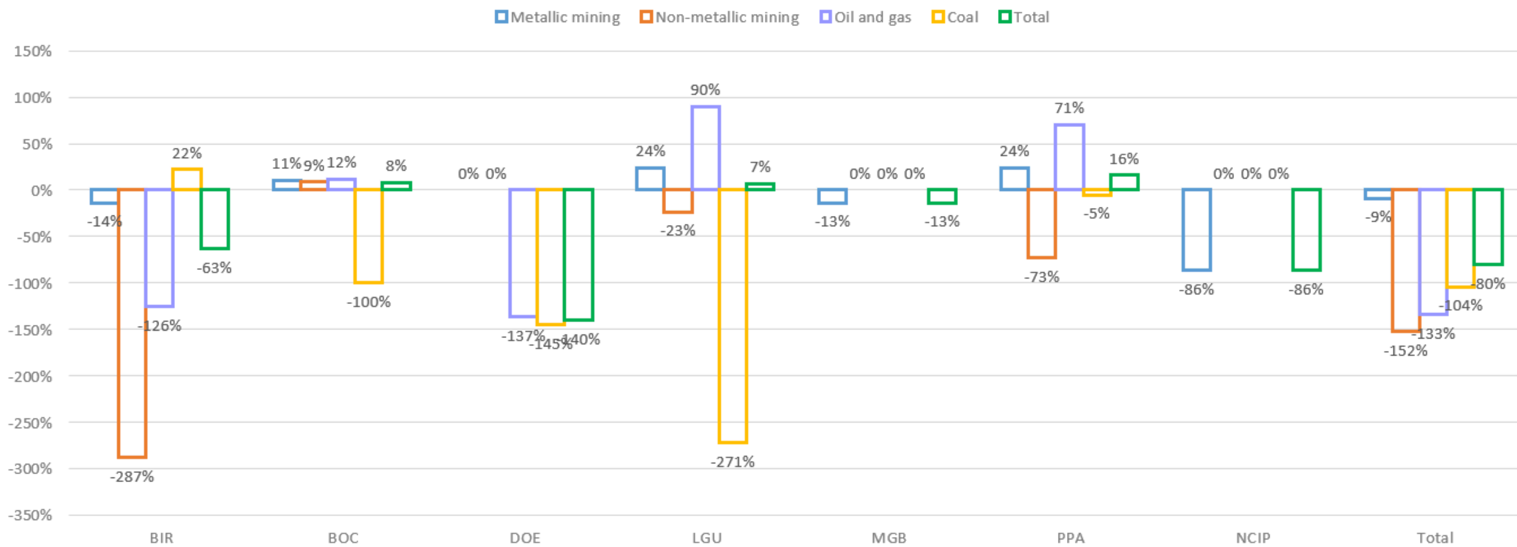
Figure II-1. Revenue streams and other taxes as reported by government agencies for 2023 and 2022



Agency	Metallic mining	%	Non-metallic mining	%	Oil and gas	%	Coal	%	Total	%
BIR	(1,801,701,134)	-12%	(1,895,308,771)	-19%	(4,102,064,526)	-100%	504,816,617	23%	(7,294,257,812)	-24%
BOC	67,960,253	7%	(430,609,754)	-27%	7,995,672	15%	(25,241,797)	-100%	(379,895,626)	-15%
DOE	Not applicable		Not applicable		(12,183,621,139)	-82%	(5,280,450,016)	-50%	(17,464,071,155)	-69%
LGU	278,674,330	17%	(13,802,172)	-3%	1,399,714	83%	582,898,706	70%	849,170,578	29%
MGB	(218,407,457)	-10%	-		Not applicable		Not applicable		(218,407,457)	-10%
PPA	52,727,472	13%	(8,147,321)	-17%	(2,324)	-16%	(29,055,947)	-660%	15,521,880	3%
Subtotal	(1,620,746,536)	-8%	(2,347,868,018)	-20%	(16,276,292,602)	-86%	(4,247,032,436)	-31%	(24,491,939,593)	-38%
NCIP	224,222,240	57%	-	0%	Not applicable		Not applicable		224,222,240	57%
Total	(1,396,524,296)	-7%	(2,347,868,018)	-20%	(16,276,292,602)	-86%	(4,247,032,436)	-31%	(24,267,717,353)	-37%

Figure II-1 and the corresponding data table presents the comparative data for fiscal years 2023 and 2022 which illustrates that the total revenue streams and other taxes of the extractive industry decreased by 37% or Ph₱24bn with the oil and gas and coal sector being the main factor. The revenue streams from the oil and gas and coal sector decreased by 86% or Ph₱16bn and 31% or Ph₱4bn, respectively. Among the government agencies, reported collections by DOE decreased by 69% or Ph₱5bn which is the largest decrease in terms of percentage followed by BIR with 24% or Ph₱7bn decrease, BOC with 15% or Ph₱379m and then MGB with 10% or Ph₱218m. NCIP, on the other hand, reported 57% or Ph₱224m higher compared to 2022 which is the biggest contributor to the increase. However, this only means that NCIP had a better monitoring and reporting in 2023 compared to 2022. Following NCIP is LGU with 29% or Ph₱849m increase and then PPA with 3% or Ph₱15m decrease.

Figure II-2. Revenue streams and other taxes as reported by government agencies for 2024 and 2022

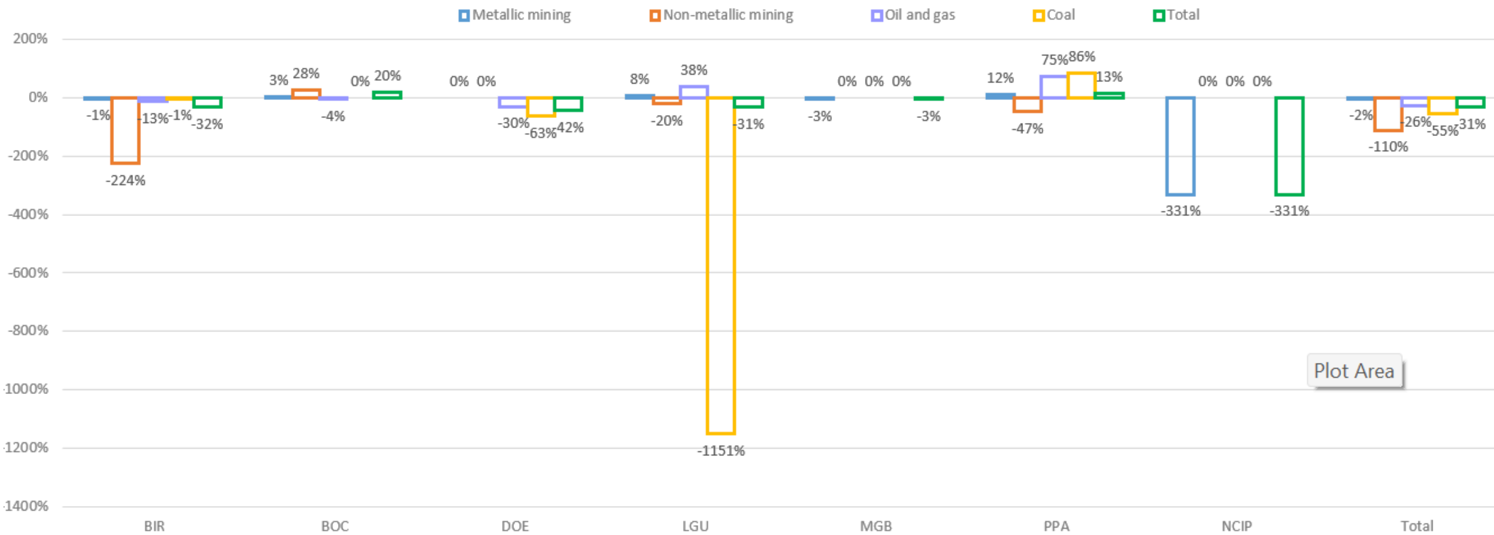


Agency	Metallic mining	%	Non-metallic mining	%	Oil and gas	%	Coal	%	Total	%
BIR	(1,991,347,108)	-14%	(8,657,637,333)	-287%	(4,560,240,664)	-126%	483,508,999	22%	(14,725,716,107)	-63%
BOC	100,938,873	11%	189,357,846	9%	6,144,469	12%	(25,241,797)	-100%	271,199,391	8%
DOE	Not applicable		Not applicable		(15,629,022,333)	-137%	(9,382,447,814)	-145%	(25,011,470,147)	-140%
LGU	424,801,713	24%	(96,621,258)	-23%	2,411,672	90%	(179,868,319)	-271%	150,723,810	7%
MGB	(293,742,131)	-13%	-		Not applicable		Not applicable		(293,742,131)	-13%
PPA	111,480,867	24%	(23,167,598)	-73%	39,446	71%	(1,625,548)	-5%	86,727,167	16%
Subtotal	(1,647,867,786)	-8%	(8,588,068,343)	-152%	(20,180,667,410)	-133%	(9,105,674,479)	-104%	(39,522,278,018)	-80%
NCIP	(78,633,581)	-86%	-	0%	Not applicable		Not applicable		(78,633,581)	-86%
Total	(1,726,501,368)	-9%	(8,588,068,343)	-152%	(20,180,667,410)	-133%	(9,105,674,479)	-104%	(39,600,911,599)	-80%

Figure II-2 suggests that the total revenue streams and other taxes of the extractive industry in fiscal year 2024 decreased by 80% or Ph₱39bn when compared to fiscal year 2022 with the oil and gas and coal sector still being the main factor. The revenue streams from the oil and gas and coal sector decreased by 113% or Ph₱20bn and 104% or Ph₱9bn, respectively. In terms of percentage, DOE pose the largest decrease among the government agencies with 140% or Ph₱25bn followed by NCIP with 86% or Ph₱78m decrease, BIR with 63% or Ph₱14bn and then MGB with 13% or Ph₱293m. PPA, on the hand, reported 16% or Ph₱86m higher compared to 2022 which is the biggest contributor to the increase. This is followed by BOC (8% or Ph₱271m) and then LGU (7% or Ph₱150m).

Significant decline in natural gas production and coal production contributed to the decline in the revenue streams from fiscal year 2022 to fiscal year 2024. The overall decrease is an indication that reconciled revenue streams and other taxes for 2023 and 2024 would also decrease.

Figure II-3. Revenue streams and other taxes as reported by government agencies for 2024 and 2023



Agency	Metallic mining	%	Non-metallic mining	%	Oil and gas	%	Coal	%	Total	%
BIR	(189,645,974)	-1%	(6,762,328,563)	-224%	(458,176,138)	-13%	(21,307,619)	-1%	(7,431,458,294)	-32%
BOC	32,978,620	3%	619,967,600	28%	(1,851,203)	-4%	-	0%	651,095,017	20%
DOE	Not applicable		Not applicable		(3,445,401,194)	-30%	(4,101,997,798)	-63%	(7,547,398,992)	-42%
LGU	146,127,384	8%	(82,819,085)	-20%	1,011,958	38%	(762,767,025)	-1151%	(698,446,768)	-31%
MGB	(75,334,674)	-3%	-		Not applicable		Not applicable		(75,334,674)	-3%
PPA	58,753,395	12%	(15,020,277)	-47%	41,770	75%	27,430,399	86%	71,205,287	13%
Subtotal	(27,121,250)	0%	(6,240,200,325)	-110%	(3,904,374,808)	-26%	(4,858,642,042)	-55%	(15,030,338,425)	-30%
NCIP	(302,855,821)	-331%	-	0%	Not applicable		Not applicable		(302,855,821)	-331%
Total	(329,977,071)	-2%	(6,240,200,325)	-110%	(3,904,374,808)	-26%	(4,858,642,042)	-55%	(15,333,194,246)	-31%

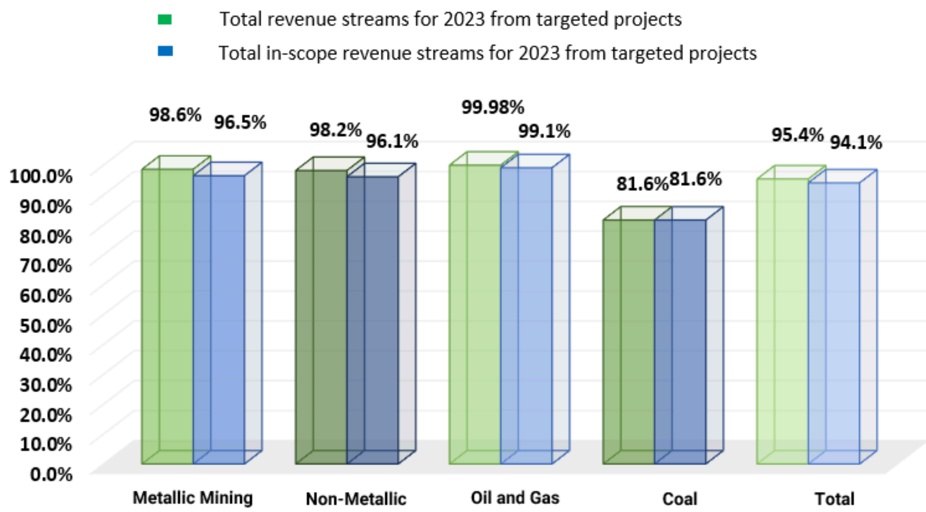
Presented in figure II-3 is the comparison between the aggregate data for fiscal years 2024 and 2023 which shows that the total revenue streams and other taxes of the extractive industry decreased by 31% or Ph₱15bn which is still mainly driven by the oil and gas and coal sectors. The revenue streams from the oil and gas and coal sector decreased by 26% or Ph₱3.9bn and 55% or Ph₱4.8bn, respectively. Continuous decline in natural gas production and decrease in the value of oil and gas reserves led to the decrease in the revenue streams from the oil and gas sector. On the other hand, decrease in revenue stream from the coal sector is due to the decrease in price. With the decrease, it is projected that the reconciled revenue streams and other taxes for 2024 would be lower compared to 2023. In terms of percentage, DOE pose the largest decrease among the government agencies with 42% or Ph₱7.5n followed by NCIP with 331% or Ph₱302.9m decrease, BIR with 32% or Ph₱7.4bn, LGU with 31% or Ph₱698.4m then MGB with 3% or Ph₱75.3m. BOC, on the hand, reported 20% or Ph₱651m higher compared to 2023 which is the biggest contributor to the increase. This is followed by PPA at 13% or Ph₱71m increase.

Table II-3 identifies which of the revenue streams of the targeted projects are scoped-in and scoped-out for further reconciliation for fiscal years 2023 and 2024. Note that Rio Tuba Nickel Mining Corporation is in-scope for both metallic and non-metallic mining sectors. Since some of the data cannot be segregated accurately, it will be presented under metallic mining unless otherwise stated. In addition, for the non-metallic mining sector, the taxes cannot be disaggregated accurately; thus, the collections reported by the BIR are attributed to the sector's transactions for their raw mineral products as well as finished manufactured products.

Table II-3. In-scope and Scope-out aggregate data for revenue streams and other taxes per industry as reported by each government agency

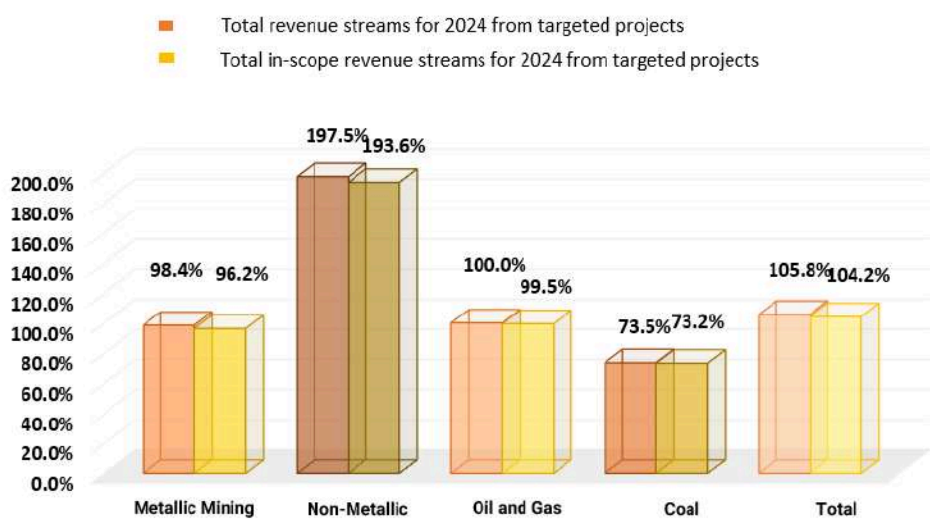
Agency	Metallic mining		Non-metallic mining		Oil and gas		Coal		Total	
	In-scope	Scoped-out	In-scope	Scoped-out	In-scope	Scoped-out	In-scope	Scoped-out	In-scope	Scoped-out
FY 2023										
BIR	15,093,094,653	64,606,995	9,686,505,801	72,110,333	3,959,991,692	127,363,775	No BIR waiver*	No BIR waiver*	28,739,592,146	264,081,104
BOC	916,502,484	321,331	1,436,959,437	132,043,748	13,536,650	39,445,459	-	-	2,366,998,571	171,810,538
DOE	Not applicable	Not applicable	Not applicable	Not applicable	14,878,610,628	-	10,554,149,400	-	25,432,760,028	-
LGU	1,352,543,855	28,034,148	300,862,972	11,275,213	-	-	557,912,041	250,500	2,211,318,868	39,559,861
MGB	2,079,315,828	-	-	-	Not applicable	Not applicable	Not applicable	Not applicable	2,079,315,828	-
PPA	-	345,399,957	-	34,691,558	-	14,182	-	4,400,550	-	384,506,247
Subtotal	**19,441,456,819**	**438,362,431**	**11,424,328,211**	**250,120,853**	**18,852,138,969**	**166,823,416**	**11,112,061,441**	**4,651,050**	**60,829,985,440**	**859,957,750**
NCIP	301,568,615	-	-	-	Not applicable	Not applicable	Not applicable	Not applicable	301,568,615	-
Total	**19,743,025,434**	**438,362,431**	**11,424,328,211**	**250,120,853**	**18,852,138,969**	**166,823,416**	**11,112,061,441**	**4,651,050**	**61,131,554,055**	**859,957,750**
FY 2024										
BIR	14,790,747,648	12,332,620	8,510,486,221	51,347,644	3,597,054,595	32,564,856	No BIR waiver*	No BIR waiver*	26,898,288,463	96,245,120
BOC	958,127,516	1,641,020	2,053,889,641	135,081,143	11,744,737	39,386,168	-	-	3,023,761,895	176,108,331
DOE	Not applicable	Not applicable	Not applicable	Not applicable	11,433,275,915	-	6,403,714,189	-	17,836,990,104	-
LGU	1,580,974,000	24,719,225	280,864,923	1,258,381	-	4,600	3,913,432	250,000	1,865,752,354	26,232,207
MGB	1,963,600,924	-			Not applicable	Not applicable	Not applicable	Not applicable	1,963,600,924	-
PPA	-	392,884,410	-	31,626,567	-	55,952	-	31,830,949	-	456,397,878
Subtotal	**19,293,450,088**	**431,577,275**	**10,845,240,785**	**219,313,736**	**15,042,075,247**	**72,011,576**	**6,407,627,620**	**32,080,949**	**51,588,393,740**	**754,983,536**
NCIP	88,569,872	-	-	-	Not applicable	Not applicable	Not applicable	Not applicable	88,569,872	-
Total	**19,382,019,960**	**431,577,275**	**10,845,240,785**	**219,313,736**	**15,042,075,247**	**72,011,576**	**6,407,627,620**	**32,080,949**	**51,676,963,612**	**754,983,536**

Figure II-4. Percentage representation of total revenue streams and total in-scope revenue streams from targeted projects for FY 2023



Ph₱61.8bn or 95.4% of the total revenue streams for 2023 from the extractive sector reported by government agencies is represented by the revenue streams from the targeted projects while Ph₱61.1bn or 94.1% is represented by the total in-scope revenue streams from the targeted projects. Figure II-4 presents the breakdown of percentage representation for each respective sector.

Figure II-5. Percentage representation of total revenue streams and total in-scope revenue streams from targeted projects for FY 2024



Ph₱52.5bn or 105.8% of the total revenue streams for 2024 from the extractive sector reported by government agencies is represented by the revenue streams from the targeted projects while Ph₱51.7bn or 104.2% is represented by the total in-scope revenue streams from the targeted projects. Figure II-5 presents the breakdown of percentage representation for each respective sector.

Based on the percentages in Figure II-4 and II- 5, it is assessed that the representation of the targeted projects and the corresponding revenue streams and other taxes that will be subjected to further reconciliation is inclusive of the extractive industry for both fiscal years 2023 and 2024. However, similar to the previous report, not all targeted projects participate in the transparency exercise.

Table II-4 discloses the percentage of total government collections from participating projects to total government collections in their respective sectors based on government submissions excluding reported amount for mandatory expenditures and funds and Royalty to IPs monitored by MGB and NCIP, respectively, because these are not considered collections by the government, but are only monitored.

Table II-4. Percentage representation of participating projects to total extractive sector based on government collections (excluding NCIP and MGB Funds)

	(in PH₱)		
Industry	**Total government collections from extractive industry**	**Total government collections of participating projects**	**% of participating companies to total**
FY 2023			
Metallic Mining	20,073,562,320	19,925,221,710	99%
Non-Metallic Mining	11,973,647,071	11,675,011,419	97.5%
Oil and gas	19,022,401,985	19,018,962,385	99.98%
Coal	13,617,894,477	-	0%
Total	**64,687,505,853**	**50,619,195,514**	78%
FY 2024			
Metallic Mining	20,046,441,070	19,545,828,603	98%
Non-Metallic Mining	11,421,142,171	11,172,411,649	97.8%
Oil and gas	15,118,027,178	15,114,086,823	99.97%
Coal	8,759,252,434	-	0%
Total	**55,344,862,852**	**45,832,327,074**	83%

The coverage for large-scale metallic mining sector is at 99% and 98% for 2023 and 2024, respectively, which involves 42 and 49 metallic mining projects. Represented by the 53 non-metallic mining projects in both 2023 and 2024, the coverage for large-scale non-metallic mining sector is 97.5% and 97.8%, respectively. The coverage for the oil and gas sector is 99.98% and 99.97% represented by three (3) projects for 2023 and 2024 while for the coal sector, the lone target, Semirara Mining Corporation did not participate for both years.

We have assessed the sufficiency of participation based on revenues reported by the government in 2023 and 2024. The percentages presented in Table II-4 leads to the assessment that participation for the Report is sufficient.

For additional details on the profile of targeted and participating projects, refer to page 31, Section III, Scope of the report.

B. Targeted and participating projects

Table II-5 details the number of targeted and participating projects who were able to submit data for the covered period.

Table II-5. Number of targeted and participating projects for FY 2023 and FY 2024

Sector	Target	Participating	Non-Participating	Participation Rate
FY 2023				
Metallic (producing)	42	37	5	88%
Non-Metallic (producing)	53	48	5	91%
Oil and Gas	5	3	2	60%
Coal	1	0	1	0%
Total	101	88	13	87%
FY 2024				
Metallic (producing)	49	39	10	80%
Non-Metallic (producing)	53	48	5	91%
Oil and Gas	5	3	2	60%
Coal	1	0	1	0%
Total	108	90	18	83%

Targeted projects were based on nominations made by the MGB and DOE for the mining, oil and gas and coal sectors, respectively. This includes all producing metallic and non-metallic mining projects, active oil and gas SCs in the production phase that has reported government share payments to the DOE and COC 5 operated by Semirara Mining and Power Corporation (SMPC), the major player in the country's coal sector accounting for 99% of the country's coal production.

As presented in Table II-5, 1 out of 101 projects in fiscal year 2023, 88 projects participated leading to the overall participation rate of 87% which is 14% higher compared to 2022. In fiscal year 2024, there are 108 targeted projects and 90 participated or 83% participation rate. This is 10% higher than 2022, but 4% lower than the participation in 2023. In both 2023 and 2024, the participation is higher compared to 2022 mainly due to the non-inclusion of mining projects that have no production, under care or maintenance, suspended, expired. There was a slight decrease in 2024 compared to 2023 due to an increase in the targeted projects which is not proportionate to the increase in the count of participation.

Participation for the oil and gas sector remains consistent from 2022 to 2024. SMPC, the lone target in the coal sector, remains to be a nonparticipant in the exercise for ten consecutive years despite continued communication and coordination with the company and the DOE, which is the lead government agency overseeing its operations.

In 2014, SMPC expressed their concern regarding the disclosure of their data on payments to the government which may be used against them in the global market, given the World Trade Organization (WTO) guidelines. Further, publishing their data might affect the company's cost and price competitiveness. The company also noted that the incentives they avail might be construed as government subsidy and may cause countries where they export to impose countervailing measures.

A letter signed by the MICC co-chairs, DENR and DOF Secretaries was transmitted in September 2015 to DOE seeking their assistance in requiring SMPC to participate. In January 2016, DOE sent a letter to Semirara encouraging them to participate in the PH-EITI exercise. DAO 2017-07 was issued in 2017 by DENR that mandates mining contractors to participate in the PH-EITI exercise. However, SMPC continuously insists that they are not covered by this administrative order and maintained their position not to participate in the exercise.

Notwithstanding the non-participation of SMPC, the following information on government share, real property taxes and income taxes were obtained from government's reporting template and the company's own audited financial statements:

Table II-6. Government collections from Semirara Mining and Power Corporation				
Agency	**Revenue Stream**	**Amount**	**% to total reconciled revenue streams and other taxes of the entire extractive sector**	**% to total revenues streams and other taxes reported by government agency for the entire extractive sector**
FY 2023				
BIR	Corporate income tax	2,321,226,660	4%	4%
DOE	Government share in production	10,554,149,400	20%	16%
BOC	Customs duties	-	0.00%	0.00%
BOC	VAT on imported materials and equipment	-	0.00%	0.00%
BOC	Excise tax on imported goods	-	0.000000%	0.000000%
LGU	Local business tax	553,964,881	1.0%	0.9%
LGU	Real property tax - Basic	1,973,580	0.004%	0.003%
LGU	Real property tax - SEF	1,973,580	0.004%	0.003%
LGU	Mayor's permit	250,000	0.0005%	0.0004%
LGU	Community tax	500	0.0000%	0.0000%
PPA	Wharfage Fees	4,400,550	0.0%	0.01%
Total		**13,437,939,151**	**25.4%**	**20.8%**
FY 2024				
BIR	Corporate income tax	1,937,285,481	4%	3.50%
DOE	Government share in production	6,403,714,189	12%	12%
BOC	Customs duties	-	0.00%	0.000%
BOC	VAT on imported materials and equipment	-	0.00%	0.000%
BOC	Excise tax on imported goods	-	0.000000%	0.000%
LGU	Local business tax	-	0.0%	0.000%
LGU	Real property tax - Basic	1,956,716	0.004%	0.004%
LGU	Real property tax - SEF	1,956,716	0.004%	0.004%
LGU	Mayor's permit	250,000	0.0005%	0.000%
PPA	Wharfage Fees	-	0.0%	0.000%
Total		**8,345,163,101**	**18.7%**	**15.1%**

The above data are presented only as a matter of information and not subjected to reconciliation procedures due to SMPC's refusal to participate in the exercise. Nonetheless, if we are to directly compare disclosures made by the DOE based on their reporting template and SMPC's 2023 and 2024 annual report, there is no noted significant variance to total government share from coal production of Ph₱10.5bn and Ph₱6.4bn in 2023 and 2024, respectively. The annual report may be accessed through its website at http://www.semiraramining.com.

A comparison to the total revenue streams and other taxes of the entire extractive sector reported by government agencies was conducted as presented in Table II-6. The total of government collections attributed to SMPC amounting to Ph₱13bn in 2023 represents 54% and 62% of the 2023 total reconciled revenue streams for mining and oil and gas, respectively, and 29% of the entire extractive sector. Ph₱8bn is the amount collected from SMPC in 2024 which represents 33% and 38% of the 2024 total reconciled revenue streams for mining and oil and gas, respectively, and 18% of the entire extractive sector. Accordingly, we have assessed revenue streams for coal to be immaterial in relation to total extractive sector as a whole and does not affect the comprehensiveness of the Report, however, PH-EITI continues to pursue SMPC as it primarily represents the local coal sector having 99.3% and 96.9% of the total coal production for 2023 and 2024, respectively.

Table II-7 presents the percentage representation of participating projects based on reported government collections per sector and the extractive industry taken as a whole.

Table II-7. Percentage representation of participating projects to total revenue streams and other taxes reported by the government from the extractive industry

Sector	Participating projects	Extractive Industry	% of participating projects to extractive industry
FY 2023			
Metallic Mining	19,925,221,710	20,073,562,320	31%
Non-metallic Mining	11,675,011,419	11,973,647,071	18%
Oil and gas	19,018,962,385	19,022,401,985	29%
Coal		13,617,894,477	0%
Total	**50,619,195,514**	**64,687,505,853**	**78%**
FY 2024			
Metallic Mining	19,545,828,603	20,046,441,070	35%
Non-metallic Mining	11,172,411,649	11,421,142,171	20%
Oil and gas	15,114,086,823	15,118,027,178	27%
Coal	-	8,759,252,434	0%
Total	**45,832,327,074**	**55,344,862,852**	**83%**

FY 2023 and FY 2024 PH-EITI Report concluded with 78% and 83% representation for the mining, oil and gas and coal sectors based on revenue streams and other taxes reported by government agencies, respectively. Without coal, the combined percentage of participating projects from the mining and oil and gas sector in FY 2023 and FY 2024 would have reached 99% and 112%, respectively.

For additional details on the profile of targeted, participating, and non-participating projects, refer to discussion under Page 31, Section III, Scope of the report.

C. *Government agencies*

In addition to the seven (7) national government agencies, a total of 51 for 2023 and 53 for 2024 LGUs participated for reconciliation as compared to 54 in 2022. The details of these government agencies can be found in Page 51, Section III, Scope of the report.

D. *Revenue streams and other taxes*

The following tax payments and fees, as well as mandatory expenditures and funds, were included in this Report. A more detailed discussion on these revenue streams are included in Page 51, Section III, Scope of the report.

Taxes and fees

1. Corporate income tax
2. Customs duties
3. Excise tax on minerals
4. Government share from oil and gas production
5. Local business taxes
6. Output Vat
7. Real property tax – Basic
8. Real property tax – Special Education Fund (SEF)
9. Royalty on mineral reservation
10. Value added tax on importations
11. Withholding tax on foreign shareholder dividends
12. Withholding tax on profit remittance to principal
13. Withholding tax on royalties to claim owners

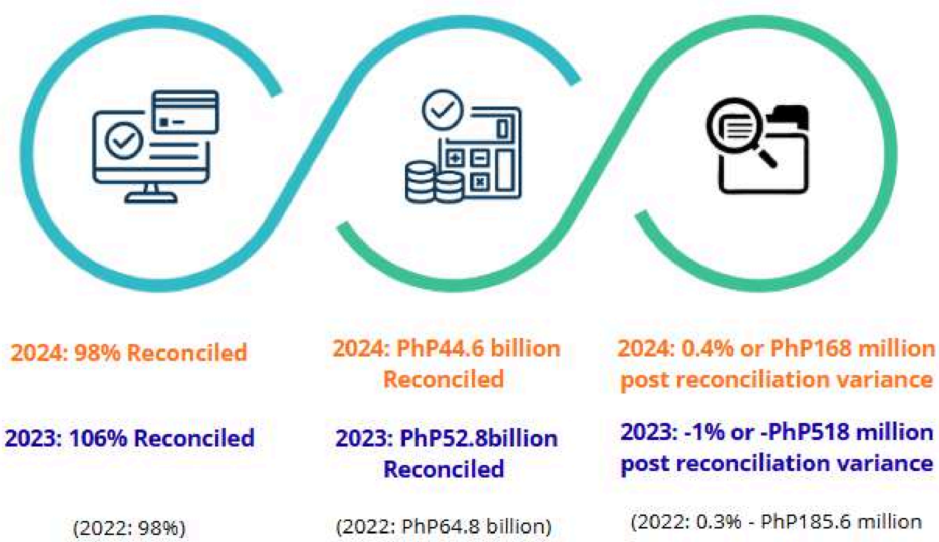
Other taxes

1. Royalty to Indigenous Peoples (IPs)

Mandatory expenditures and funds

1. Annual Environmental Protection and Enhancement Program (AEPEP)
2. Annual Safety and Health Program (ASHP)
3. Annual Social Development Management Program (ASDMP)
4. Environmental Trust Fund
5. Final Mine Rehabilitation and Decommissioning Fund
6. Compensation for claims for damages from Mine Waste and Tailing Fees
7. Mine Waste and Tailings Fees (MWTF)
8. Monitoring Trust Fund
9. Rehabilitation Cash Fund

E. Final output preview



Based on the results of reconciliation procedures performed, total reconciled revenue streams and other taxes for 2023 and 2024, excluding royalty to IPs and mandatory safety and health, environmental and social expenditures, amounted to Ph₱52.8bn or 106% reconciled with -1% remaining unreconciled variance and Ph₱44.6bn or 98% reconciled with 0.4% remaining unreconciled variance, respectively. The negative remaining unreconciled variance means that the data disclosed by the projects are the remaining unreconciled. Royalty to IPs and the mandatory expenditures were excluded since these are not considered revenue by the government, but are only monitored by the corresponding government agencies. Tables II-8 and II-9 summarized the results of reconciliation and the details are presented in page 69, Section IV, Reconciliation results.

Table II-8. FY 2023 Summary of reconciliation results (including non-participating projects)

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance*	% Reconciled**
Metallic							
BIR	14,179,998,160	15,069,119,511	889,121,351	14,953,220,412	(10,834,318)	0%	99%
BOC	821,974,447	909,296,101	87,321,654	869,099,533	27,905,460	3%	96%
LGU	2,205,366,858	1,352,543,855	(852,762,813)	1,758,346,675	(62,436,483)	-5%	130%
MGB	1,929,974,331	2,079,315,828	149,341,497	1,899,516,550	(6,115,007)	0%	91%
Subtotal	19,137,313,796	19,410,275,295	273,021,689	19,480,183,171	(51,480,348)	0%	100%
NCIP	526,466,150	301,568,615	(224,897,535)	628,303,849	(14,078,875)	-5%	208%
Subtotal	19,663,779,945	19,711,843,909	48,124,154	20,108,487,020	(65,559,223)	0%	102%
Non-metallic							
BIR	9,703,758,739	9,772,435,612	68,676,873	9,540,547,341	86,690,755	1%	98%
BOC	1,532,548,795	1,436,959,437	(95,589,358)	1,362,884,667	74,561,700	5%	95%
LGU	2,562,615,818	299,369,654	(2,263,246,163)	679,285,881	(627,998,101)	-210%	227%
Subtotal	13,798,923,351	11,508,764,703	(2,290,158,648)	11,582,717,889	(466,745,645)	-4%	100.6%
NCIP	1,245,892	-	(1,245,892)	-	-	0%	0%
Subtotal	13,800,169,244	11,508,764,703	(2,291,404,541)	11,582,717,889	(466,745,645)	-4%	100.6%
Oil and gas							
BIR	3,879,081,847	3,959,991,692	80,909,844	3,873,100,966	-	0%	97.8%
BOC	14,607,141	13,536,650	(1,070,492)	979,192	(91,300)	-1%	7%
DOE	17,875,715,018	14,878,610,628	(2,997,104,390)	17,874,469,513	-	0%	120%
LGU	363,612	-	(363,612)	328,329	-	0%	0%
Subtotal	21,769,767,619	18,852,138,969	(2,917,628,650)	21,748,878,000	(91,300)	0%	115%
Total (excluding NCIP)	54,706,004,766	49,771,178,967	(4,934,765,609)	52,811,779,059	(518,317,293)	-1.0%	106.1%
Total (including NCIP)	55,233,716,808	50,072,747,581	(5,160,909,037)	53,440,082,909	(532,396,168)	-1.1%	106.7%

*Percentage of variance post-reconciliation to collections reported by government agency

**Percentage of reconciled amount to collections reported by government agency

Table II-9. FY 2024 Summary of reconciliation results (including non-participating projects)

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance*	% Reconciled**
Metallic							
BIR	17,840,817,217	14,818,059,169	(3,022,758,048)	14,179,345,041	27,554,765	0.2%	96%
BOC	942,413,382	958,127,516	15,714,134	833,647,469	22,495,199	2%	87%
LGU	2,060,183,453	1,616,951,424	(443,232,029)	2,033,840,308	(7,700,803)	-0.5%	126%
MGB	1,803,047,455	1,963,600,924	160,553,469	1,817,605,271	190,742,557	10%	93%
Subtotal	22,646,461,507	19,356,739,034	(3,289,722,473)	18,864,438,089	233,091,718	1%	97%

NCIP	665,379,894	88,569,872	(576,810,022)	647,473,347	(107,344,788)	-121%	731%
Subtotal	23,311,841,401	19,445,308,906	(3,866,532,495)	19,511,911,436	125,746,930	1%	100%
Non-metallic							
BIR	8,862,808,822	8,682,373,434	(180,435,389)	8,533,875,393	51,784,998	0.6%	98%
BOC	2,072,779,228	2,053,889,641	(18,889,586)	2,049,763,048	2,524,777	0%	100%
LGU	769,286,292	279,468,929	(489,817,363)	707,438,914	(119,337,708)	-43%	253%
Subtotal	11,704,874,342	11,015,732,004	(689,142,338)	11,291,077,355	(65,027,934)	-1%	102%
NCIP	1,557,996	-	(1,557,996)	-	-	0%	0%
Subtotal	11,706,432,338	11,015,732,004	(690,700,335)	11,291,077,355	(65,027,934)	-1%	102%
Oil and gas							
BIR	3,563,239,182	3,597,054,595	33,815,412	3,557,622,159	-	0%	99%
BOC	12,318,416	11,744,737	(573,678)	540,324	(33,354)	0%	5%
DOE	10,909,926,185	11,433,275,915	523,349,730	10,910,454,547	-	0%	95%
LGU	2,187,623	-	(2,187,623)	322,850	-	0%	0%
Subtotal	14,487,671,406	15,042,075,247	554,403,841	14,468,939,880	(33,354)	0%	96%
Total (excluding NCIP)	48,839,007,255	45,414,546,284	(3,424,460,971)	44,624,455,323	168,030,430	0.4%	98%
Total (including NCIP)	49,505,945,146	45,503,116,157	(4,002,828,989)	45,271,928,671	60,685,642	0.13%	99%

*Percentage of variance post-reconciliation to collections reported by government agency

**Percentage of reconciled amount to collections reported by government agency

If revenue streams reported by government agencies of non-participating projects were excluded, the percentage of reconciled amount would increase by 0.4% and percentage of variance post-reconciliation would drop from -1.1% to -1.2% for 2023. Table II-10 presents the summary of reconciliation results excluding data on non-participating projects for fiscal year 2023.

Table II-10. FY 2023 Summary of reconciliation results (excluding non-participating projects)

	Project amount	Government agency amount***	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance*	% Reconciled**
Metallic							
BIR	14,179,998,160	15,012,601,223	832,603,063	14,953,220,412	(10,834,318)	0%	100%
BOC	821,974,447	901,561,930	79,587,483	869,099,533	27,905,460	3.1%	96%
LGU	2,205,366,858	1,319,032,256	(886,274,412)	1,758,346,675	(95,948,081)	-7.3%	133%
MGB	1,929,974,331	2,018,391,702	88,417,371	1,899,516,550	(6,115,007)	0%	94%
Subtotal	19,137,313,796	19,251,587,111	114,333,505	19,480,183,171	(84,991,946)	-0.4%	101%
NCIP	526,466,150	301,568,615	(224,897,535)	628,303,849	(14,078,875)	-3%	119%
Subtotal	19,663,779,945	19,553,155,725	(110,564,030)	20,108,487,020	(99,070,821)	-0.5%	103%
Non-metallic							
BIR	9,703,758,739	9,747,261,926	43,503,188	9,540,547,341	61,517,070	0.6%	98%
BOC	1,532,548,795	1,435,455,165	(97,093,630)	1,362,884,667	73,057,429	5%	95%
LGU	2,562,615,818	299,248,082	(2,263,367,736)	679,285,881	(628,119,673)	-210%	227%
Subtotal	13,798,923,351	11,481,965,174	(2,316,958,178)	11,582,717,889	(493,545,175)	-4%	101%
NCIP	1,245,892	-	(1,245,892)	-	-	0%	0%
Subtotal	13,800,169,244	11,481,965,174	(2,318,204,070)	11,582,717,889	(493,545,175)	-4%	101%
Oil and gas							
BIR	3,879,081,847	3,959,991,692	80,909,844	3,873,100,966	-	0%	97.81%
BOC	14,607,141	13,536,650	(1,070,492)	979,192	(91,300)	-1%	7.2%

DOE	17,875,715,018	14,878,610,628	(2,997,104,390)	17,874,469,513	-	0%	120.1%
LGU	363,612	-	(363,612)	328,329	-	0%	0%
Subtotal	21,769,767,619	18,852,138,969	(2,917,628,650)	21,748,878,000	(91,300)	0.00%	115.4%
Total (excluding NCIP)	54,706,004,766	49,585,691,253	(5,120,253,323)	52,811,779,059	(578,628,421)	-1.2%	106.5%
Total (including NCIP)	55,233,716,808	49,887,259,868	(5,346,396,750)	53,440,082,909	(592,707,296)	-1.2%	107.1%

*Percentage of variance post-reconciliation to collections reported by government agency

**Percentage of reconciled amount to collections reported by government agency

On the other hand, if non-participating projects were excluded in the revenue streams for fiscal year 2024, the percentage of reconciled amount would increase by 0.7% and percentage of variance post-reconciliation would decrease by 0.7%. Table II-11 presents the summary of reconciliation results excluding data on non-participating projects for fiscal year 2024.

Table II-11. FY 2024 Summary of reconciliation results (excluding non-participating projects)

	Project amount	Government agency amount***	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Variance*	% Reconciled**
Metallic							
BIR	17,840,817,217	14,740,590,451	(3,100,226,766)	14,179,345,041	(49,913,954)	0%	96%
BOC	942,413,382	945,503,640	3,090,258	833,647,469	9,871,322	1%	88%
LGU	2,060,183,453	1,589,718,407	(470,465,046)	2,033,840,308	(34,933,820)	-2.2%	128%
MGB	1,803,047,455	1,774,170,263	(28,877,192)	1,817,605,271	1,311,897	0%	102%
Subtotal	22,646,461,507	19,049,982,760	(3,596,478,747)	18,864,438,089	(73,664,555)	0%	99%
NCIP	665,379,894	88,569,872	(576,810,022)	647,473,347	(107,344,788)	-16%	97%
Subtotal	23,311,841,401	19,138,552,633	(4,173,288,768)	19,511,911,436	(181,009,343)	-1%	102%
Non-metallic							
BIR	8,862,808,822	8,660,710,029	(202,098,794)	8,533,875,393	30,121,593	0.3%	98.5%
BOC	2,072,779,228	2,051,970,929	(20,808,299)	2,049,763,048	606,064	0%	100%
LGU	769,286,292	279,236,179	(490,050,113)	707,438,914	(119,570,458)	-43%	253%
Subtotal	11,704,874,342	10,991,917,136	(712,957,206)	11,291,077,355	(88,842,801)	-1%	103%
NCIP	1,557,996	-	(1,557,996)	-	-	0%	0%
Subtotal	11,706,432,338	10,991,917,136	(714,515,202)	11,291,077,355	(88,842,801)	-1%	103%
Oil and gas							
BIR	3,563,239,182	3,597,054,595	33,815,412	3,557,622,159	-	0%	98.90%
BOC	12,318,416	11,744,737	(573,678)	540,324	(33,354)	0%	4.6%
DOE	10,909,926,185	11,433,275,915	523,349,730	10,910,454,547	-	0%	95.4%
LGU	2,187,623	-	(2,187,623)	322,850	-	0%	0%
Subtotal	14,487,671,406	15,042,075,247	554,403,841	14,468,939,880	(33,354)	0.00%	96.2%
Total (excluding NCIP)	48,839,007,255	45,083,975,143	(3,755,032,112)	44,624,455,323	(162,540,711)	-0.4%	99.0%
Total (including NCIP)	49,505,945,146	45,172,545,016	(4,333,400,130)	45,271,928,671	(269,885,499)	-0.6%	100.2%

*Percentage of variance post-reconciliation to collections reported by government agency

**Percentage of reconciled amount to collections reported by government agency

Similar to prior year's report, NCIP was only able to submit partial data. Given the minimal amount of NCIP's submission, the percentage reconciled and percentage variance for NCIP was based on the total amount reported by the projects. Supporting documents were obtained from participating projects to arrive at the reconciled amount. This procedure was adopted in recognition of the constraints faced by the NCIP in monitoring royalties which are, by law, paid by projects directly to the concerned IPs who are private parties. IP royalties are, therefore, not considered government revenue, but they are mandatory. While the NCIP is responsible for protecting the rights of the IPs of the Philippines, including their right to receive royalties, it is not a collecting agency. Moreover, it has had to deal with complex and serious challenges in and to its organization, including its budget. Thus, there has been considerable difficulty in getting data on IP royalties from the NCIP, even from its regional offices, most of which do not have ready access to the data themselves. The PH-EITI has put forward and followed up recommendations to help address the gaps in transparency in the NCIP, including developing a monitoring tool and conducting capacity-building activities with the agency and its stakeholders. Refer to page 93, Section VIII, Recommendations.

Table II-12. Percentage of reconciled revenue streams to total sector collections reported by government agencies and to total in-scope collections reported by government agencies (excluding NCIP and MGB funds)

	Metallic mining	Non-metallic mining	Oil and gas	Total
FY 2023				
Total reconciled revenue streams	19,480,183,171	11,582,717,889	21,748,878,000	52,811,779,059
Total sector revenue streams reported by government	20,073,562,320	11,973,647,071	19,022,401,985	51,069,611,376
Percentage reconciled to total sector revenue streams	97%	97%	114%	103%
Total in-scope revenue streams reported by government	19,441,456,819	11,424,328,211	18,852,138,969	49,717,923,999
Percentage reconciled to total in-scope revenue streams	100.2%	101%	115%	106%
FY 2024				
Total reconciled revenue streams	18,864,438,089	11,291,077,355	14,468,939,880	44,624,455,323
Total sector revenue streams reported by government	20,046,441,070	11,421,142,171	15,118,027,178	46,585,610,418
Percentage reconciled to total sector revenue streams	94%	99%	96%	96%
Total in-scope revenue streams reported by government	19,293,450,088	10,845,240,785	15,042,075,247	45,180,766,120
Percentage reconciled to total in-scope revenue streams	98%	104%	96%	99%

Based on the submissions provided by the individual government agencies on collections made from metallic, non-metallic and oil and gas sectors, percentage reconciled for participating metallic, non-metallic, and oil and gas projects for 2023 are at 97%, 97% and 114% and for 2024 are at 94%, 99%, and 96% (2022 – 89%, 83% and 95%), respectively. When scoped-out revenue streams are excluded, percentages are at 100.2%, 101%, and 115% for the metallic, non-metallic, and oil and gas sectors for 2023 and 98%, 104% and 96% for 2 024 (2022 – 93%, 99%, and 100.1%), respectively.

Note that NCIP is only tasked to monitor royalty for IPs, not to collect on their behalf; thus, consistent in previous reports, royalties for IPs are considered as 'other taxes' and not a revenue stream of the government. Likewise, MGB funds are payments made by the projects to ensure availability of financing for activities ranging from social development, environmental protection, and rehabilitation, and do not form part of the government revenue collections.

Although the percentage of reconciled revenues only exceeded a hundred percent (100%) for oil and gas sector in FY 2023, the data submitted by Bureau of Local Government Finance (BLGF), the agency that collects and monitors the data pertaining to the LGUs, is considered inadequate. There were still instances where direct payments from projects to LGUs were not reflected in the ENDRMT. However, the projects were able to provide the necessary supporting documents; thus, these payments were considered reconciled. Consequently, the reported government collection is lower when compared to the payment reported by the project causing the percentage reconciled to exceed 100% as presented in Tables II-14 and II-15. If LGU data would be excluded from the analysis, the percentage would decrease as presented in Table II-13.

Table II-13. Percentage of reconciled revenue streams and other taxes to total sector collections reported by government agencies and to total in-scope collections reported by government agencies (excluding LGU, NCIP, MGB funds)

	Metallic mining	Non-metallic mining	Oil and gas	Total
FY 2023				
Total reconciled revenue streams	17,721,836,496	10,903,432,008	21,748,549,671	50,373,818,174
Total sector revenue streams reported by government	18,458,615,322	11,478,073,531	19,022,401,985	51,069,611,376
Percentage reconciled to total sector revenue streams	96%	95%	114%	99%
Total in-scope revenue streams reported by government	18,088,912,965	11,123,465,238	18,852,138,969	48,064,517,172
Percentage reconciled to total in-scope revenue streams	98%	98%	115%	105%
FY 2024				
Total reconciled revenue streams	16,830,597,781	10,583,638,441	14,468,617,030	41,882,853,252
Total sector revenue streams reported by government	18,285,366,689	11,008,387,715	15,115,337,888	46,585,610,418
Percentage reconciled to total sector revenue streams	92%	96%	96%	90%
Total in-scope revenue streams reported by government	17,712,476,088	10,564,375,862	15,042,075,247	43,318,927,197
Percentage reconciled to total in-scope revenue streams	95%	100.2%	96%	97%

Tables below break down the percentages in Table II-12 by government agencies.

Table II-14. Percentage reconciled revenue streams and other taxes of projects to total sector revenue streams and other taxes reported by government

Agency	Metallic mining	Non-metallic mining	Oil and gas	Total
FY 2023				
BIR	101%	97%	95%	98%
BOC	94%	87%	2%	88%
DOE	N/A	N/A	120%	120%
LGU	109%	137%	20%	115%
MGB	84%	N/A	N/A	84%
Total	97%	97%	114%	103%
FY 2024				
BIR	97%	97%	98%	97%
BOC	87%	94%	1%	90%
DOE	N/A	N/A	95%	95%
LGU	115%	171%	12%	126%
MGB	83%	N/A	N/A	83%
Total	94%	99%	96%	96%

Table II-15. Percentage reconciled revenue streams and other taxes of projects to the total in-scope collections reported by government

Agency	Metallic mining	Non-metallic mining	Oil and gas	Total
FY 2023				
BIR	99%	97.6%	98%	98%
BOC	96%	95%	7%	94%
DOE	N/A	N/A	120%	120%
LGU	130%	227%	0%	148%
MGB	91%	N/A	N/A	91%
Total	100%	101%	115%	106%
FY 2024				
BIR	96%	98%	99%	97%
BOC	87%	100%	5%	95%
DOE	N/A	N/A	95%	95%
LGU	126%	253%	0%	113%
MGB	93%	N/A	N/A	93%
Total	97%	102%	96%	107%

Aside from LGU, DOE also posed a percentage reconciled a little over 100% as indicated in Table II-14 and II-15. The reconciled amount is based on the fiscal period of the project. Table II-16 sets out the details of reconciliation per agency.

Table II-16. Summary of reconciliation results per agency

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation	% Reconciled	% Variance	% Variance to total government agency amount
FY 2023								
BIR	27,762,838,746	28,801,546,815	1,038,708,069	28,366,868,719	75,856,437	98%	0%	0.2%
BOC	2,369,130,383	2,359,792,187	(9,338,196)	2,232,963,392	102,375,860	95%	4.3%	0.2%
DOE	17,875,715,018	14,878,610,628	(2,997,104,390)	17,874,469,513	-	120%	0%	0%
LGU	4,768,346,287	1,651,913,509	(3,116,372,589)	2,437,960,885	(690,434,584)	148%	-42%	-1%
MGB	1,929,974,331	2,079,315,828	149,341,497	1,899,516,550	(6,115,007)	91%	0%	-0.01%
Total	**54,706,004,766**	**49,771,178,967**	**(4,934,765,609)**	**52,811,779,059**	**(518,317,293)**	**106%**	**-1%**	-1%
NCIP	526,466,150	301,568,615	(224,897,535)	628,303,849	(14,078,875)	119%	-3%	0.0%
FY 2024								
BIR	29,919,030,102	26,906,262,779	(3,012,767,323)	23,429,611,413	(264,996,960)	87%	-1%	-0.5%
BOC	3,027,511,026	3,023,761,895	(3,749,131)	2,302,315,013	22,030,652	76%	0.7%	0.04%
DOE	10,909,926,185	11,433,275,915	523,349,730	10,910,454,547	-	95%	0%	0%
LGU	2,788,178,965	1,859,764,931	(928,414,033)	1,908,970,420	(118,925,173)	103%	-6%	-0.2%
MGB	1,803,047,455	1,963,600,924	160,553,469	1,790,330,542	204,705,970	91%	10%	0.4%
Total	**48,447,693,732**	**45,186,666,444**	**(3,261,027,288)**	**40,341,681,935**	**(157,185,511)**	**89%**	**0%**	0%
NCIP	665,379,894	88,569,872	(576,810,022)	460,235,152	(283,252,666)	69%	-43%	-0.6%

DOE registered no unexplained variances to total government reported amounts. This is expected for DOE given that there are fewer participants compared to the mining sectors and only one revenue stream. The remaining agencies unexplained variances to total government reported is mainly attributed to absence of supporting documents due to lack of response from the projects. Although LGU have a low percentage of unreconciled variance, it is important to note that the submitted data is incomplete. Due to the insufficient data from LGU, supporting documents were obtained from participating projects to support the amount they have disclosed. Refer to page 85, Section VI, Variances and discrepancies for additional details.

Table II-17 summarizes the percentage contribution of each government agency to the total reconciled revenue streams and other taxes.

Table 17. Percentage contribution of each agency to reconciled total collections and receipts

	Metallic Mining	Non-metallic Mining	Oil and gas	Total	% contribution to total reconciled
FY 2023					
BIR	14,953,220,412	9,540,547,341	3,873,100,966	28,366,868,719	53%
BOC	869,099,533	1,362,884,667	979,192	2,232,963,392	4%
DOE	not applicable	not applicable	17,874,469,513	17,874,469,513	33%
LGU	1,758,346,675	679,285,881	328,329	2,437,960,885	5%
MGB	1,899,516,550	not in scope	not applicable	1,899,516,550	4%
PPA	not in scope	not in scope	not in scope	-	0%
NCIP	628,303,849	-	not applicable	628,303,849	1%
Total	**20,108,487,020**	**11,582,717,889**	**21,748,878,000**	**53,440,082,909**	**100%**

FY 2024					
BIR	11,575,128,603	8,296,860,651	3,557,622,159	23,429,611,413	44%
BOC	434,933,691	1,866,840,998	540,324	2,302,315,013	4%
DOE	not applicable	not applicable	10,910,454,547	10,910,454,547	20%
LGU	1,455,584,359	453,063,211	322,850	1,908,970,420	4%
MGB	1,790,330,542	not in scope	not applicable	1,790,330,542	3%
PPA	not in scope	not in scope	not in scope	-	0%
NCIP	460,235,152	-	not applicable	460,235,152	1%
Total	**15,716,212,347**	**10,616,764,860**	**14,468,939,880**	**40,801,917,087**	**76%**

The figure below shows the sector distribution of the total reconciled revenue streams for 2023 and 2024.

Figure II-6. Industry sector distribution of total reconciled revenue streams for 2023

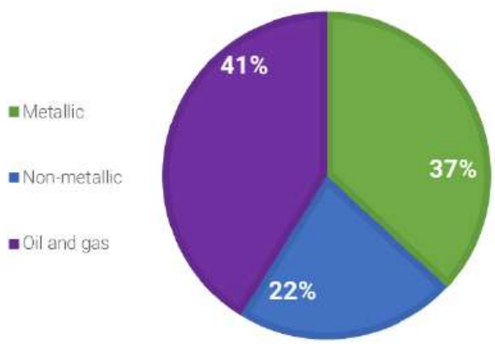
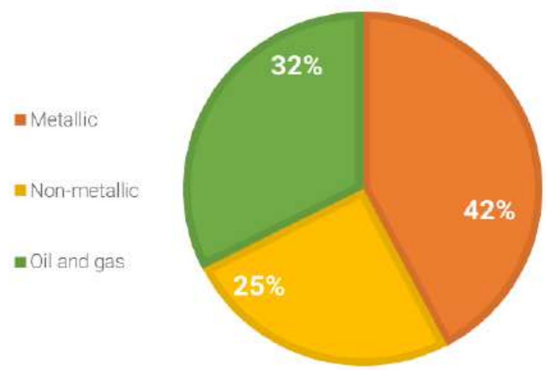


Figure II-7. Industry sector distribution of total reconciled revenue streams for 2024

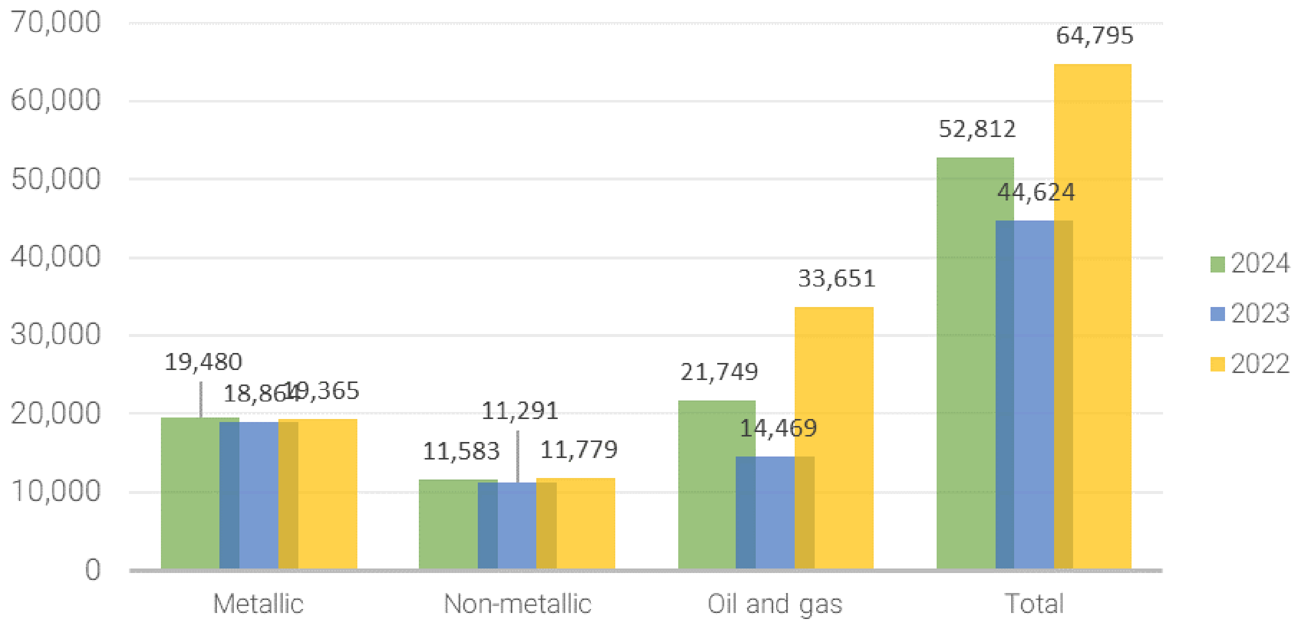


In 2023, oil and gas sector remains to be the biggest contributor to the reconciled revenue stream and other taxes with 41% or Ph₱21.7bn (2022 - Ph₱33.7bn, 52%) followed by the metallic sector with 37% or Ph₱19.5bn (2022 - 30% or Ph₱19.8bn) and non-metallic sector with 22% or Ph₱11.6bn (2022 - Ph₱11.8bn, 18%). However, in 2024, metallic sector takes over the lead by 10% due to the continuous decline in the natural gas production that affected the revenue streams from the oil and gas sector. Metallic sector contributes to 32% or Ph₱18.9bn in 2024 followed by the oil and gas sector with 32% or Ph₱14.5bn and non-metallic sector 25% or Ph₱11.3bn.

Table II-18. Summary of total reconciled revenue streams in 2024, 2023, and 2022

Industry Sector	2024	2023	2022	Change (2024 vs 2023)	% change	Change (2023 vs 2022)	% change
Metallic	18,864,438,089	19,480,183,171	19,365,476,708	(615,745,081)	-3%	114,706,463	1%
Non-metallic	11,291,077,355	11,582,717,889	11,779,065,031	(291,640,534)	-3%	(196,347,142)	-2%
Oil and gas	14,468,939,880	21,748,878,000	33,650,894,058	(7,279,938,120)	-50%	(11,902,016,058)	-55%
Total	**44,624,455,323**	**52,811,779,059**	**64,795,435,797**	**(8,187,323,736)**	**-18%**	**(11,983,656,738)**	**-23%**

Figure II-8. Summary of total reconciled revenue streams in 2024, 2023 and 2022 (in millions)



The reconciled revenue and other taxes for the extractive industry in 2024 decreased by 16% or Ph₱8.2bn compared to 2023. The biggest contributor to this increase is the reconciled revenue streams for the oil and gas sector with 33% or Ph₱7.3bn. On the other hand, reconciled revenue and other taxes decreased by 45% or Ph₱20.2bn from 2022 to 2023. Oil and gas sector remains to be the main driver of this decrease with 133% decrease or Ph₱19.2bn from 2022 to 2023.

Given that the oil and gas sector is the largest contributor in the extractive industry, the sector will dictate the movement in the revenue streams and other taxes. As presented in Figure II-8, the movement of the oil and gas sector is directly proportional to the movement in the total extractive industry.

F. Mandatory social and environmental expenditures

Mandatory expenditures are not remitted to agencies and do not form part of government coffers, but are primarily incurred for the benefit of host communities and protection and preservation of impacted areas. These payments were also subjected to similar reconciliation procedures applied to other revenue streams, including inspection of supporting documents and discussions with management for variances noted; however, the data submitted by MGB, the government agency responsible for monitoring these expenditures, was insufficient, but a significant improvement compared to the agency's data submission in the sixth report. Similar to NCIP, since these expenditures are not revenue streams of the government, supporting documents were obtained from participating projects to arrive at the reconciled amount.

Table II-19. FY 2023 Summary of results of reconciliation for social and environmental expenditures

Actual social and environmental expenditures	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
Metallic mining					
Annual EPEP - Actual Expenditure for the Year	2,586,545,235	2,522,744,707	(63,800,527)	1,935,500,815	(43,914,637)
Annual Work and Financial Plan (WFP) for FMR/DP - Actual Expenditures	180,881,641	-	(180,881,641)	137,759,043	(43,122,598)
Compensation for claims for Damages from MWTF - Actual Expenditures	1,274,964	-	(1,274,964)	-	(1,274,964)
Environmental Trust Fund - Actual Expenditures	-	-	-	-	-
Final Mine Rehabilitation and/or Decommissioning Fund - Actual Expenditures	108,466,582	-	(108,466,582)	-	(43,122,598)
Mine Waste and Tailing Fees	3,371,883	3,413,792	41,909	3,130,154	359,305
Monitoring Trust Fund - Actual Expenditures	-	-	-	-	-
Rehabilitation Cash Fund - Actual Expenditures	-	-	-	-	-
Subtotal - Environmental expenditure	**2,880,540,305**	**2,526,158,499**	**(354,381,806)**	**2,076,390,013**	**(131,075,492)**
Safety and Health Programs - Actual expenditure	578,595,274	507,836,301	(70,758,974)	390,169,834	10,579,407
Annual SDMP - Social Development and Management Programs					
DHNC - Development of Host and Neighboring Communities	1,119,091,124	1,064,117,053	(54,974,071)	719,394,494	(28,773,797)
DMTG - Development of Mining Technology and Geosciences	148,574,373	135,538,394	(13,035,979)	125,044,438	(5,798,526)
IEC - Information, Education & Communication	193,368,448	184,172,749	(9,195,699)	141,839,927	760,713
Subtotal - Annual SDMP	**1,461,033,945**	**1,383,828,197**	**(77,205,748)**	**986,278,859**	**(33,811,611)**
Subtotal - Metallic mining	**4,920,169,524**	**4,417,822,997**	**(502,346,528)**	**3,452,838,706**	**(154,307,696)**
Non-metallic mining					
Annual EPEP - Actual Expenditure for the Year	270,997,781	374,292,390	103,294,609	180,264,531	(11,660,209)
Annual Work and Financial Plan (WFP) for FMR/DP - Actual Expenditures	9,306,203	-	(9,306,203)	-	(9,306,203)
Compensation for claims for Damages from MWTF - Actual Expenditures	450,708	-	(450,708)	-	(450,708)
Environmental Trust Fund - Actual Expenditures	-	-	-	-	-
Final Mine Rehabilitation and/or Decommissioning Fund - Actual Expenditures	2,492,766	-	(2,492,766)	-	(2,492,766)
Mine Waste and Tailing Fees	38,621	49,866	11,245	41,545	7,011
Monitoring Trust Fund - Actual Expenditures	-	-	-	-	-
Rehabilitation Cash Fund - Actual Expenditures	-	-	-	-	-
Subtotal - Environmental expenditure	**283,286,080**	**374,342,257**	**91,056,177**	**180,306,076**	**(23,902,876)**
Safety and Health Programs - Actual expenditure	92,345,889	40,763,280	(51,582,609)	42,471,363	(2,032,669)
Annual SDMP - Social Development and Management Programs					
DHNC - Development of Host and Neighboring Communities	197,131,692	55,232,797	(141,898,894)	44,245,486	(14,260,656)
DMTG - Development of Mining Technology and Geosciences	8,339,717	6,895,030	(1,444,687)	6,093,954	(2,042,802)
IEC - Information, Education & Communication	13,366,572	10,775,263	(2,591,309)	8,039,764	(2,242,599)
Subtotal - Annual SDMP	**218,837,981**	**72,903,090**	**(145,934,891)**	**58,379,204**	**(18,546,057)**
Subtotal - Non-metallic mining	**594,469,949**	**488,008,626**	**(106,461,323)**	**281,156,643**	**(44,481,602)**
	5,514,639,474	**4,905,831,623**	**(608,807,851)**	**3,733,995,349**	**(198,789,297)**

Table II-20. FY 2024 Summary of results of reconciliation for social and environmental expenditures

Actual social and environmental expenditures	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
Metallic mining					
Annual EPEP - Actual Expenditure for the Year	2,672,843,097	2,371,900,974	(300,942,122)	1,861,812,614	(114,438,584)
Annual Work and Financial Plan (WFP) for FMR/DP - Actual Expenditures	9,693,178	-	(9,693,178)	-	(9,693,178)
Compensation for claims for Damages from MWTF - Actual Expenditures	105,518	-	(105,518)	-	(105,518)
Environmental Trust Fund - Actual Expenditures	-	-	-	-	-
Final Mine Rehabilitation and/or Decommissioning Fund - Actual Expenditures	59,630,748	-	(59,630,748)	6,090,913	-
Mine Waste and Tailing Fees	3,829,724	1,744,739	(2,084,985)	3,753,129	1,713
Monitoring Trust Fund - Actual Expenditures	-	-	-	-	-
Rehabilitation Cash Fund - Actual Expenditures	-	-	-	-	-
Subtotal - Environmental expenditure	**2,746,102,265**	**2,373,645,713**	**(372,456,552)**	**1,871,656,656**	**(124,235,566)**
Safety and Health Programs - Actual expenditure	620,349,202	453,500,110	(166,849,092)	502,797,939	(50,243,394)
Annual SDMP - Social Development and Management Programs					
DHNC - Development of Host and Neighboring Communities	1,255,723,090	848,073,188	(407,649,902)	732,658,342	(311,941,432)
DMTG - Development of Mining Technology and Geosciences	135,900,348	117,858,221	(18,042,127)	117,918,097	(7,165,720)
IEC - Information, Education & Communication	199,559,868	166,365,553	(33,194,315)	165,672,320	(7,738,087)
Subtotal - Annual SDMP	**1,591,183,306**	**1,132,296,961**	**(458,886,345)**	**1,016,248,759**	**(326,845,238)**
Subtotal - Metallic mining	**4,957,634,773**	**3,959,442,784**	**(998,191,989)**	**3,390,703,353**	**(501,324,199)**
Non-metallic mining					
Annual EPEP - Actual Expenditure for the Year	233,491,533	205,683,497	(27,808,036)	135,827,962	(26,583,432)
Annual Work and Financial Plan (WFP) for FMR/DP - Actual Expenditures	8,088,290	-	(8,088,290)	-	(8,088,290)
Compensation for claims for Damages from MWTF - Actual Expenditures	113,410	-	(113,410)	-	(113,410)
Environmental Trust Fund - Actual Expenditures	-	-	-	-	-
Final Mine Rehabilitation and/or Decommissioning Fund - Actual Expenditures	2,492,826	-	(2,492,826)	-	(2,492,826)
Mine Waste and Tailing Fees	31,980	16,577	(15,403)	17,380	(6,355)
Monitoring Trust Fund - Actual Expenditures	-	-	-	-	-
Rehabilitation Cash Fund - Actual Expenditures	-	-	-	-	-
Subtotal - Environmental expenditure	**244,218,039**	**205,700,073**	**(38,517,966)**	**135,845,342**	**(37,284,313)**
Safety and Health Programs - Actual expenditure	83,027,996	4,332,740	(78,695,256)	16,028,279	(32,476,442)
Annual SDMP - Social Development and Management Programs					
DHNC - Development of Host and Neighboring Communities	204,393,824	66,192,997	(138,200,827)	41,239,491	(19,754,750)
DMTG - Development of Mining Technology and Geosciences	9,719,536	7,499,853	(2,219,682)	6,728,031	(3,147,586)
IEC - Information, Education & Communication	16,436,959	12,210,865	(4,226,094)	8,116,686	(5,522,233)
Subtotal - Annual SDMP	**230,550,319**	**85,903,715**	**(144,646,604)**	**56,084,208**	**(28,424,569)**
Subtotal - Non-metallic mining	**557,796,355**	**295,936,529**	**(261,859,826)**	**207,957,830**	**(98,185,324)**
	5,515,431,127	**4,255,379,313**	**(1,260,051,815)**	**3,598,661,183**	**(599,509,523)**

Total reconciled safety and health, environmental and social expenditures of participating mining projects for 2023 and 2024 amounted to Ph₱3.7bn and Ph₱3.6bn (2022 - Ph₱2.9bn) which is 13.04% and 13.13% of reconciled mining revenue streams of the corresponding year (2022 – 10%). Reconciled mandatory expenditures in 2023 is higher by 22% or Ph₱803m compared to 2022 and 4% higher or Ph₱135m compared to 2024. Accordingly, reconciled mandatory expenditures in 2024 is higher by 19% or Ph₱668m compared to 2022.

Initial comparison of disclosures made by MGB and participating mining projects presented a negative variance of Ph₱608m and Ph₱1.3bn in 2023 and 2024 (2022 - Ph₱490m), respectively. The initial variance is relatively higher in 2024 since it is the immediately preceding year and MGB central office has still yet to compile and consolidate the data from the regional offices.

After obtaining supporting documents from participating projects, total discrepancy in 2023 and 2024 resulted to Ph₱199m and Ph₱599m (2022 - Ph₱235m). The remaining variance pertains to participating projects that were not able to provide the necessary supporting documents.

Given the higher reported amount of participating projects, it is evident that there is still a lack of data centralization. This could be due to either non-reporting of regional offices to the central office since participating projects were able to provide reports received by the respective regional MGB offices or central office's failure to monitor the submissions from the regional offices.

Figure II-9 and Figure II-10 shows distribution of reconciled environmental, safety and health, and social expenditures of participating mining projects for FY 2023 and FY 2024.

Figure II-9. FY 2023 Safety and health, environmental and social expenditures

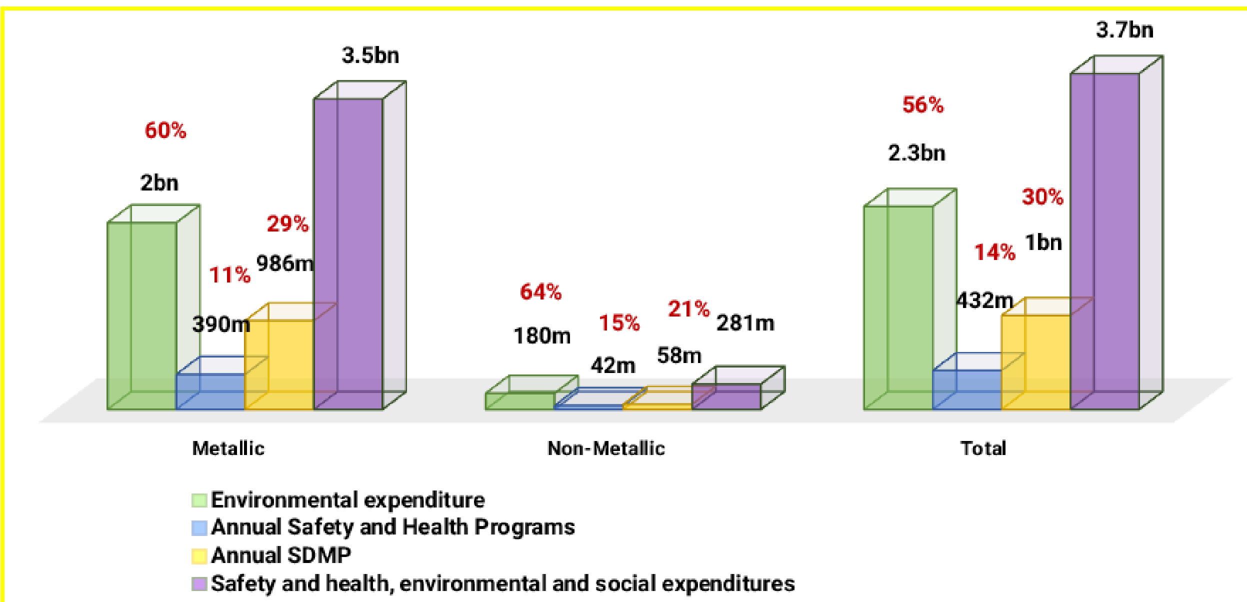
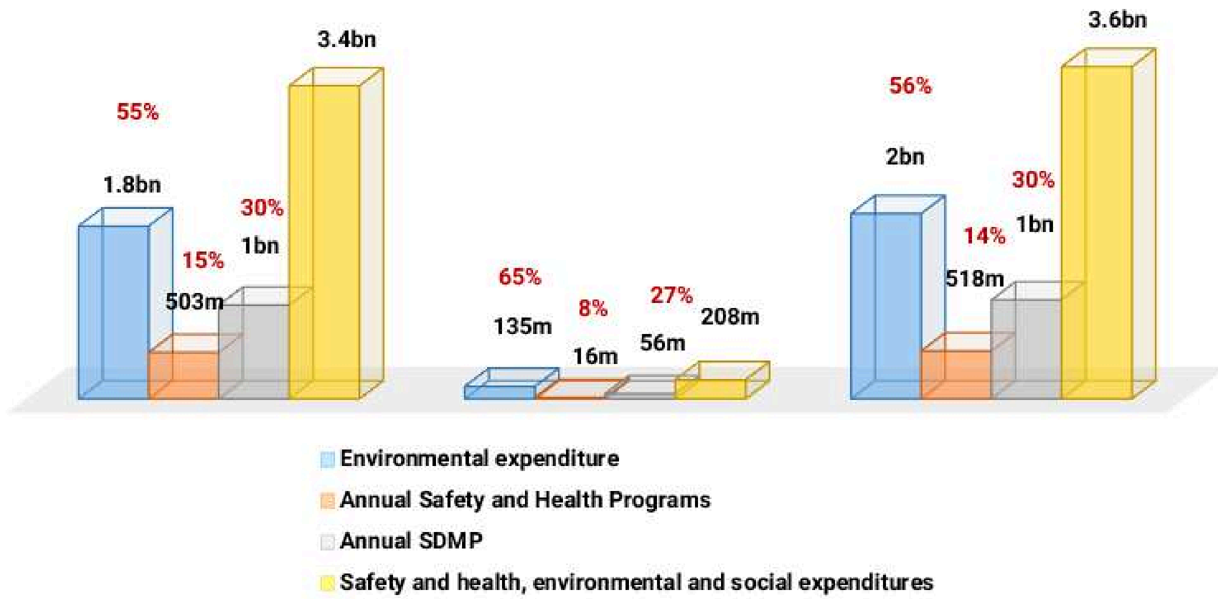


Figure II-10. FY 2024 Safety and health, environmental and social expenditures



Safety and health. 14% or Ph₱432m and 14% or Ph₱518m (2022 - 11% or Ph₱321m) of the 2023 and 2024 mandatory expenditures is incurred for standard operating procedures for mining and milling operations, management and employee training, housekeeping, environmental risk management including emergency response program and occupational health and safety management. 11% or Ph₱390m and 15% or Ph₱503m (2022 - 95% or Ph₱303m) and 15% or Ph₱42m and 8% or Ph₱16m (2022 - 5% or Ph₱17m) of the total reconciled annual safety and health program in 2023 and 2024 was spent by the metallic and non-metallic sector, respectively.

Environmental protection. Of the total mandatory expenditures incurred by participating mining projects in 2023 and 2024, 56% or Ph₱2.3bn and 56% or Ph₱2bn pertain to environmental protection and rehabilitation such as reforestation based on reported EPEP (2022 - 62% or Ph₱1.8bn). The metallic and non-metallic sectors contributed 92% or Ph₱2bn and 93% or Ph₱1.8bn (2022 - 92% or Ph₱1.65bn) and 8% or Ph₱180m and 7% or Ph₱135m (2022 - 8% or Ph₱139m) to the total reconciled mandatory expenditure for environmental protection in 2023 and 2024, respectively.

Social development. Total expenditures on social development in 2023 and 2024 both amounted to Ph₱1bn or 30% of the total reconciled mandatory expenditures (2022 - Ph₱825m or 28%). Ph₱986m or 94% and Ph₱1bn or 95% (2021 - Ph₱783m or 95%) pertains to metallic sectors' spending in 2023 and 2024 while only Ph₱58m or 6% and Ph₱56m or 5% (2022 - Ph₱43m or 5%) applies to the non-metallic sector. These represent activities undertaken as part of participating projects' SDMP, which must be equivalent to 1.5% of operating expenses as mandated by existing regulations. Any difference between required and actual expenditures in a given year may be carried forward to the succeeding period as long as it is within the five year program approved by the MGB.

II. METHODOLOGY

Below is an overview of the approach and methodology, primarily divided into five (5) phases as follows:

A. Scoping and finalization of reporting templates

The reporting cycle begins with identifying the scope of the report in terms of projects, government agencies, revenue streams and other taxes, as well as additional information determined by stakeholders that would aid in gaining further understanding of the local extractive industries. Simultaneously, templates to standardize presentation of information and data are prepared and finalized, as well as identifying required sign offs on behalf of projects and agencies. Similar to the previous PH-EITI reports, the data for FY 2023 and FY 2024 were gathered using reporting templates tailored and approved by MSG.

B. Data gathering

Data submission from reporting projects were made through PH-EITI's Online Reporting in the Extractives (ORE) Tool. The MSG-approved reporting templates were integrated into the ORE Tool to which reporting projects had access from May 15, 2025 to August 30, 2025. Government agencies, on the other hand, submitted via Offline Reporting. Data submissions from local government units were submitted through the Bureau of Local Government Finance's Environment and Natural Resources Data Management Tool (ENRDMT).

The following guidelines were stated in the reporting templates and were explained to reporting projects and government agencies during the ORE Reporting Tool briefing and various MSG meetings:

- **Comprehensive disclosures**: Reporting entities should include all revenue streams attributed to the taxable year 2023 and 2024, regardless of settlement or payment periods. This extends to cases where an alternative fiscal year-end, such as June 30, is adopted. The accrual basis of accounting is prescribed for accurate representation.
- **Total taxes and breakdown**: Templates must present the total taxes for the year, with supporting schedules detailing the breakdown. This breakdown should provide the required level of detail, considering factors like frequency and receiving office, to address any variances noted.
- **Authorized signatories**: The templates should be signed by senior management representatives, such as the President, Chief Finance Officer, or any equivalent personnel for companies involved in participating projects.

To establish credibility of the data, the MSG considered availability and accessibility of information including the appropriate level of management who will attest to the accuracy of the data. With these factors in mind, the credibility of data was established through the following:

- Reporting templates were submitted by either the President of the Company for the respective project and/or Chief Financial Officer, and Department Head for the government agencies via the ORE Tool.
- Traceability of information to the audited financial statements, as applicable. Refer to page 92, Section VII, Audit procedures for the discussion on the audits being performed by an independent third party and COA on the financial statements of the respective companies of the projects and government agencies, respectively.

Like the previous PH-EITI reports, reconciliation was also limited by the prevailing confidentiality clause under the NIRC, which restricts the BIR to disclose tax payments of companies of the participating projects unless signed waivers are submitted. Projects who failed to submit their corresponding waivers were considered as non-participating.

The first PH-EITI report includes a comprehensive discussion on the concepts of public disclosure, information, and participation. More specifically on confidentiality, the following rules apply to the mining and oil and gas sectors.

CONFIDENTIAL
The information is confidential if It should not be divulged to the public but may be used internally by the DENR-MGB Director or his authorized representatives for monitoring, policy planning, and research.

Example:

- Information supplied by mining contractors to DENR as part of the investment guarantee
- Information agreed upon by the parties in the negotiations is confidential

NON-CONFIDENTIAL
The information may be made available and reproduced by the public upon submission of appropriate requests to the DENR-MGB.

Example:

- Documents not covered by a valid confidentiality agreement between the parties
- Production and sales of minerals
- Employment, royalty and tax payments
- Metallic and non-metallic reserves
- Operational parameters, such as mining and capacities and rates, mine and mill recoveries dilution factors, etc.
- Other data agreed upon by the parties.

C. Materiality

The determination of materiality is primarily guided by monetary values and by whether these revenue streams are considered as main sources of receipts, as confirmed by the collecting government agencies.

Consistent with the previous PH-EITI Reports, the determination of materiality level for the FY 2023 – FY 2024 PH-EITI Report was done on a per extractive industry sector basis which provided for a uniform monetary threshold and a greater focus on key revenue streams relative to the total revenues per sector. The materiality threshold was calculated using 2% applied to the total revenues collected per sector as reported by the different government agencies. The 2% was benchmarked on the proposed regulatory threshold to be imposed by the Philippine Securities and Exchange Commission (SEC) on public companies. Presently, the threshold is at 5%, which if applied will result in fewer revenue streams to be covered. Hence, the adoption of a lower threshold was deemed more prudent and will enable greater and expanded scope.

In addition, the nature of the payments based on their relevance and significance to communities and operations was also considered. Thus, withholding tax on foreign shareholders, withholding tax on royalties to claim owners, real property taxes, and mandatory expenditures and social funds were included regardless of their amounts.

In-scope and Scope-out revenue streams, and other taxes for this Report are presented in Tables II-29 and II-30.

D. Reconciliation

i. Agreed upon procedures

The objectives of the reconciliation process do not extend to an audit and review of the disclosures that were already subjected to the verification of third parties (e.g. independent auditing firms, and COA). Hence, agreed upon procedures (AUP) in accordance with the Philippine Standard on Related Services No. 4400, Engagements to Perform Agreed-upon Procedures regarding Financial Information, was determined to be appropriate. The end result of an AUP is a report on factual findings specifically on variances identified, if any, and reasons thereof, with no assurance expressed or issued.

The AUP are as follows:

- Revenue streams above the threshold set were selected and the differences were calculated. Refer to Determination of materiality subsection of this Section for the details of the in-scope revenue streams.
- Variances between the amounts disclosed by participating projects and the amounts disclosed by the corresponding government agencies were subjected to additional procedures, including direct discussions with management to identify possible reasons and explanations for these differences, as well as tracing sample transactions through the corresponding supporting documents to confirm the validity and accuracy of the disclosures made.

Revenue streams, expenses, and funds that were only disclosed by participating projects but had no corresponding disclosures from the government agencies due to legal restrictions (such as the absence of a confidentiality waiver) and those cases which lack available information (i.e., reports are not readily available at the government agency's central office), were reconciled through other available supporting documents including tax returns, payment vouchers, invoices and others.

ii. Threshold of amount that will be reconciled

For each in-scope revenue stream indicated in Table II-29 and II-30, the total variance will be communicated to both the project and government agency to facilitate the compilation of detailed supporting schedules and additional documents (e.g. official receipts, bank statements). Any reconciling item that remained unsupported and unexplainable is declared as variance post reconciliation.

Lastly, we also referred to the following documents as additional references:

- FY 2023 and FY 2024 audited financial statements, if available, as these include relevant disclosures in compliance with Revenue Regulation No. 15-2010. This regulation requires the presentation of all applicable taxes made including corporate income, excise and business taxes, duties, and other payments; and
- Annual reports for listed entities that ascertain transparency on community development programs; and other reports gathered by the EITI Secretariat from various agencies for scoping purposes.

III. SCOPE OF THE REPORT

A. Targeted projects

A preliminary list of projects from the extractive industry was used by the MSG in assessing the scope of the reconciliation procedures. The list was based on the records of MGB and DOE of all companies with corresponding approved licenses and permits in 2023 and 2024.

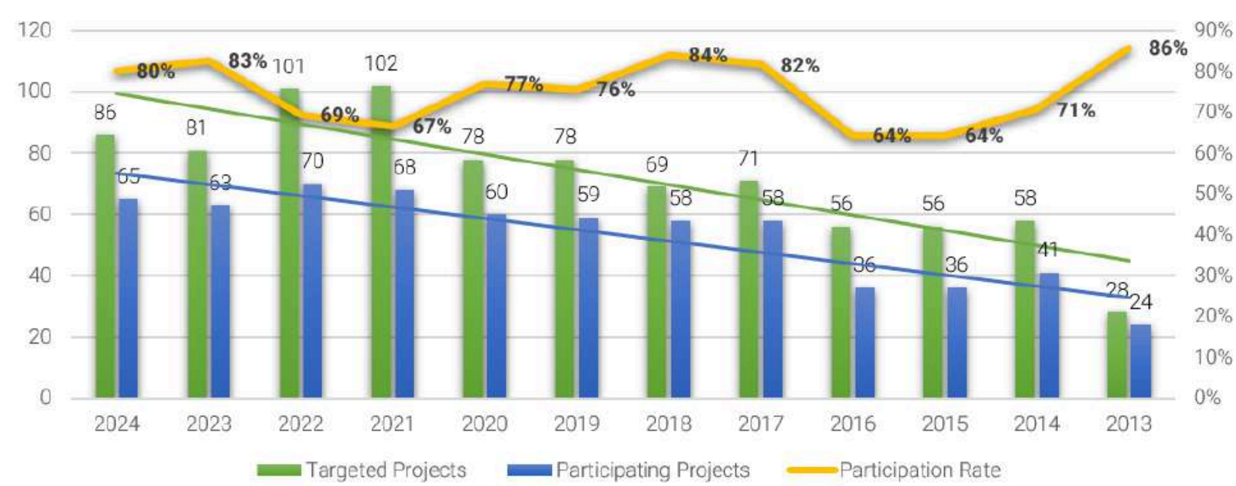
The MSG decided to identify the reporting company from the extractive industry based on their respective projects and will be referred to as "projects" throughout this chapter. Presented below are the decisions of MSG for each sector from the extractive industry:

Extractive Industry	MSG Decision
Large-scale mining (metallic and non-metallic)	Encompass all producing projects as identified by the MGB
Oil and gas	Producing service contracts identified by DOE
Coal	Key player/s of the sector based on data provided by DOE

The preliminary list for 2023 provided by the respective government agency included 42 large-scale metallic mining, 53 large-scale non-metallic, five (5) oil and gas, and one (1) coal company. The preliminary list for 2024, on the other hand, includes 49 large-scale metallic mining and the same number of projects for large-scale non-metallic, oil and gas, and coal as 2023. It is important to note that the current Report excluded projects that are under care and maintenance, no operations, suspended or for renewal. Historically, payments from these mining projects are deemed minimal and would not adversely affect the Report's adequacy.

Despite the issuance of DAO 2017-07 which mandates mining operators to participate in PH-EITI, the MSG acknowledged that participation may not reach 100%. Presented in Figure 11 are the rate of participation from 2013 to 2024 based on the count of companies. Companies instead of projects were used in order for the data to be comparable across the previous PH-EITI Reports.

Figure II-11. Rate of Participation from FY2013 –FY 2024



Based on Figure II-11, the participation is consistently increasing except for FY2014, FY2019, FY2021 and FY 2024 where the increase in number of participating companies was not proportionate to the increase in the total number of targeted companies as presented below:

Fiscal Year	*Targeted*	*Participating*
FY2013 to FY2014	30	17
FY2018 to FY2019	9	1
FY2020 to FY2021	24	8
FY 2023 to FY 2024	5	2

In both 2023 and 2024, overall participation increased by 14% and 10%, respectively, compared to 2022. Participation in the mining sectors in both years increased while participation in the oil and gas and coal sector remained consistent at 60% (3 projects) and none, respectively. For the metallic sector, participation increased by 13% and 8% in 2023 and 2024 when compared to 2022 while for the non-metallic sector, the increase stands at 13% for both years. The increase in the mining sector is primarily driven by the exclusion of projects that are under care and maintenance, no operations, expired or for renewal since most of the projects that did not participate in the previous Reports are in these statuses. Accordingly, the MSG believes that the rate of participation for each year is an adequate representation of the extractive sector.

Companies of respective targeted projects were required to submit data through the Online Reporting in the Extractives (ORE) Tool. Discussion of the development of the reporting template is included on Page 28, Methodology.

Tables II-21 to II-24 details the targeted projects for metallic mining and non-metallic mining, respectively, with 2023 and 2024 information on the production value obtained from MGB and government collections reported by the different government agencies and identified those that submitted reporting templates. Table II-25 and II-26, on the other hand, shows the targeted oil and gas projects and their corresponding 2023 and 2024 reported sales and reported government collections by the government agencies and identified those that submitted reporting templates.

Table II-21. Targeted and participating metallic mining projects in FY 2023

	Project	**Company**	**2023 Production**	**% to total production**	**2023 reported government collections by government agency**	**% to total reported government collections for the sector**	**Participating (Yes/No)**
1	MPSA No. 259-2007-XIII (SMR) (Amended II)	Adnama Mining Resources, Inc.	-	0%	4,178,131	0.02%	Yes
2	MPSA No. 233-2007-XIII (SMR)	Alnor Nac's Construction and Development Corporation	-	0%	-	0%	No
		Libjo Mining Corporation (Contract Holder: East Coast Mineral Resources Co., Inc.)	626,188,292	0.4%	41,393,746	0.2%	Yes
		Westernshore Nickel Corporation (Contract Holder: East Coast Mineral Resources Co., Inc.)	-	0%	24,167,145	0.1%	Yes
3	MPSA No. 225-2005-XI	Apex Mining Company, Inc.	9,156,600,071	6%	1,633,787,205	8%	Yes

4	MPSA No. 263-2008-XI (Amended I) B	Arc Nickel Resources, Inc. (Contract Holder: Riverbend Consolidated Mining Corporation)	82,500,000	0.1%	3,890,740	0.02%	No
5	MPSA No. 197-2004-XI (Amended)	Austral-Asia Link Mining Corp. (Contract Holder)	-	0%	-	0%	Yes
		Hallmark Mining Corporation (Operator)	-	0%	60,323,999	0.3%	Yes
6	PC-ACMP-002- CAR	Benguet Corporation	2,745,571	0.002%	17,464,273	0.1%	Yes
7	MPSA No. 226-2005-III (ZMR)	Benguetcorp Resources Management Corporation	1,059,130,176	0.8%	302,018,565	1%	Yes
8	MPSA No. 078-97-XIII (SMR)	Cagdianao Mining Corporation (Contract Holder: East Coast Mineral Resources, Inc.)	2,001,527,220	1%	500,987,731	2%	Yes
9	MPSA No. 210-2005-VII	Carmen Copper Corporation (Contract Holder: Atlas Consolidated Mining and Development Corporation, Heirs of Jose Velez, Heirs of Manuel Cuenco and Jon Ramon Aboitiz)	17,106,130,354	12%	1,395,284,025	7%	Yes
10	MPSA No. 243-2007-XIII (SMR)	Carrascal Nickel Corporation (Contract Holder: CTP Construction and Mining Corporation)	6,241,960,567	4%	1,022,537,704	5%	Yes
11	MPSA No. 010-92-X (SMR)	Century Peak Corporation - Casiguran Nickel Project	287,512,226	0.2%	87,766,516	0.4%	No
12	MPSA No. 283-2009-XIII (SMR)	Century Peak Corporation - Esperanza Nickel Project	412,850,074	0.3%	28,340,469	0.1%	No
13	MPSA No. 229-2007-IVB	Citinickel Mines and Development Corporation	1,844,024,031	1%	126,693,680	1%	Yes
14	MPSA No. 018-93-X (SMR)	CTP Construction and Mining Corporation - Adlay	6,438,370,152	5%	872,844,123	4%	Yes
15	MPSA No. 158-00-XIII (SMR)	CTP Construction and Mining Corporation - Dahican	378,420,069	0.3%	14,121,165	0%	Yes

16	MPSA No. 258-2007-II	Dinapigue Mining Corporation	420,734,418	0.3%	78,943,091	0.4%	Yes
17	SMP No. 001-2015 (Renewal)	Emir Mineral Resources Corporation	262,483,600	0.2%	26,239,222	0.1%	No
18	MPSA No. 209-2005-III	Eramen Minerals, Inc.	3,395,013,747	2%	510,875,005	2%	Yes
19	FTAA No. 04-2009-II	FCF Mineral Corporation	9,344,931,951	7%	634,537,617	3%	Yes
20	MPSA No. 255-2007-V (Amended I)	Filminera Resources Corporation	-	0%	1,107,344,997	5%	Yes
21	MPSA No. 292-2009-VIII-Amended A	Global Min-met Resources, Inc. (Contract Holder: Nickelace, Inc.)	1,521,245,688	1%	108,413,865	1%	Yes
		Verum Terra Geoscience, Inc. (Contract Holder: Nickelace, Inc.)	1,523,243,804	1%	37,046,335	0.2%	No
22	MPSA No. 246-2007-XIII (SMR)	Hinatuan Mining Corporation	1,812,544,696	1%	411,662,481	2%	Yes
23	MPSA No. 017-93-IV (Amended-2000)	Ipilan Nickel Corporation (Contract Holder: Celestial Nickel Mining Exploration Corporation)	4,753,312,575	3%	657,127,360	3%	Yes
24	PC-ISRI-004-CAR	Itogon Suyoc Resources, Inc.	1,252,350,332	1%	117,469,662	1%	Yes
25	MPSA No. 247-2007-XIII-SMR-Amended A	Kafugan Mining, Inc. (Contract Holder: Ludgoron Mining Corporation)	2,140,146,073	2%	269,022,906	1%	Yes
26	MPSA No. 001-90-CAR	Lepanto Consolidated Mining Company	2,208,161,285	2%	138,263,002	1%	Yes
27	MPSA No. 268-2008-III	LNL Archipelago Minerals, Inc. (Contract Holder: Filipinas Mining Corporation)	3,639,201,712	3%	151,377,381	1%	Yes
28	MPSA No. 016-93-X (SMR)	Marcventures Mining & Development Corporation	1,311,358,384	1%	193,031,832	1%	Yes
29	FTAA No. 001	OceanaGold Philippines, Inc.	21,997,806,300	16%	2,760,980,281	13%	Yes
30	MPSA No. 353-2022-III	Ore Asia Mining and Development Corporation	465,707,258	0%	382,578	0.002%	No
31	MPSA No. 276-2009-CAR	Philex Mining Corporation	8,622,172,945	6%	750,236,721	4%	Yes
32	MPSA No. 262-2008-XIII	Philsaga Mining Corporation	-	0%	733,627,453	4%	Yes

33	MPSA No. 007-92-X	Platinum Group Metals Corporation (Contract Holder: Surigao Integrated Resources Corporation)	3,052,671,488	2%	801,232,567	4%	Yes
34	MPSA No. 114-98-IV	Rio Tuba Nickel Mining Corporation	7,935,800,000	6%	1,057,934,008	5%	Yes
35	MPSA No. 002-90-X (SMR)	Sinosteel Philippines H.Y. Mining Corporation	807,942,640	1%	153,266,352	1%	Yes
36	MPSA No. 261-2008-XIII (Amended)	SR Metals, Inc.	554,565,899	0.4%	99,100,842	0.5%	Yes
37	MPSA No. 031-94-X (SMR)	SR Metals, Inc. (Contract Holder: Vista Buena Mining Corporation)	596,302,106	0.4%	26,377,333	0.1%	Yes
38	MPSA No. 254-2007-VIII	Strong Built (Mining) Development Corporation (Operator: MacArthur Iron Projects Corporation)	-	0%	1,000,778	0.005%	Yes
39	MPSA No. 266-2008-XIII (SMR) (Amended)	Taganito Mining Corporation	9,657,788,881	7%	2,443,493,238	12%	Yes
40	MPSA No. 292-2009-VIII (Amended B)	Techiron Resources, Inc. (Contract Holder: Chromiteking, Inc.)	292,460,973	0.2%	53,913,667	0.3%	Yes
41	MPSA No. 086-97-IX	TVI Resource Development Philippines, Inc.	4,338,173,012	3%	256,469,995	1%	Yes
42	MPSA No. 191-2004-III	Zambales Diversified Metals Corporation	3,456,392,678	2%	453,113,219	2%	Yes
Total			**141,000,471,248**	**100%**	**20,168,283,006**	98.5%	
Total - Participating			**137,966,174,286**	**98%**	**19,984,617,145**	98%	

Out of the total targeted 42 large-scale metallic mining projects in 2023, 37 participated. The rate of participation based on government collection and production is both at 98% which the MSG considers as sufficient representation of the metallic sector.

Table II-22. Targeted and participating metallic mining projects in FY 2024

	Project	Company	2024 Production	% to total production	2024 reported government collections by government agency	% to total reported government collections for the sector	Participating (Yes/No)
1	MPSA No. 322-2010-XIII (SMR)	4D Ventures And Development, Inc.	-	0%	107,398,434	1%	No
2	MOA by and between DENR and PMDC (Parcel 1)	AAM-Phil Natural Resources Exploration and Development Corporation	223,096,026.00	0%	52,591,768	0%	No
3	MOA by and between DENR and PMDC (Parcel 2B)	AAM-Phil Natural Resources Exploration and Development Corporation	-	0%	9,422,276	0%	No
4	MPSA No. 225-2005-XI	Apex Mining Company, Inc.	12,801,980,871.00	9%	2,021,340,155	18%	Yes
5	MPSA No. 263-2008-XI (Amended I) B	Arc Nickel Resources, Inc. (Contract Holder: Riverbend Consolidated Mining Corporation)	-	0%	-	0%	No
6	MPSA No. 197-2004-XI (Amended)	Austral-Asia Link Mining Corp. (Contract Holder)	-	0%	-	0%	Yes
		Hallmark Mining Corporation (Contract Holder: Austral-Asia Link Mining Corporation)	1,031,127,870.00	1%	143,269,833	1%	Yes
7	PC-ACMP-002- CAR	Benguet Corporation	790,399,105.00	1%	23,086,384	0%	Yes
8	MPSA No. 226-2005-III (ZMR)	Benguetcorp Resources Management Corporation	840,342,259.00	1%	222,113,014	2%	Yes
9	MPSA No. 078-97-XIII (SMR)	Cagdianao Mining Corporation (Contract Holder: East Coast Mineral Resources, Inc.)	1,521,501,849.00	1%	449,554,689	4%	Yes
10	MPSA No. 210-2005-VII	Carmen Copper Corporation (Contract Holder: Atlas Consolidated Mining and Development Corporation, Heirs of Jose Velez, Heirs of Manuel Cuenco and Jon Ramon Aboitiz)	18,053,253,717.00	13%	1,276,880,606	11%	Yes
11	MPSA No. 243-2007-XIII (SMR)	Carrascal Nickel Corporation (Contract Holder: CTP Construction and Mining Corporation)	6,774,280,287.00	5%	1,068,166,167	9%	Yes

12	MPSA No. 010-92-X (SMR)	Century Peak Corporation - Casiguran Nickel Project	-	0%	40,974,738	0%	No
13	MPSA No. 283-2009-XIII (SMR)	Century Peak Corporation - Esperanza Nickel Project	1,202,177,179.00	1%	17,051,562	0%	No
14	MPSA No. 229-2007-IVB	Citinickel Mines and Development Corporation	709,455,014.00	0%	29,531,532	0%	Yes
15	MPSA No. 018-93-X (SMR)	CTP Construction and Mining Corporation - Adlay	7,291,904,940.00	5%	769,973,811	7%	Yes
16	MPSA No. 158-00-XIII (SMR)	CTP Construction and Mining Corporation - Dahican	146,285,354.00	0%	10,427,164	0%	Yes
17	MPSA No. 258-2007-II	Dinapigue Mining Corporation	713,533,098.00	1%	51,637,325	0%	Yes
18	MPSA No. 355-2024-VIII	Emir Mineral Resources Corporation	629,537,830.00	0%	6,300	0%	No
19	MPSA No. 209-2005-III	Eramen Minerals, Inc.	468,661,950.00	0%	71,448,921	1%	Yes
20	FTAA No. 04-2009-II	FCF Mineral Corporation	11,384,543,295.00	8%	1,216,806,501	11%	Yes
21	MPSA No. 255-2007-V (Amended I)	Filminera Resources Corporation	-	0%	1,360,898,703	12%	Yes
22	MPSA No. 292-2009-VIII-Amended A	Global Min-met Resources, Inc. (Contract Holder: Nickelace, Inc.)	1,608,750,000.00	1%	18,040,563	0%	Yes
	MPSA No. 292-2009-VIII-Amended A	Verum Terra Geoscience, Inc. (Contract Holder: Nickelace, Inc.)	237,904,453.00	0%	5,720,515	0%	No
23	MPSA No. 184-2002-XIII	Greenstone Resources Corp.	3,072,980,742.00	2%	163,141,141	1%	Yes
24	MPSA No. 246-2007-XIII (SMR)	Hinatuan Mining Corporation	1,829,213,337.00	1%	410,798,796	4%	Yes
25	MPSA No. 012-92-VIII	Hinatuan Mining Corporation	-	0%	46,601,845	0%	Yes
26	MPSA No. 017-93-IV (Amended-2000)	Ipilan Nickel Corporation (Contract Holder: Celestial Nickel Mining Exploration Corporation)	4,344,455,500.00	3%	378,087,769	3%	Yes
27	PC-ISRI-004-CAR	Itogon Suyoc Resources, Inc.	1,822,009,756.00	1%	242,641,098	2%	Yes
28	MPSA No. 247-2007-XIII-SMR-Amended A	Kafugan Mining, Inc. (Contract Holder: Ludgoron Mining Corporation)	1,513,656,625.00	1%	159,018,687	1%	Yes
29	MPSA No. 001-90-CAR	Lepanto Consolidated Mining Company	2,337,807,713.00	2%	172,696,365	2%	Yes
30	MPSA No. 233-2007-XIII (SMR)	Libjo Mining Corporation (Contract	546,638,105.00	0%	24,386,164	0%	Yes

		Holder: East Coast Mineral Resources Co., Inc.)					
		Westernshore Nickel Corporation (Contract Holder: East Coast Mineral Resources Co., Inc.)	-	0%	32,009,190	0%	Yes
31	MPSA No. 268-2008-III	LNL Archipelago Minerals, Inc. (Contract Holder: Filipinas Mining Corporation)	1,580,472,470.00	1%	78,988,719	1%	Yes
32	MPSA No. 016-93-X (SMR)	Marcventures Mining & Development Corporation	1,060,263,161.00	1%	202,519,562	2%	Yes
33	FTAA No. 001	OceanaGold Philippines, Inc.	20,033,725,597.00	14%	2,968,978,007	26%	Yes
34	MPSA No. 353-2022-III	Ore Asia Mining and Development Corporation	408,718,200.00	0%	4,179	0%	No
35	MPSA No. 242-2007-XIII (SMR)	Oriental Vision Mining Phils. Corporation (Contract Holder: Norweah Metals and Minerals Company, Inc.)	-	0%	30,562,300	0%	No
36	MPSA No. 276-2009-CAR	Philex Mining Corporation	8,877,506,467.00	6%	728,699,654	6%	Yes
37	MPSA No. 262-2008-XIII	Philsaga Mining Corporation	-	0%	623,916,757	5%	Yes
38	MPSA No. 007-92-X	Platinum Group Metals Corporation (Contract Holder: Surigao Integrated Resources Corporation)	3,318,315,150.00	2%	651,492,131	6%	Yes
39	MPSA No. 114-98-IV	Rio Tuba Nickel Mining Corporation	7,656,050,000.00	5%	741,735,303	6%	Yes
40	MPSA No. 250-2007-III (Amended I)	Shangfil Mining and Trading Corporation	-	0%	434,071	0%	Yes
41	MPSA No. 002-90-X (SMR)	Sinosteel Philippines H.Y. Mining Corporation	1,404,469,979.00	1%	200,719,781	2%	Yes
42	MPSA No. 261-2008-XIII (Amended)	SR Metals, Inc.	704,166,680.00	0%	71,367,086	1%	Yes
43	MPSA No. 031-94-X (SMR)	SR Metals, Inc. (Contract Holder: Vista Buena Mining Corporation)	8,461,236.00	0%	-	0%	Yes
44	MPSA No. 022-94-X-Amended I	Stagno Mining Corporation	-	0%	29,571,765	0%	No
45	MPSA No. 254-2007-VIII	Strong Built (Mining) Development Corporation (Operator: MacArthur	-	0%	354,491	0%	Yes

		Iron Projects Corporation)					
46	MPSA No. 266-2008-XIII (SMR) (Amended)	Taganito Mining Corporation	5,737,367,404	4%	1,893,310,540	17%	Yes
47	MPSA No. 292-2009-VIII (Amended B)	Techiron Resources, Inc. (Contract Holder: Chromiteking, Inc.)	629,304,388.00	0%	195,791,504	2%	Yes
48	MPSA No. 086-97-IX	TVI Resource Development Philippines, Inc.	7,047,031,209.00	5%	530,535,476	5%	Yes
49	MPSA No. 191-2004-III	Zambales Diversified Metals Corporation	2,330,189,831.00	2%	295,477,654	3%	Yes
Total			**142,691,538,647**	**100%**	**19,840,180,999**	99%	
Total - Participating			**139,990,104,959**	**98%**	**19,546,877,162**	97%	

For 2024, the total targeted large-scale metallic mining projects is 49 where 39 projects participated. The government collection and value of production for the participating projects is 97% and 98% of the metallic sector which the MSG considers as adequate.

Table II-23. Targeted and participating non-metallic mining projects in FY 2023

	Project	**Company**	**2023 Production Value**	**% to total production**	**2023 reported government collections by government agency**	% to total reported government collections for the sector	Participating (Yes/No)
1	MPSA No. 013-93-VII	Apo Land and Quarry Corporation	131,017,330	3%	119,657,198	1%	Yes
2	MPSA No. 286-2009-VII	Apo Land and Quarry Corporation	93,594,671	2%	-	0%	Yes
3	MPSA No. 070-97-IV	Asensio Pinzon Aggregate Corp.	-	0%	-	0%	No
4	SMP No. 2022-03	ATN Holdings, Inc.	-	0%	-	0%	No
5	MPSA No.150-2000-VII	Bohol Limestone Corporation	121,054,336	3%	22,430,968	0%	Yes
6	MPSA No. 032-95-IV/055-96-IV	Concrete Aggregates Corporation	281,132,942	6%	16,913,898	0%	Yes
7	MPSA No. 208-2005-VII	Dolomite Mining Corporation	88,760,609	2%	15,859,479	0%	Yes
8	MPSA No. 181-2002-III	Eagle Cement Corporation	104,642,806	2%	4,497,668,462	38%	Yes
9	MPSA No. 296-2009-IVA	Gozon Development Corporation	122,352,846	3%	31,116,418	0%	Yes
10	MPSA No. 202-2004-IV	Hardrock Aggregates, Inc.	45,656,045	1%	22,583,687	0%	Yes
11	MPSA No. 200-2004-I	Heirs of Elias E. Olegario	1,229,056	0%	908,430	0%	Yes
12	MPSA No. 027-94-III	Helix MIning and Development Corporation - HMDC	-	0%	166,972,210	1%	Yes

13	MPSA No. 042-95-I	Helix MIning and Development Corporation - HMDC	13,941,346	0%	-	0%	Yes
14	MPSA No. 080-97-XI	Helix MIning and Development Corporation - HMDC	17,986,033	0%	-	0%	Yes
15	MPSA No. 236-2007-I	Helix MIning and Development Corporation - HMDC	83,170,888	2%	-	0%	Yes
16	MPSA No. 238-2007-I	Helix MIning and Development Corporation - HMDC	34,607,550	1%	-	0%	Yes
17	MPSA No. 274-2008-XI (Amended)	Helix MIning and Development Corporation - HMDC	177,742,496	4%	-	0%	Yes
18	MPSA No. 295-2009-I-Amended I	Helix MIning and Development Corporation - HMDC	6,269,993	0%	-	0%	Yes
19	MPSA No. 047-96-XII	Helix Resources and Development Corporation	106,572,378	2%	53,356,929	0%	Yes
20	MPSA No. 281-2009-X (Amended I)	Helix Resources and Development Corporation	49,047,580	1%	-	0%	Yes
21	MPSA No. 218-2005-VII	Helix Resources and Development Corporation (Contractor: Heirs of Arturo Zayco)	-	0%	-	0%	Yes
22	MPSA No. 140-99-III	Holcim Mining and Development Corporation and Doric Marble Corporation	141,911,973	3%	-	0%	Yes
23	MPSA No. 146-99-V	Ibalong Resources and Development Corporation (Operator: Dinapigue Mining Corporation)	5,470,324	0%	2,096,365	0%	Yes
24	MPSA No. 116-98-IVA	Island Quarry and Aggregates Corporation	1,571,691	0%	93,148,944	1%	Yes
25	Patented Mining Claim No. 14	Island Quarry and Aggregates Corporation	126,720,912	3%	-	0%	Yes
26	MPSA No. 194-2004-VII	JLR Construction and Aggregates, Inc.	145,792,622	3%	143,365,631	1%	Yes
27	MPSA No. 136-99-IV	Majestic Earth Core Ventures, Inc. (Contract Holder: San Rafael Dev't Corporation)	145,847,795	3%	-	0%	No
28	MPSA No. 239-2007-IVA	Montalban Millex Aggregates Corporation	59,176,182	1%	16,155,153	0%	Yes
29	MPSA No. 106-98-I	Northern Cement Corporation	585,721,164	12%	1,639,229,133	14%	Yes
30	MPSA No. 111-98-VII	Quarry Ventures Phils., Inc.	-	0%	33,019,986	0%	Yes

31	MPSA No. 074-97-IV	Rapid City Realty and Development Corporation	33,876,576	1%	41,048,479	0%	Yes
32	MPSA No. 087-97-IV	Rapid City Realty and Development Corporation	194,166,790	4%	-	0%	Yes
33	MPSA No. 026-94-III	Republic Cement & Building Materials, Inc.	429,630,171	9%	3,399,006,823	28%	Yes
34	MPSA No. 029-95-IVA	Republic Cement & Building Materials, Inc.	96,741,206	2%	-	0%	Yes
35	MPSA No. 132-99-VII	Republic Cement & Building Materials, Inc.	35,388,491	1%	-	0%	Yes
36	MPSA No. 138-99-IVA	Republic Cement & Building Materials, Inc.	128,502,048	3%	-	0%	Yes
37	MPSA No. 056-96-III	Republic Cement Land and Resources, Inc.	53,446,640	1%	56,223,866	0%	Yes
38	MPSA No. 031-95-XII	Republic Cement Mindanao, Inc.	26,994,623	1%	717,780,869	6%	Yes
39	MPSA No. 105-98-XII	Republic Cement Mindanao, Inc.	31,588,174	1%	-	0%	Yes
40	MPSA No. 104-98-XII	Republic Cement Mindanao, Inc. (formerly Republic Cement Iligan, Inc.)	11,390,598	0%	-	0%	Yes
41	MPSA No. 213-2005-IVB	Rio Tuba Nickel Mining Corporation (Non-metallic)*	732,657	0%	2,415,359	0%	Yes
42	MPSA No. 089-97-III	Rockmix, Inc.	20,918,585	0%	-	0%	No
43	MPSA No. 118-98-IV	Semirara Material Resources, Inc. (formerly Semirara Mining and Power Corporation)	-	0%	-	0%	Yes
44	MPSA No. 352-2022-VI	Semirara Material Resources, Inc. (formerly Semirara Mining and Power Corporation)	-	0%	-	0%	Yes
45	MPSA No. 067A-97-VII	Solid Earth Development Corp.	5,519,915	0%	188,242,843	2%	Yes
46	MPSA No. 205-2004-VII	Solid Earth Development Corp.	16,559,744	0%	-	0%	Yes
47	MPSA No. 161-00-III	Solid North Mineral Corporation	701,569,602	15%	388,036,748	3%	Yes
48	MPSA No. 201-2004-III	Spar Development Co., Inc.	762,300	0%	87,943	0%	No
49	MPSA No. 064-96-IV-Amended II	Supreme Elite Resources Inc (Rapid City Realty and Development Corporation)	115,185,472	2%	13,607	0%	Yes
50	MPSA No. 118-98-IV	Supreme Elite Resources Inc (Rapid City Realty and	12,729,453	0%	-	0%	Yes

		Development Corporation)					
51	MPSA No. 102-97-IVA	Teresa Marble Corporation	22,501,050	0%	-	0%	Yes
52	MPSA No. 124-98-IVA	Teresa Marble Corporation	159,738,077	3%	-	0%	Yes
53	MPSA No. 125-98-IVA (Amended A)	Teresa Marble Corporation	6,649,500	0%	-	0%	Yes
54	MPSA No. 186-2002-V	UBS Marketing Corporation	12,381,768	0%	4,215,843	0%	Yes
Total			4,807,965,005	100%	11,671,555,271	97%	
Total - Participating			**4,640,436,326**	**97%**	**11,671,467,328**	97.5%	

Table II-24. Targeted and participating non-metallic mining projects in FY 2024

	Project	Company	2023 Production Value	% to total production	2023 reported government collections by government agency	% to total reported government collections for the sector	Participating (Yes/No)
1	MPSA No. 013-93-VII	Apo Land and Quarry Corporation	132,949,834.36	3%	90,170,059	1%	Yes
2	MPSA No. 286-2009-VII	Apo Land and Quarry Corporation	92,849,443.15	2%	-	0%	Yes
3	MPSA No. 070-97-IV	Asensio Pinzon Aggregate Corp.	-	0%	-	0%	No
4	MPSA No. 354-2024-IVA	ATN Holdings, Inc.	52,224,757.01	1%	-	0%	No
5	MPSA No.150-2000-VII	Bohol Limestone Corporation	225,183,670.00	5%	44,926,808	0.4%	Yes
6	MPSA No. 032-95-IV/055-96-IV	Concrete Aggregates Corporation	176,940,952.00	4%	26,558,737	0.2%	Yes
7	MPSA No. 208-2005-VII	Dolomite Mining Corporation	84,134,511.00	2%	19,596,734	0.2%	Yes
8	MPSA No. 181-2002-III	Eagle Cement Corporation	279,976,206.13	6%	4,223,982,656	37%	Yes
9	MPSA No. 296-2009-IVA	Gozon Development Corporation	117,858,945.31	2%	28,883,107	0.3%	Yes
10	MPSA No. 202-2004-IV	Hardrock Aggregates, Inc.	134,941,098.01	3%	16,824,497	0.1%	Yes
11	MPSA No. 200-2004-I	Heirs of Elias E. Olegario	3,854,403.88	0%	965,815	0.01%	Yes
12	MPSA No. 027-94-III	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	19,834,393.72	0%	112,370,165	1%	Yes
13	MPSA No. 042-95-I	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and	4,696,248.00	0%	-	0%	Yes

		Development Corporation)					
14	MPSA No. 080-97-XI	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	32,386,384.46	1%	993,974	0.01%	Yes
15	MPSA No. 187-2002-XI	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	52,749,843.47	1%	-	0%	Yes
16	MPSA No. 236-2007-I	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	53,959,345.09	1%	-	0%	Yes
17	MPSA No. 238-2007-I	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	22,586,519.27	0%	-	0%	Yes
18	MPSA No. 274-2008-XI (Amended)	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	92,639,082.43	2%	-	0%	Yes
19	MPSA No. 295-2009-I-Amended I	Helix MIning and Development Corporation - HMDC (formerly Holcim Mining and Development Corporation)	3,867,290.00	0%	-	0%	Yes
20	MPSA No. 047-96-XII	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation)	95,761,887.19	2%	51,641,423	0.5%	Yes
21	MPSA No. 281-2009-X (Amended I)	Helix Resources and Development Corporation (formerly Holcim Resources and Development Corporation)	87,027,002.29	2%	-	0%	Yes
22	MPSA No. 218-2005-VII	Helix Resources and Development Corporation (formerly Holcim Resources and	57,125,255.04	1%	-	0%	Yes

		Development Corporation) (Contractor: Heirs of Arturo Zayco)					
23	MPSA No. 140-99-III	Holcim Mining and Development Corporation and Doric Marble Corporation	135,675,699.21	3%	-	0%	Yes
24	MPSA No. 146-99-V	Ibalong Resources and Development Corporation (Operator: Dinapigue Mining Corporation)	1,135,879.71	0%	2,534,217	0.02%	Yes
25	MPSA No. 116-98-IVA	Island Quarry and Aggregates Corporation	-	0%	61,994,722	1%	Yes
26	MPSA No. 124-98-IV-Amended B	Island Quarry and Aggregates Corporation	22,944,960.20	0%	-	0%	Yes
27	Patentaed Mining Claim No. 14	Island Quarry and Aggregates Corporation	78,485,616.15	2%	-	0%	Yes
28	MPSA No. 194-2004-VII	JLR Construction and Aggregates, Inc.	159,751,559.33	3%	97,037,923	1%	Yes
29	MPSA No. 136-99-IV	Majestic Earth Core Ventures, Inc. (Contract Holder: San Rafael Dev't Corporation)	93,418,223.00	2%	-	0%	No
30	MPSA No. 239-2007-IVA	Montalban Millex Aggregates Corporation	63,194,228.96	1%	10,649,534	0.1%	Yes
31	MPSA No. 106-98-I	Northern Cement Corporation	538,984,476.54	11%	1,308,502,951	11%	Yes
32	MPSA No. 111-98-VII	Quarry Ventures Phils., Inc.	-	0%	56,138,440	0.5%	Yes
33	MPSA No. 074-97-IV	Rapid City Realty and Development Corporation	108,027,268.72	2%	44,875,835	0.4%	Yes
34	MPSA No. 087-97-IV	Rapid City Realty and Development Corporation	121,966,453.35	3%	-	0%	Yes
35	MPSA No. 026-94-III	Republic Cement & Building Materials, Inc.	327,844,366.13	7%	3,841,903,861	34%	Yes
36	MPSA No. 029-95-IVA	Republic Cement & Building Materials, Inc.	104,403,379.10	2%	-	0%	Yes
37	MPSA No. 132-99-VII	Republic Cement & Building Materials, Inc.	26,752,810.05	1%	-	0%	Yes
38	MPSA No. 138-99-IVA	Republic Cement & Building Materials, Inc.	155,403,366.44	3%	-	0%	Yes
39	MPSA No. 056-96-III	Republic Cement Land and Resources, Inc.	9,092,009.60	0%	38,301,789	0.3%	Yes
40	MPSA No. 031-95-XII	Republic Cement Mindanao, Inc.	47,797,802.37	1%	588,843,585	5%	Yes
41	MPSA No. 213-2005-IVB	Rio Tuba Nickel Mining Corporation (Non-metallic)*	76,396,800.00	2%	6,420,284	0.1%	Yes
42	MPSA No. 089-97-III	Rockmix, Inc.	-	0%	-	0%	No

43	MPSA No. 352-2022-VI	Semirara Material Resources, Inc. (formerly Semirara Mining and Power Corporation)	-	0%	-	0%	Yes
44	MPSA No. 067A-97-VII	Solid Earth Development Corp.	120,037,156.75	2%	134,838,447	1%	Yes
45	MPSA No. 205-2004-VII	Solid Earth Development Corp.	13,337,462.71	0%	-	0%	Yes
46	MPSA No. 161-00-III	Solid North Mineral Corporation	652,975,136.07	14%	380,278,764	3%	Yes
47	MPSA No. 201-2004-III	Spar Development Co., Inc.	484,050.00	0%	-	0%	No
48	MPSA No. 064-96-IV-Amended II	Supreme Elite Resources Inc (Rapid City Realty and Development Corporation)	82,371,787.17	2%	-	0%	Yes
49	MPSA No. 118-98-IV	Supreme Elite Resources Inc (Rapid City Realty and Development Corporation)	8,675,280.36	0%	-	0%	Yes
50	MPSA No. 102-97-IVA	Teresa Marble Corporation	17,636,850.00	0%	1,818	0.00002%	Yes
51	MPSA No. 124-98-IVA	Teresa Marble Corporation	22,944,960.20	0%	-	0%	Yes
52	MPSA No. 125-98-IVA (Amended A)	Teresa Marble Corporation	9,494,100.00	0%	-	0%	Yes
53	MPSA No. 186-2002-V	UBS Marketing Corporation	6,776,800.00	0%	7,005,692	0.1%	Yes
Total			4,829,555,5543	100%	11,196,241,838	98%	
Total - Participating			**4,683,428,532**	**97%**	**11,196,241,838**	**98%**	

*reported under metallic mining sector as well

In both 2023 and 2024, the total targeted large-scale non-metallic mining projects is 53 and 45 participated. The rate of participation based on government collection and production value are 97.5% and 97%, respectively, in 2023 and 98% and 97% in 2024 which the MSG considers as strong representation of the non-metallic sector.

Rio Tuba Nickel Mining Corporation also operates a non-metallic mining project as shown in Tables 21 to 24. In presenting the results of reconciliation in this chapter, the revenue streams of Rio Tuba Nickel Mining Corporation will be presented under metallic mining and will pertain to both the results of its metallic and non-metallic operations unless the data can be accurately divided between the metallic and non-metallic sector.

Table II-25. Targeted and participating oil and gas in FY 2023

	Company	Project	2022 Sales	% to total sales	2022 reported government collections by government agency	% to total reported government collections for the sector	Participating (Y/N)
1	Forum Exploration, Inc.	SC 40	-	0%	-	0%	N
2	NPG Pty Ltd	SC 14C1	2,127,482,232	4%	220,225,659	1%	Y
3	Prime Energy Resources Development B.V.	SC 38	51,799,430,895	96%	18,317,134,554	96%	Y
4	Philippine National Oil Corporation (PNOC) - Exploration Corporation	SC 37	-	0%	481,602,172	3%	Y
5	The Philodrill Corporation	SC 14C2	-	0%	-	0%	N
			53,926,913,127	**100%**	**19,018,962,385**	**99.98%**	

Table II-26. Targeted and participating oil and gas in FY 2024

	Company	Project	2022 Sales	% to total sales	2022 reported government collections by government agency	% to total reported government collections for the sector	Participating (Y/N)
1	Forum Exploration, Inc.	SC 40	-	0%	-	0%	N
2	NPG Pty Ltd	SC 14C1	2,255,930,504	4%	211,337,860	1%	Y
3	Prime Energy Resources Development B.V.	SC 38	49,765,382,979	96%	14,441,737,149	76%	Y
4	Philippine National Oil Corporation (PNOC) - Exploration Corporation	SC 37	-	0%	461,011,814	2%	Y
5	The Philodrill Corporation	SC 14C2	-	0%	-	0%	N
			52,021,313,482	**100%**	**15,114,086,823**	**99.97%**	

Three (3) out of five (5) targeted oil and gas projects participated in both 2023 and 2024 exercise which accounted for 100% of the sector's sales in both years and 99.98% and 99.97% of the total reported government collection for sector for 2023 and 2024, respectively.

COC No. 5 of Semirara Mining and Power Corporation, the lone target project for the coal sector, did not participate. As done in prior reports, more than sufficient effort was exerted including direct email correspondences with Semirara and formal letter sent by the DOF to the DOE for assistance. Alternative procedures were then conducted to present information on Semirara's revenue streams including obtaining public documents such as audited financial statements and unilateral disclosures by the government agencies. These were included and presented in Section I, Chapter Summary, of this chapter.

Table II-27 and II-28 summarizes the non-participating projects of the extractive sector with corresponding 2023 and 2024 government collections reported by different government agencies.

Table II-27. Summary of non-participating projects in FY 2023

	Project	Company	2022 Reported government collections	% to total reported government collections per sector
Metallic Mining				
Iron				
	MPSA No. 353-2022-III	Ore Asia Mining and Development Corporation	**-**	0%
Subtotal			**-**	0.000%
Nickel				
	MPSA No. 233-2007-XIII (SMR)	Alnor Nac's Construction and Development Corporation	**-**	0%
	MPSA No. 263-2008-XI (Amended I) B	Arc Nickel Resources, Inc. (Contract Holder: Riverbend Consolidated Mining Corporation)	**-**	0%
	MPSA No. 010-92-X (SMR)	Century Peak Corporation - Casiguran Nickel Project	**74,777,293**	0.4%
	MPSA No. 283-2009-XIII (SMR)	Century Peak Corporation - Esperanza Nickel Project	**28,340,469**	0.14%
	SMP No. 001-2015 (Renewal)	Emir Mineral Resources Corporation	**10,111,031**	0.05%
	MPSA No. 292-2009-VIII-Amended A	Verum Terra Geoscience, Inc. (Contract Holder: Nickelace, Inc.)	**7,181,765**	0.04%
Subtotal			**120,410,558**	**0.6%**
Subtotal - Metallic Mining			**120,410,558**	**0.6%**
Non-Metallic Mining				
Aggregates				
	MPSA No. 070-97-IV	**Asensio Pinzon Aggregate Corp.**	**-**	0%
	SMP No. 2022-03	**ATN Holdings, Inc.**	**-**	0%
	MPSA No. 136-99-IV	**Majestic Earth Core Ventures, Inc. (Contract Holder: San Rafael Dev't Corporation)**	**-**	0%
Sub-total			**-**	0%
Limestone				
	MPSA No. 201-2004-III	**Spar Development Co., Inc.**	**87,943**	0.001%
Sand and				

gravel				
	MPSA No. 089-97-III	**Rockmix, Inc.**	**-**	0%
Sub-total - Non-Metallic Mining			**87,943**	0.001%
Oil and Gas				
	SC 40	**Forum Exploration, Inc.**	**-**	**0%**
	SC 14C2	**The Philodrill Corporation**	**-**	**0%**
Sub-total - Oil and Gas			**-**	**0%**
Coal				
	COC 5	Semirara Mining and Power Corporation	11,116,712,491	82%
Total			**11,237,210,992**	**17.4%**

The revenue streams reported by government agencies of the non-participating metallic mining projects for 2023 stands at 0.6% and 0.2% of the total revenue streams from the metallic mining sector and from the entire extractive industry, respectively. The revenue streams from non-participating non-metallic mining projects, on the other hand, is at 0.001% and 0.0001% of the total revenue streams from the non-metallic mining sector and from the entire extractive industry, respectively. For the oil and gas sector, the combined representation of SC 40 and SC 14C2 is at 0% of revenue streams of the sector and the extractive industry. As discussed in Section I, Executive Summary, the lone targeted project for the coal sector did not participate, but its refusal to participate did not impact the comprehensiveness of the Report as its total revenue streams is 17.2% of the total extractive industry.

Overall, the projects and companies that did not participate did not impact the comprehensiveness of the Report due to its immateriality. These projects and companies collectively represent 17.4% of the total extractives industry's revenue streams reported by government agencies where the coal sector is the biggest contributor at 17.2%.

Table II-28. Summary of non-participating projects in FY 2024

	Project	Company	2022 Reported government collections	% to total reported government collections per sector
Metallic Mining				
Iron				
	MPSA No. 353-2022-III	Ore Asia Mining and Development Corporation	**4,179**	0.00002%
Subtotal			**4,179**	0.00002%
Nickel				
	MPSA No. 322-2010-XIII (SMR)	4D Ventures And Development, Inc.	**107,436,054**	0.5%
	MOA by and between DENR and PMDC (Parcel 1)	AAM-Phil Natural Resources Exploration and Development Corporation	**55,925,511**	0.3%
	MOA by and between DENR and	AAM-Phil Natural Resources	**9,422,276**	0.05%

	PMDC (Parcel 2B)	Exploration and Development Corporation		
	MPSA No. 263-2008-XI (Amended I) B	Arc Nickel Resources, Inc. (Contract Holder: Riverbend Consolidated Mining Corporation)	**-**	0.0%
	MPSA No. 010-92-X (SMR)	Century Peak Corporation - Casiguran Nickel Project	**40,974,738**	0.2%
	MPSA No. 283-2009-XIII (SMR)	Century Peak Corporation - Esperanza Nickel Project	**17,051,562**	0.1%
	MPSA No. 355-2024-VIII	Emir Mineral Resources Corporation	**6,300**	0.00003%
	MPSA No. 242-2007-XIII (SMR)	Oriental Vision Mining Phils. Corporation (Contract Holder: Norweah Metals and Minerals Company, Inc.)	**37,002,762**	0.2%
	MPSA No. 022-94-X-Amended I	Stagno Mining Corporation	**36,160,242**	0.2%
	MPSA No. 292-2009-VIII-Amended A	Verum Terra Geoscience, Inc. (Contract Holder: Nickelace, Inc.)	**5,720,515**	0.03%
Subtotal			**309,699,960**	1.5%
Subtotal - Metallic Mining			**309,740,139**	**1.5%**
Non-Metallic Mining				
Aggregates				
	MPSA No. 070-97-IV	**Asensio Pinzon Aggregate Corp.**	**-**	0%
	MPSA No. 354-2024-IVA	**ATN Holdings, Inc.**	**-**	0%
	MPSA No. 136-99-IV	**Majestic Earth Core Ventures, Inc. (Contract Holder: San Rafael Dev't Corporation)**	**-**	0%
Sub-total			**-**	0%
Limestone				
	MPSA No. 201-2004-III	**Spar Development Co., Inc.**	**-**	0%
Sand and gravel				
	MPSA No. 089-97-III	**Rockmix, Inc.**	**-**	0%
Sub-total - Non-Metallic Mining			**-**	0%
Oil and Gas				
	SC 40	**Forum Exploration, Inc.**	**-**	**0%**
	SC 14C2	**The Philodrill Corporation**	**-**	**0%**
Sub-total - Oil and Gas			**-**	**0%**
Coal				
	COC 5	Semirara Mining and Power Corporation	6,439,708,569	74%
Total			**6,749,412,708**	**12.2%**

In 2024, the revenue streams reported by government agencies of the non-participating metallic mining projects is 1.7% and 0.6% of the total revenue streams from the metallic mining sector and from the entire extractive industry, respectively. For the non-metallic sector, the non-participating mining projects, stands at 0.2% and 0.04% of the total revenue streams from the non-metallic mining sector and from the entire extractive industry, respectively. Similar to 2023, the revenue streams from non-participating oil and gas projects is 0% of the sector and the entire extractive industry. Further, there is likewise a zero participation in the coal sector for 2024 which did not impact the comprehensiveness of the Report as its total revenue streams is 11.6% of the total extractive industry.

In entirety, the projects and companies that did not participate did not impact the comprehensiveness of the Report due to its immateriality. These projects and companies collectively represent 12.3% of the total extractives industry's revenue streams reported by government agencies which is driven by the coal sector at 11.6%.

B. SOEs

There are two SOEs in the Philippine extractive sector: Philippine National Oil Company Exploration Corporation (PNOC-EC) for the oil and gas industry and Philippine Mining Development Council (PMDC) for the mining sector. Presented below are the respective payments to the government and dividend declaration, if any, for the year 2023 and 2024 of PNOC-EC, PMDC and PNOC since PNOC-EC is its subsidiary.

	PMDC	PNOC	PNOC-EC
FY 2023			
Actual dividend declaration	-	1,769,905,234	940,942,005
Other payments to government	1,255,179	1,120,201,670	481,877,981
TOTAL	**1,255,179**	**2,890,106,904**	**1,422,819,986**
FY 2024			
Actual dividend declaration	-	1,617,768,800	-
Other payments to government	420,358	951,314,429	458,604,791
TOTAL	**420,358**	**2,569,083,229**	**458,604,791**

The actual dividend declaration of PNOC and PNOC-EC for 2023 is at 3% and 1%, respectively when compared to the total revenue streams of the extractive industry reported by government agencies. PMDC had no dividend declaration for 2022. The other payments to the government, on the other hand, are at .002%, 1.7%, 0.7% for PMDC, PNOC, PNOC-EC, accordingly. In 2024, PMDC and PNOC-EC had no dividend declaration while PNOC's actual dividend declaration is 3% of the total revenue streams of the extractive industry. The other payments to the government are at .001%, 1.7%, 0.8% for PMDC, PNOC, PNOC-EC, respectively. With these percentages in 2023 and 2024, the government collections from the SOEs are not deemed significant for further reconciliation. Nonetheless, PNOC-EC is part of the reconciliation of this Report under oil and gas sector.

Royalty fees amounting to PhP20,177,407 in 2023 and PhP64,613021 in 2024 were collected by PMDC from the Dinagat Nickel-Chromite and Pinamungahan project. In addition, commitment fees amounting to PhP60,809,364 in 2023 and PhP6,250,000 was generated by virtue of the Joint Operating Agreement (JOA) with Tierra Mining Corporation, SBT Mining Inc., and Global Heavy Equipment & Construction Corporation.

C. Government agencies

Presented below is the list of government agencies and their respective revenue streams and funds being collected.

Type	Description	Rate	Paid to agency	Unilateral disclosure
Responsible agency: BIR				
Corporate income tax	Calculated based on estimated taxable income	Generally at 30% unless entities are under different tax regimes including ITH (0%) or gross income taxation (5%). Upon expiration of ITH, normal income tax is levied.	Yes	No
Excise tax on minerals	Imposed on coal, metallic and nonmetallic minerals	4% of actual market value of the gross output thereof at the time of removal	Yes	No
Output Value Added Tax (VAT)	Levied on the sale, barter, exchange or lease of goods or properties and services in the Philippines	12% of the gross selling price or gross receipts of the sale, barter, or exchange of goods and services	Yes	No
Selected final withholding tax	Portion of payments made to foreign shareholders, head office, and claim owners	Ranges between 5% and 30% depending on the type of payments made as well as existing tax treaty with another country.	Yes	No
Improperly Accumulated Earnings Tax (IAET)	Applied to closely-held corporations that have retained excess earnings instead of declaring dividends	10% of improperly accumulated taxable income	Yes	No
Responsible agency: BOC				
Customs duties	Imposed on all articles imported from any foreign country into the Philippines, except as otherwise specifically provided for in the tariff and customs and other laws	Computed using varying rates depending on the nature and value of the imported article	Yes	No
VAT	Mainly imposed on imported capital equipment	12% of landed cost or the value of imported article plus other charges, as well as excise tax	Yes	No

Excise tax on imported goods	Imposed on selected goods imported such as petroleum products and should be paid before the release from the customs' custody	Tax imposed will depend on the type of product imported.	Yes	No
Responsible agency: PPA				
Wharfage fees	Wharfage tariff is imposed for the use of wharf and is assessed against every container and cargo	Tariff varies based on whether the import/ export cargo is domestic or international and is calculated using cargo quantity, weight or measure received and/ or discharged by a vessel Entities with private ports are only liable to pay half or 50% of assessed wharfage fees	Yes	No
Responsible agency: MGB				
Royalty on mineral reservation	Mandated for contractors/ permit holders/ lessees who are parties to a mineral agreement	Mandated for contractors/ permit holders/ lessees who are parties to a mineral agreement Not less than five percent (5%) of the market value of the gross output of the minerals/mineral products extracted or produced from Mineral Reservations, exclusive of all other taxes	Yes	No
Occupation fees	Please refer to the LGU section.		Yes	No
Responsible agency: DOE				
Government share from oil and gas production	Mandated for entities under service contracts	60% of net revenue	Yes	No
Training fund for DOE employees	Assistance for training programs, scholarships, conferences, seminars, and other similar activities for DOE's personnel	DOE employees Assistance for training programs, scholarships, conferences, seminars, and other similar activities for DOE's personnel Equivalent to US$20,000 during exploration/ development period and	No	No

		US$50,000 per year during production period		
Responsible agency: LGU				
Local business tax	Allocated between head office and plant/ project office	Not exceeding 2% of gross sales or receipts of the preceding calendar year	Yes	No
Tax on sand, gravel and other quarry resources	Levied on quarry resources extracted from public lands	Not exceeding 10% of fair market value in the locality per cubic meter of the quarry resource	Yes	No
Real property tax - Basic and Special Education Fund (SEF)	Levied on land and machinery Portion of real property is expended exclusively for the activities of the Department of Education	1% to 2% of the assessed value of real property	Yes	No
Occupation fees	LGU's share in occupation fees levied by the MGB	Computed by MGB and are allocated as follows: 30% to the provincial government, 42% to the municipal government, and 28% to the barangay	Yes	No
Other local taxes	Nature and rates of local taxes vary depending on the local government code imposed		Yes	No
Responsible agency: NCIP				
Royalty for IPs	Based on DAO No. 96- 40	Not less than one percent (1%) of gross output	No. This is directly paid to IPs.	No
Free and Prior Informed Consent (FPIC) expenditure	One-time payment FPIC proceedings commence	Based on the data gathered during the conduct of the Field Based Investigation (FBI)	No. This is directly paid to IPs.	No

All national government agencies were able to submit their respective reports. However, NCIP was only able to submit partial data. Additionally, there are 140 and 139 LGUs covered in 2023 and 2024, respectively, but only 51 and 50 submitted data for reconciliation. These LGUs are as follows:

Region	Province	Participating (Yes/No)	City / Municipality	Participating (Yes/No)
FY 2023				

CAR - Cordillera Administrative Region	Benguet	Yes	Baguio City	No
			Bokod	No
			Itogon	Yes
			Mankayan	Yes
			Tuba	Yes
NCR - National Capital Region	Metro Manila	No	Makati City	No
			Mandaluyong City	No
			Muntinlupa City	Yes
			Paranaque City	No
			Pasay City	Yes
			Pasig City	Yes
			Quezon City	No
			San Juan City	No
			Taguig City	Yes
Region I - Ilocos Region	La Union	No	Bacnotan	No
			Balaoan	No
			San Fernando City	No
			Sto. Tomas	No
	Pangasinan	No	Infanta	No
			Malasiqui	No
			Mangatarem	No
			Pozorrubio	No
			Sison	No
			Sual	No
			Villasis	No
Region II - Cagayan Valley	Cagayan	No	Cagayan River Basin	No
	Isabela	No	Cauayan City	No
			Dinapigue	No
	Nueva Vizcaya	Yes	Bayombong	No
			Kasibu	Yes
			Quezon	Yes
			Solano	No
	Quirino	No	Cabarroguis	No
			Nagtipunan	No
Region III - Central Luzon	Bataan	No	Balanga	No
			Limay	No
	Bulacan	No	Bigte	No
			Bulacan	No
			Doña Remedios Trinidad	No
			Norzagaray	Yes
			San Ildefonso	No
			San Jose Del Monte	No
	Zambales	Yes	Candelaria	Yes
			Masinloc	No
			Sta. Cruz	Yes
Region IVA - CALABARZON	Batangas	No	Batangas City	No
			Ibaan	No

			Taysan	Yes
	Cavite	No	Imus	No
	Rizal	No	Angono	Yes
			Antipolo	Yes
			Binangonan	No
			Cainta	No
			Rodriguez	No
			Teresa	Yes
Region IVB - MIMAROPA	Palawan	No	Bataraza	No
			Brooke's Point	No
			Narra	Yes
			Offshore	No
			Puerto Princesa City	No
			Sofronio Española	Yes
Region IX - Zamboanga Peninsula	Zamboanga Del Sur	No	Bayog	No
Region V - Bicol Region	Albay	No	Camalig	No
			Guinobatan	No
			Legaspi City	No
	Masbate	Yes	Aroroy	Yes
Region VI - Western Visayas	Antique	No	Caluya	Yes
Region VII - Central Visayas	Bohol	No	Garcia-Hernandez	Yes
			Jagna	No
	Cebu	No	Alcoy	Yes
			Dalaguete	No
			Danao City	No
			Lapu-Lapu City	No
			Mandaue	No
			Minglanilla	No
			Naga City	Yes
			San Fernando	No
			Talisay	No
			Toledo City	Yes
Region VIII - Eastern Visayas	Eastern Samar	Yes	Borongan	No
			Guiuan	Yes
	Leyte	Yes	MacArthur	Yes
Region X - Northern Mindanao	Lanao del Norte	No	Iligan City	No
			Kiwalan	No
	Misamis Oriental	No	Ayungon	No
			Lugait	No
Region XI - Davao Region	Davao de Oro	No	Maco	Yes
	Davao del Norte	No	Tagum	No
	Davao del Sur	No	Davao City	Yes
	Davao Oriental	No	Mati	No
			Banaybanay	No
			Pantukan	No
Region XIII - Caraga	Agusan del Norte	Yes	Tubay	Yes
	Agusan del Sur	Yes	Bunawan	Yes
			Rosario	Yes

	Dinagat Islands	Yes	Cagdianao	Yes
			Libjo	Yes
			Loreto	Yes
			Tubajon	Yes
	Surigao del Norte	Yes	Claver	Yes
			Gigaquit	No
			Surigao City	Yes
			Tagana-an	Yes
	Surigao del Sur	Yes	Cantilan	Yes
			Carrascal	Yes
			Madrid	No
	34	**11**	**106**	**40**
FY 2024				
CAR - Cordillera Administrative Region	Benguet	No	Baguio City	No
			Bokod	No
			Itogon	Yes
			Tuba	Yes
			Mankayan	Yes
NCR - National Capital Region	Metro Manila	No	Makati City	Yes
			Mandaluyong City	No
			Muntinlupa City	Yes
			Paranaque City	No
			Pasay City	Yes
			Pasig City	Yes
			Quezon City	No
			San Juan City	No
			Taguig City	Yes
Region I - Ilocos Region	Ilocos Norte	No	Curimao	No
	La Union	No	Bacnotan	No
			Balaoan	No
			San Fernando City	No
			Sto. Tomas	No
	Pangasinan	No	Agno	No
			Infanta	No
			Malasiqui	No
			Mangatarem	No
			Pozorrubio	No
			San Manuel	No
			Sison	No
			Villasis	No
Region II - Cagayan Valley	Cagayan	No	Cagayan River Basin	No
	Isabela	No	Dinapigue	No
	Nueva Vizcaya	Yes	Bayombong	No
			Kasibu	Yes
			Nueva Vizcaya	Yes
			Quezon	Yes
			Solano	No
	Quirino	Yes	Cabarroguis	No
			Nagtipunan	No

			Quirino	No
Region III - Central Luzon	Bataan	No	Balanga	No
			Limay	No
	Bulacan	No	Bigte	No
			Doña Remedios Trinidad	No
			Norzagaray	Yes
			San Ildefonso	No
			San Jose Del Monte	No
	Zambales	No	Candelaria	Yes
			Sta. Cruz	Yes
Region IVA - CALABARZON	Batangas	No	Batangas City	No
			Ibaan	No
			Taysan	Yes
	Cavite	No	Imus	No
	Rizal	No	Angono	Yes
			Antipolo	Yes
			Binangonan	No
			Cainta	No
			Rodriguez	No
			Teresa	Yes
Region IVB - MIMAROPA	Palawan	No	Bataraza	Yes
			Brooke's Point	No
			Narra	No
			Offshore	No
			Puerto Princesa City	No
			Sofronio Española	Yes
Region IX - Zamboanga Peninsula	Zamboanga Del Sur	No	Bayog	No
Region V - Bicol Region	Albay	No	Camalig	No
			Guinobatan	No
			Legaspi City	No
	Masbate	Yes	Aroroy	Yes
Region VI - Western Visayas	Antique	No	Caluya	Yes
Region VII - Central Visayas	Bohol	No	Garcia-Hernandez	Yes
			Jagna	No
	Cebu	No	Alcoy	Yes
			Dalaguete	Yes
			Danao City	No
			Lapu-Lapu City	No
			Minglanilla	No
			Naga City	Yes
			San Fernando	No
			Talisay	No
			Toledo City	Yes
			Mandaue	No
Region VIII - Eastern Visayas	Eastern Samar	Yes	Borongan	Yes
			Guiuan	Yes

	Leyte	Yes	MacArthur	Yes
Region X - Northern Mindanao	Lanao del Norte	No	Iligan City	No
			Kiwalan	No
	Misamis Oriental	No	Ayungon	No
			Iligan	No
			Lugait	No
Region XI - Davao Region	Davao de Oro	No	Maco	Yes
	Davao del Norte	No	Tagum	No
	Davao del Sur	No	Davao City	Yes
	Davao Oriental	No	Mati	No
			Banaybanay	No
			Pantukan	No
Region XIII - Caraga	Agusan del Norte	No	Tubay	Yes
	Agusan del Sur	Yes	Bunawan	Yes
			Rosario	Yes
	Dinagat Islands	Yes	Cagdianao	Yes
			Libjo	Yes
			Loreto	Yes
			Tubajon	Yes
	Surigao del Norte	Yes	Claver	Yes
			Gigaquit	No
			Surigao City	Yes
			Tagana-an	Yes
	Surigao Del Sur	Yes	Cantilan	Yes
			Carrascal	Yes
			Madrid	No
	35	**9**	**108**	**44**

D. Safety and health, environmental and social expenditures (SHES)

Pursuant to the Mining Act, companies incur expenditures for programs and activities related to social development, environmental protection, and rehabilitation. They also establish funds to ensure the availability of financing for their implementation. All such mandatory expenditures and social funds were included in the template irrespective of monetary amounts due to their relevance and importance, as these disclosures not only ascertain regulatory compliance, but also emphasize the social and environmental responsibilities that must be undertaken by the companies.

The required disclosures, however, are limited to those specifically mandated by prevailing regulations and confirmed by the MGB and as such do not include additional activities undertaken as part of their respective Corporate Social Responsibility (CSR) programs. Further, these mandatory expenditures and funds are held in trust funds and are not remitted to MGB.

A summary of mandatory expenditures and funds that are considered unilateral payments, but are nonetheless subjected to reconciliation procedures, as far as practicable, is provided below:

Type	Description	Rate
Responsible agency: MGB		
Annual Environmental Protection and Enhancement Program (AEPEP)	The AEPEP cost covers the amount of environment-related expenses for the entire life of the project	Under DAO No. 2010-21, AEPEP cost shall approximate 3-5% of direct mining and milling cost

<table>
<tr><td></td><td>wherein the initial 10% of capital/project cost was derived from the feasibility study forming part of the Declaration of Mining Project Feasibility (DMPF).</td><td></td></tr>
<tr><td>Community Development Program</td><td>The amount is imposed on exploration activities, which is intended to enhance the development of the host and its neighboring communities.</td><td>10% of the approved budget for an entity’s two (2) year Exploration Work Program</td></tr>
<tr><td>Annual Safety and Health Program (ASHP)</td><td>The program includes standard operating procedures for mining and milling operations, management and employee training, housekeeping, environmental risk management including emergency response program and occupational health and safety management.</td><td>N/A</td></tr>
<tr><td>Annual Social Development Management Program (ASDMP)</td><td>Management Program (ASDMP)

SDMP is formulated to fulfill social obligations enhancing the development of communities that are directly and/or indirectly affected by the mining project. SDMP is allocated as follows:

<table>
<tr><td>Program</td><td>Allocation</td></tr>
<tr><td>Social Development and Management (host and neighboring communities) (SDM)</td><td>75%</td></tr>
<tr><td>Mining Technology and Geosciences Advancement (MTGA)</td><td>10%</td></tr>
<tr><td>Information, Education and</td><td>15%</td></tr>
</table></td><td>1.5% of prior year’s operating expenses</td></tr>
</table>

	Communication (IEC)	
Environmental work program (EWP)	EWP details existing environment programs where the exploration work is proposed to be undertaken. Potential effects are identified, as well as environmental management measures to be implemented, including the total cost of such projects.	N/A
Mine rehabilitation funds (MRF)	The MRF is maintained as a reasonable environmental deposit to ensure availability of funds for the satisfactory compliance with the commitments and performance of the activities stipulated in the AEPEP. This is deposited as a trust fund in a government depository bank and shall be used for physical and social rehabilitation of areas and communities affected by mining activities and for research on the social, technical, and preventive aspects of rehabilitation. The MRF is further broken down into two forms, namely the Mine Monitoring Trust Fund and the Rehabilitation Cash Fund.	Mine Monitoring Trust Fund is a deposit of not less than PH₱150,000. Rehabilitation Cash Fund is equivalent to 10% of the total amount needed to implement the EPEP or PH₱5m, whichever is lower
Mine Waste and Tailings Fees Reserve Fund	The Mine Waste and Tailings Fees Reserve Fund is to be used for payment of compensation for damages caused by any mining operations and for research projects duly approved by the Contingent Liability and Rehabilitation Fund Steering Committee.	PH₱0.05/MT of mine waste produced and PH₱0.10/MT of mill tailings generated
Final Mine Rehabilitation and Decommissioning Fund	The fund is established to ensure the full cost of the approved FMR/ DP is accrued	N/A

	before the end of the operating life of the mine.	

E. Material revenue streams

The determination of materiality is primarily guided by monetary values and by whether these revenue streams are considered as main sources of receipts, as confirmed by the collecting government agencies.

The determination of materiality level for the FY 2023 - FY 2024 Report was done on a per extractive sector basis which provided for a uniform monetary threshold and a greater focus on key revenue streams relative to the total revenues per sector. The materiality threshold was calculated using 2% applied to the total revenues collected from the targeted projects per sector as reported by the different government agencies. However, for revenue streams collected by the BIR, limitation exists due to the agency's requirement of waivers prior to providing the data; thus, the revenue stream is limited to those that submitted their waivers. The 2% was benchmarked on the proposed regulatory threshold to be imposed by the Philippine Securities and Exchange Commission (SEC) on public companies. Presently, the threshold is at 5%, which if applied will result in fewer revenue streams to be covered. Hence, the adoption of a lower threshold was deemed more prudent and will enable greater and expanded scope.

The MSG also considered including all revenue streams, other taxes, and funds in the reconciliation procedures. In case of variance between the reported amounts of the government agency and participating project, a fixed rate of 5% will be applied against the total reported collection per government agency. If the variance is more than 5% of the total collection of the government agency, a reconciliation of that particular revenue stream will be performed. This option will result in different variance thresholds per participating project and government agency. Although this method may cover a greater scope, it may provide a fragmented analysis of the data and variances, distorting any impact of process recommendations.

In addition to the monetary value of the revenue streams, other taxes and funds, the nature of the payments based on their relevance and significance to communities and operations was also considered. Thus, withholding tax on foreign shareholders, withholding tax on royalties to claim owners, real property taxes, custom duties and mandatory expenditures and social funds were included regardless of their amounts.

In-scope and Scope-out revenue streams, other taxes, and funds for this Report is presented in Table II-29 and II-30.

Table II-29. Summary of in-scope and scoped-out revenue streams and other taxes per sector in FY 2023

Revenue Stream and Other Taxes	Govt Agency	Extractive Sector				Metallic Mining					
		Industry Total	Target Total	In-Scope Total	Scoped-Out Total	Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Corporate income tax	BIR	11,581,250,365	11,448,550,216	11,448,550,216	-	7,407,992,590	36.19%	7,761,614,059	39.04%	7,761,614,059	-
Documentary Stamp Taxes	BIR	215,295,153	208,377,414	-	208,377,414	63,574,560	0.31%	64,606,995	0.32%	-	64,606,995
Excise tax on minerals	BIR	8,170,236,287	6,930,920,250	6,930,802,750	117,500	6,764,271,198	33.05%	6,719,759,551	33.80%	6,719,759,551	-
Improperly accumulated retained earnings tax (IAET)	BIR	-	-	-	-	-	0.00%	-	0.00%	-	-
Withholding tax - Foreign shareholder dividends	BIR	2,705,792,220	2,141,243,952	2,085,657,762	55,586,190	625,619,973	3.06%	611,721,043	33.80%	611,721,043	-
Withholding tax - Profit remittance to principal	BIR										
Withholding tax - Royalties to claim owners	BIR										
Withholding tax - Final	BIR										
Other taxes (registration fee, capital gains tax)	BIR		-	-	-		0.00%	-	0.00%	-	-
Output VAT	BIR	8,360,453,738	8,274,581,417	8,274,581,417	-						
Customs duties	BOC	204,319,737	204,056,628	204,056,628	-	131,680,593	0.64%	131,417,484	0.66%	131,417,484	-
Excise tax on imported goods	BOC	132,401,572	132,368,425	-	132,368,425	354,478	0.00%	321,331	0.00%	-	321,331
VAT on imported materials and equipment	BOC	2,212,053,900	2,202,384,055	2,162,941,942	39,442,113	794,754,845	3.88%	785,085,001	3.95%	785,085,001	-
Wharfage Fees	PPA	464,483,562	384,506,247	-	384,506,247	413,295,310	2.02%	345,399,957	1.71%	-	345,399,957
Royalty on mineral reservation	MGB	2,257,071,777	2,079,315,828	2,079,315,828	-	2,257,071,777	11.03%	2,079,315,828	10.46%	2,079,315,828	-
Local business tax	LGU	1,978,981,396	1,713,224,602	1,713,224,602	-	1,294,537,998	6.32%	1,136,856,109	5.72%	1,136,856,109	-
Real property tax - Basic	LGU	452,318,543	277,669,842	277,669,842	-	135,804,684	0.66%	134,593,144	0.68%	134,593,144	-
Real property tax - Special Education Fund (SEF)	LGU	460,285,472	220,424,423	220,424,423	-	148,163,425	0.72%	81,094,602	0.41%	81,094,602	-
Occupation fees	LGU	15,141,223	6,739,646	-	6,739,646	13,662,649	0.07%	6,592,496	0.03%	-	6,592,496
Mayor's permit	LGU	34,101,965	32,652,992	-	32,652,992	22,499,546	0.11%	21,306,429	0.11%	-	21,306,429
Community tax	LGU	407,542	167,223	-	167,223	278,696	0.00%	135,223	0.00%	-	135,223
Tax on sand, gravel and other quarry resources	LGU	-	-	-	-						
Government share from oil and gas production	DOE	25,442,911,402	25,432,760,028	25,432,760,028	-						
Annual rental fees for retained area after exploration	DOE	-	-	-	-						
Total revenue streams and other taxes for FY2023		**64,687,505,853**	**61,689,943,190**	**60,829,985,440**	**859,957,750**	**20,073,562,320**		**19,879,819,250**		**19,441,456,819**	**438,362,431**
Royalty for IPs	NCIP	394,425,694	301,568,615	301,568,615	-	394,425,694		301,568,615		301,568,615	-
Total revenue streams and other taxes for FY2023		**65,081,931,546**	**61,991,511,804**	**61,131,554,055**	**859,957,750**	**20,467,988,013**		**20,181,387,865**		**19,743,025,434**	**438,362,431**
Percentage covered - targeted revenue streams				99%	1%					98%	2%
Percentage covered - total revenue streams				94%	1%					97%	2%

Revenue Stream and Other Taxes	Non-Metallic Mining						Oil and Gas					
	Industry Total	%	Target Total	%	In-Scope	Scoped-Out	Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Corporate income tax	1,207,455,487	10.08%	1,200,881,185	10.29%	1,200,881,185	-	2,486,184,978	13.07%	2,486,054,972	13.07%	2,486,054,972	-
Documentary Stamp Taxes	16,717,505	0.14%	16,524,144	0.14%	-	16,524,144	127,466,916	0.67%	127,246,275	0.67%	-	127,246,275
Excise tax on minerals	217,959,673	1.82%	211,043,199	1.81%	211,043,199	-	117,500	0.00%	117,500	0.00%	-	117,500
Improperly accumulated retained earnings tax (IAET)	-	0.00%	-	0.00%	-	-	-	0.00%	-	0.00%	-	-
Withholding tax - Foreign shareholder dividends	59,710,423	0.50%	55,586,190	0.48%	-	55,586,190	1,475,281,860	7.76%	1,473,936,720	7.75%	1,473,936,720	-
Withholding tax - Profit remittance to principal		0.00%										
Withholding tax - Royalties to claim owners		0.00%										
Withholding tax - Final		0.00%										
Other taxes (registration fee, capital gains tax)		0.00%	-	0.00%	-	-		0.00%	-	0.00%	-	-
Output VAT	8,360,453,738	69.82%	8,274,581,417	70.88%	8,274,581,417	-						
Customs duties	59,102,495	0.49%	59,102,495	0.51%	59,102,495	-	13,536,650	0.07%	13,536,650	0.07%	13,536,650	-
Excise tax on imported goods	132,043,748	1.10%	132,043,748	1.13%	-	132,043,748	3,346	0.00%	3,346	0.00%	-	3,346
VAT on imported materials and equipment	1,377,856,942	11.51%	1,377,856,942	11.80%	1,377,856,942	-	39,442,113	0.21%	39,442,113	0.21%	-	39,442,113
Wharfage Fees	46,773,521	0.39%	34,691,558	0.30%	-	34,691,558	14,182	0.00%	14,182	0.00%	-	14,182
Royalty on mineral reservation												
Local business tax	84,666,994	0.71%	22,403,612	0.19%	22,403,612	-	187,391.96	0.00%	-	0.00%	-	-
Real property tax - Basic	201,210,142	1.68%	141,103,119	1.21%	141,103,119	-	734,220.00	0.00%	-	0.00%	-	-
Real property tax - Special Education Fund (SEF)	196,817,786	1.64%	137,356,242	1.18%	137,356,242	-	734,220.00	0.00%	-	0.00%	-	-
Occupation fees	1,478,324	0.01%	147,150	0.00%	-	147,150	-	0.00%	-	0.00%	-	-
Mayor's permit	11,306,418	0.09%	11,096,563	0.10%	-	11,096,563	21,500.00	0.00%	-	0.00%	-	-
Community tax	93,876.00	0.00%	31,500	0.00%	-	31,500	-	0.00%	-	0.00%	-	-
Tax on sand, gravel and other quarry resources	-	0.00%	-	0.00%	-	-						
Government share from oil and gas production							14,878,677,109	78.22%	14,878,610,628	78.23%	14,878,610,628	-
Annual rental fees for retained area after exploration							-	0.00%	-	0.00%	-	-
Total revenue streams and other taxes for FY2023	**11,973,647,071**		**11,674,449,063**		**11,424,328,211**	**250,120,853**	**19,022,401,985**		**19,018,962,385**		**18,852,138,969**	**166,823,416**
Royalty for IPs	-		-		-	-						
Total revenue streams and other taxes for FY2023	**11,973,647,071**		**11,674,449,063**		**11,424,328,211**	**250,120,853**	**19,022,401,985**		**19,018,962,385**		**18,852,138,969**	**166,823,416**
Percentage covered - targeted revenue streams					98%	2%					99.1%	0.9%
Percentage covered - total revenue streams					95%	2%					99%	0.9%

Revenue Stream and Other Taxes	Coal					
	Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Corporate income tax	479,617,310	3.52%	-	0.00%	-	-
Documentary Stamp Taxes	7,536,173	0.06%	-	0.00%	-	-
Excise tax on minerals	1,187,887,916	8.72%	-	0.00%	-	-
Improperly accumulated retained earnings tax (IAET)	-	0.00%	-	0.00%	-	-
Withholding tax - Foreign shareholder dividends	545,179,964	4.00%	-	0.00%	-	-
Withholding tax - Profit remittance to principal						
Withholding tax - Royalties to claim owners						
Withholding tax - Final						
Other taxes (registration fee, capital gains tax)		0.00%	-	0.00%	-	-
Output VAT						
Customs duties	-	0.00%	-	0.00%	-	-
Excise tax on imported goods	-	0.00%	-	0.00%		-
VAT on imported materials and equipment	-	0.00%	-	0.00%	-	-
Wharfage Fees	4,400,550	0.03%	4,400,550	0.04%	-	4,400,550
Royalty on mineral reservation						
Local business tax	599,589,012	4.40%	553,964,881	4.98%	553,964,881	-
Real property tax - Basic	114,569,497	0.84%	1,973,580	0.02%	1,973,580	-
Real property tax - Special Education Fund (SEF)	114,570,041	0.84%	1,973,580	0.02%	1,973,580	-
Occupation fees	250	0.00%	-	0.00%	-	-
Mayor's permit	274,500	0.00%	250,000	0.00%	-	250,000
Community tax	34,970	0.00%	500	0.00%	-	500
Tax on sand, gravel and other quarry resources						
Government share from oil and gas production	10,564,234,292	77.58%	10,554,149,400	94.94%	10,554,149,400	-
Annual rental fees for retained area after exploration		0.00%	-	0.00%	-	-
Total revenue streams and other taxes for FY2023	**13,617,894,477**		**11,116,712,491**		**11,112,061,441**	**4,651,050**
Royalty for IPs						
Total revenue streams and other taxes for FY2023	**13,617,894,477**		**11,116,712,491**		**11,112,061,441**	**4,651,050**
Percentage covered - targeted revenue streams					100.0%	0%
Percentage covered - total revenue streams					82%	0%

The combined in-scope revenue streams across all sectors is 94% of the total revenue streams for 2023 from the extractive industry while scoped-out revenue streams is only 1%. Table II-29 presents the details for each sector - in-scope revenue streams of the metallic, non-metallic and oil and gas sectors are 97%, 96%, and 99% of the total revenue streams of their respective sectors and scoped-out revenue streams are 2%, 2%, and 0.9%, correspondingly.

Table II-30. Summary of in-scope and scoped-out revenue streams and other taxes per sector in FY 2024

Revenue Stream and Other Taxes	Govt Agency	Extractive Sector				Metallic Mining					
		Industry Total	Target Total	In-Scope Total	Scoped-Out Total	Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Corporate income tax	BIR	9,933,539,362	9,755,432,754	9,755,432,754	-	6,580,999,162	32.83%	6,761,408,425	34.28%	6,761,408,425	-
Documentary Stamp Taxes	BIR	69,092,947	55,707,424	-	55,707,424	12,373,684	0.06%	12,332,620	0.06%	-	12,332,620
Excise tax on minerals	BIR	8,881,755,228	7,433,042,443	7,431,267,159	1,775,284	7,280,544,101	36.32%	7,240,042,741	36.70%	7,240,042,741	-
Improperly accumulated retained earnings tax (IAET)	BIR	-	-	-	-	-	0.00%	-	0.00%	-	-
Withholding tax - Foreign shareholder dividends	BIR	2,798,548,828	2,344,819,081	2,306,056,668	38,762,412	797,895,399	3.98%	789,296,482	36.70%	789,296,482	-
Withholding tax - Profit remittance to principal	BIR										
Withholding tax - Royalties to claim owners	BIR										
Withholding tax - Final	BIR										
Other taxes (registration fee, capital gains tax)	BIR		-	-	-		0.00%	-	0.00%	-	-
Output VAT	BIR	7,606,328,528	7,405,531,882	7,405,531,882	-						
Customs duties	BOC	220,069,154	220,069,154	220,069,154	-	161,882,941	0.81%	161,882,941	0.82%	161,882,941	-
Excise tax on imported goods	BOC	136,722,650	136,722,650	-	136,722,650	1,641,020	0.01%	1,641,020	0.01%	-	1,641,020
VAT on imported materials and equipment	BOC	2,843,078,422	2,843,078,422	2,803,692,741	39,385,681	796,244,575	3.97%	796,244,575	4.04%	796,244,575	-
Wharfage Fees	PPA	535,688,849	456,397,878	-	456,397,878	472,048,704	2.35%	392,884,410	1.99%	-	392,884,410
Royalty on mineral reservation	MGB	2,181,737,102	1,963,600,924	1,963,600,924	-	2,181,737,102	10.88%	1,963,600,924	9.95%	1,963,600,924	-
Local business tax	LGU	1,446,199,072	1,315,238,661	1,315,238,661	-	1,335,988,743	6.66%	1,285,400,809	6.52%	1,285,400,809	-
Real property tax - Basic	LGU	393,501,529	291,334,248	291,334,248	-	209,962,449	1.05%	163,766,839	0.83%	163,766,839	-
Real property tax - Special Education Fund (SEF)	LGU	363,696,009	259,179,446	259,179,446	-	180,351,245	0.90%	131,806,352	0.67%	131,806,352	-
Occupation fees	LGU	15,260,495	5,158,732	-	5,158,732	14,163,323	0.07%	5,013,682	0.03%	-	5,013,682
Mayor's permit	LGU	23,738,147	20,904,143	-	20,904,143	20,393,674	0.10%	19,581,476	0.10%	-	19,581,476
Community tax	LGU	394,121	169,331	-	169,331	214,948	0.00%	124,067	0.00%	-	124,067
Tax on sand, gravel and other quarry resources	LGU	-	-	-	-						
Government share from oil and gas production	DOE	17,895,512,409	17,836,990,104	17,836,990,104	-						
Annual rental fees for retained area after exploration	DOE	-	-	-	-						
Total revenue streams and other taxes for FY2024		**55,344,862,85**	**52,343,377,27**	**51,588,393,74**	**754,983,536**	**20,046,441,070**		**19,725,027,363**		**19,293,450,08**	**431,577,275**
Royalty for IPs	NCIP	91,569,872	88,569,872	88,569,872	-	91,569,872		88,569,872		88,569,872	-
Total revenue streams and other taxes for FY2024		**55,436,432,72**	**52,431,947,149**	**51,676,963,612**	**754,983,536**	**20,138,010,942**		**19,813,597,235**		**19,382,019,960**	**431,577,275**
Percentage covered - targeted revenue streams				99%	1%					98%	2%
Percentage covered - total revenue streams				93%	1%					96%	2%

Revenue Stream and Other Taxes	Govt Agency	Non-Metallic Mining						Oil and Gas					
		Industry Total	%	Target Total	%	In-Scope	Scoped-Out	Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Corporate income tax	BIR	929,882,119	8.14%	913,729,921	8.26%	913,729,921	-	2,080,617,461	13.76%	2,080,294,408	13.76%	2,080,294,408	-
Documentary Stamp Taxes	BIR	13,189,723	0.12%	12,585,232	0.11%	-	12,585,232	30,789,572	0.20%	30,789,572	0.20%	-	30,789,572
Excise tax on minerals	BIR	197,342,136	1.73%	191,224,418	1.73%	191,224,418	-	1,775,284	0.01%	1,775,284	0.01%	-	1,775,284
Improperly accumulated retained earnings tax (IAET)	BIR	-	0.00%	-	0.00%	-	-	-	0.00%	-	0.00%	-	-
Withholding tax - Foreign shareholder dividends	BIR	40,921,182	0.36%	38,762,412	0.35%	-	38,762,412	1,517,692,798	10.04%	1,516,760,187	10.04%	1,516,760,187	-
Withholding tax - Profit remittance to principal	BIR		0.00%										
Withholding tax - Royalties to claim owners	BIR		0.00%										
Withholding tax - Final	BIR		0.00%										
Other taxes (registration fee, capital gains tax)	BIR		0.00%	-	0.00%	-	-		0.00%	-	0.00%	-	-
Output VAT	BIR	7,606,328,528	66.60%	7,405,531,882	66.93%	7,405,531,882	-						
Customs duties	BOC	46,441,476	0.41%	46,441,476	0.42%	46,441,476	-	11,744,737	0.08%	11,744,737	0.08%	11,744,737	-
Excise tax on imported goods	BOC	135,081,143	1.18%	135,081,143	1.22%	-	135,081,143	487	0.00%	487	0.00%	-	487
VAT on imported materials and equipment	BOC	2,007,448,165	17.58%	2,007,448,165	18.14%	2,007,448,165	-	39,385,681	0.26%	39,385,681	0.26%	-	39,385,681
Wharfage Fees	PPA	31,753,244	0.28%	31,626,567	0.29%	-	31,626,567	55,952	0.00%	55,952	0.00%	-	55,952
Royalty on mineral reservation	MGB												
Local business tax	LGU	90,717,352	0.79%	29,837,852	0.27%	29,837,852	-	105,701	0.00%	-	0.00%	-	-
Real property tax - Basic	LGU	159,778,346	1.40%	125,610,693	1.14%	125,610,693	-	1,280,044	0.01%	-	0.00%	-	-
Real property tax - Special Education Fund (SEF)	LGU	159,584,031	1.40%	125,416,378	1.13%	125,416,378	-	1,280,044	0.01%	-	0.00%	-	-
Occupation fees	LGU	1,097,172	0.01%	145,050	0.00%	-	145,050	-	0.00%	-	0.00%	-	-
Mayor's permit	LGU	1,442,600	0.01%	1,068,067	0.01%	-	1,068,067	23,500	0.00%	4,600	0.00%	-	4,600
Community tax	LGU	134,954	0.00%	45,264	0.00%	-	45,264	-	0.00%	-	0.00%	-	-
Tax on sand, gravel and other quarry resources	LGU	-	0.00%	-	0.00%	-	-						
Government share from oil and gas production	DOE							11,433,275,915	75.63%	11,433,275,915	75.65%	11,433,275,915	-
Annual rental fees for retained area after exploration	DOE							-	0.00%	-	0.00%	-	-
Total revenue streams and other taxes for FY2024		**11,421,142,171**		**11,064,554,521**		**10,845,240,78!**	**219,313,736**	**15,118,027,178**		**15,114,086,823**		**15,042,075,247**	**72,011,576**
Royalty for IPs	NCIP	-		-		-	-						
Total revenue streams and other taxes for FY2024		**11,421,142,171**		**11,064,554,521**		**10,845,240,78!**	**219,313,736**	**15,118,027,178**		**15,114,086,823**		**15,042,075,247**	**72,011,576**
Percentage covered - targeted revenue streams						98%	2%					99.5%	0.5%
Percentage covered - total revenue streams						95%	2%					99%	0.5%

Revenue Stream and Other Taxes	Govt Agency	Coal					
		Industry Total	%	Target Total	%	In-Scope	Scoped-Out
Corporate income tax	BIR	342,040,621	3.90%	-	0.00%	-	-
Documentary Stamp Taxes	BIR	12,739,968	0.15%	-	0.00%	-	-
Excise tax on minerals	BIR	1,402,093,707	16.01%	-	0.00%	-	-
Improperly accumulated retained earnings tax (IAET)	BIR	-	0.00%	-	0.00%	-	-
Withholding tax - Foreign shareholder dividends	BIR	442,039,448	5.05%	-	0.00%	-	-
Withholding tax - Profit remittance to principal	BIR					-	-
Withholding tax - Royalties to claim owners	BIR					-	-
Withholding tax - Final	BIR					-	-
Other taxes (registration fee, capital gains tax)	BIR		0.00%	-	0.00%	-	-
Output VAT	BIR						
Customs duties	BOC	-	0.00%	-	0.00%	-	-
Excise tax on imported goods	BOC	-	0.00%	-	0.00%		-
VAT on imported materials and equipment	BOC	-	0.00%	-	0.00%	-	-
Wharfage Fees	PPA	31,830,949	0.36%	31,830,949	0.49%	-	31,830,949
Royalty on mineral reservation	MGB						
Local business tax	LGU	19,387,275	0.22%	-	0.00%	-	-
Real property tax - Basic	LGU	22,480,690	0.26%	1,956,715.81	0.03%	1,956,716	-
Real property tax - Special Education Fund (SEF)	LGU	22,480,690	0.26%	1,956,715.81	0.03%	1,956,716	-
Occupation fees	LGU	-	0.00%	-	0.00%	-	-
Mayor's permit	LGU	1,878,373	0.02%	250,000.00	0.00%	-	250,000
Community tax	LGU	44,219	0.00%	-	0.00%	-	-
Tax on sand, gravel and other quarry resources	LGU						
Government share from oil and gas production	DOE	6,462,236,494	73.78%	6,403,714,189	99.44%	6,403,714,189	-
Annual rental fees for retained area after exploration	DOE		0.00%	-	0.00%	-	-
Total revenue streams and other taxes for FY2024		**8,759,252,434**		**6,439,708,569**		**6,407,627,620**	**32,080,949**
Royalty for IPs	NCIP						
Total revenue streams and other taxes for FY2024		**8,759,252,434**		**6,439,708,569**		**6,407,627,620**	**32,080,949**
Percentage covered - targeted revenue streams						99.5%	0%
Percentage covered - total revenue streams						73%	0%

For 2024, the combined in-scope and scoped-out revenue streams for the extractive industry is 94% and 1%, respectively. Table II-30 details the percentages for each sector of the extractive industry. In-scope and scoped-out revenue streams of the metallic, non-metallic and oil and gas sectors are 96%, 97%, and 99% of the total revenue streams of their respective sectors and scoped-out revenue streams are 2%, 2%, and 0.5%, correspondingly.

Any variance arising from the reconciliation procedures for the above in scope revenue streams, other taxes, and funds were subjected to additional procedures. Additional procedures included tracing of transactions between detailed schedules provided by participating projects and government agencies and obtaining the supporting documents.

For the coal sector, as discussed in the reporting projects in Page 46, alternative procedures were conducted to present information on revenue streams and other taxes including obtaining public documents such as audited financial statements and unilateral disclosures by the government agencies.

Application, processing, clearance, and issuance fees for exploration permits, mineral agreements, FTAA, and quarry resources, sand and gravel permit/license expected to be incurred before operations and other fees paid to for subsequent services rendered by MGB (i.e. verification, umpiring, surveys and other services) are likewise considered immaterial and scoped out in the reconciliation.

In addition, the following revenue streams were also excluded as these were determined to be not applicable to the local mining and oil and gas industry sectors because these are zero-rated or not yet due given the stage of the operation. These may also represent payments made on behalf of other taxpayers (e.g. employees), although still attributed to their operations. These are as follows:

- Fringe benefit and withholding tax on salaries and benefits that are mainly compensation related with remittances made only by entities on behalf of employees.

- Expanded withholding tax is tax imposed on income payments and is creditable against the income tax due of the payee for the taxable period in which the income was earned. It is only a means of approximating and collecting in advance the income tax liability of a payee since income taxes are due and paid on a quarterly and annual basis.
- Government share from FTAA and JV agreements with no company operating under said contractual provisions in 2012. The first FTAA mining project only commenced commercial operations in April 2013.
- Output VAT for metallic mining, oil and gas, and coal are not in scope since revenue transactions of the companies in these industries are zero-rated (e.g. export oriented) or exempt as provided by law (e.g. PD 87).
- Documentary stamp taxes, import processing fees, storage fees, arrastre and stevedoring charges were also excluded because of their minimal value.

IV. RECONCILIATION RESULTS

In this section, payments and collections from participating projects and government agencies, respectively, are presented. The tables will include information on the following:

- Project amount - this refers to the amount reported in the template by the participating project
- Government agency amount - this refers to the amount reported in the template by the government agency
- Variance pre-reconciliation - this pertains to the initial difference between the amount reported by the project and the government agency
- Reconciled amount - this reflects the true amount of the transaction between the project and the government agency. It is duly supported with detailed schedules and supplemental documents.
- Variance post-reconciliation - amount that cannot be supported with either a detailed schedule or other documents. Negative amount pertains to submitted data by the project that remain unreconciled while a positive amount pertains to submitted data by the government that remain unreconciled.

A. Revenue streams

The following tables show the detailed collections per government agency, per revenue stream and other taxes, per industry sector, and per project:

i. Reconciliation results disaggregated by government agency
ii. Reconciliation results disaggregated by project
iii. Reconciliation results disaggregated by revenue streams and other taxes

Table II-31. Reconciliation results disaggregated by government agency for FY 2023

Agency	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
Metallic					
Nickel					
BIR	7,049,354,911	7,022,369,348	(26,985,563)	6,865,178,401	15,173,423
BOC	80,612,034	100,649,582	20,037,548	76,539,916	45,573,066
LGU	883,709,874	645,192,501	(238,457,184)	768,714,738	(4,985,390)
MGB	1,929,974,331	2,018,391,702	88,417,371	1,899,516,550	(6,115,007)
NCIP	315,779,878	221,415,799	(94,364,079)	355,647,035	(14,078,875)
Subtotal	**10,259,431,029**	**10,008,018,931**	**(251,351,908)**	**9,965,596,640**	**35,567,217**
Gold / Silver / Copper					
BIR	7,079,221,035	7,939,979,162	860,758,127	8,037,789,299	(26,007,741)
BOC	740,681,012	800,237,519	59,556,507	792,559,617	(17,661,034)

LGU	1,246,114,242	672,828,261	(573,285,981)	989,575,812	(16,401,144)
MGB	-	-	-	-	-
NCIP	210,686,271	80,152,816	(130,533,456)	272,656,814	-
Subtotal	**9,276,702,561**	**9,493,197,758**	**216,495,197**	**10,092,581,542**	**(60,069,920)**
Other Metallic mines					
BIR	51,422,214	50,252,713	(1,169,501)	50,252,713	-
BOC	681,401	674,829	(6,572)	-	(6,572)
LGU	75,542,741	1,011,494	(74,531,247)	56,124	(74,561,547)
MGB	-	-	-	-	-
NCIP	-	-	-	-	-
Subtotal	**127,646,356**	**51,939,036**	**(75,707,320)**	**50,308,837**	**(74,568,119)**
Total - Metallic	**19,663,779,945**	**19,553,155,725**	**(110,564,030)**	**20,108,487,020**	**(99,070,821)**
Non-metallic					
Limestone					
BIR	9,471,758,444	9,401,754,118	(70,004,326)	9,292,776,785	7,846,874
BOC	1,532,548,795	1,435,455,165	(97,093,630)	1,362,884,667	73,057,429
LGU	2,508,396,653	288,710,807	(2,219,685,846)	661,297,934	(600,549,752)
NCIP	1,245,892	-	(1,245,892)	-	-
Subtotal	**13,513,949,785**	**11,125,920,090**	**(2,388,029,695)**	**11,316,959,385**	**(519,645,449)**
Aggregates					
BIR	145,497,791	229,687,917	84,190,126	213,924,266	21,230,601
BOC	-	-	-	-	-
LGU	9,410,475	2,508,169	(6,902,306)	4,193,324	(3,083,532)
NCIP	-	-	-	-	-
Subtotal	**154,908,266**	**232,196,086**	**77,287,820**	**218,117,590**	**18,147,068**
Silica					
BIR	6,953,178	85,492,942	78,539,765	1,952,409	80,492,174
BOC	-	-	-	-	-
LGU	30,723,451	6,421,916	(24,301,535)	-	(24,301,535)
NCIP	-	-	-	-	-
Subtotal	**37,676,629**	**91,914,858**	**54,238,229**	**1,952,409**	**56,190,639**
Other Non-metallic mines					
BIR	79,549,326	30,326,949	(49,222,377)	31,893,881	(48,052,579)
BOC	-	-	-	-	-
LGU	14,085,238	1,607,190	(12,478,048)	13,794,623	(184,854)
NCIP	-	-	-	-	-
Subtotal	**93,634,564**	**31,934,139**	**(61,700,425)**	**45,688,505**	**(48,237,433)**
Total - Non-metallic	**13,800,169,244**	**11,481,965,174**	**(2,318,204,070)**	**11,582,717,889**	**(493,545,175)**
Oil and gas					
BIR	3,879,081,847	3,959,991,692	80,909,844	3,873,100,966	-
BOC	14,607,141	13,536,650	(1,070,492)	979,192	(91,300)
DOE	17,875,715,018	14,878,610,628	(2,997,104,390)	17,874,469,513	-
LGU	363,612	-	(363,612)	328,329	-
Total - Oil and gas	**21,769,767,619**	**18,852,138,969**	**(2,917,628,650)**	**21,748,878,000**	**(91,300)**
Grand total	**55,233,716,808**	**49,887,259,868**	**(5,346,396,750)**	**53,440,082,909**	**(592,707,296)**

Table II-32. Reconciliation results disaggregated by government agency for FY 2024

Agency	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
Metallic					
Nickel					
BIR	8,712,572,969	5,273,411,363	(3,439,161,605)	4,937,425,385	(30,702,335)
BOC	2,438,672	2,381,591	(57,081)	991,609	904,199
LGU	753,717,711	569,794,009	(183,923,702)	779,451,811	(28,390,203)
MGB	1,803,047,455	1,774,170,263	(28,877,192)	1,817,605,271	1,311,897
NCIP	399,367,992	84,177,557	(315,190,435)	296,225,901	(107,344,788)
Subtotal	**11,671,144,799**	**7,703,934,784**	**(3,967,210,015)**	**7,831,699,977**	**(164,221,230)**
Gold / Silver / Copper					
BIR	9,017,060,975	9,355,803,190	338,742,215	9,238,971,401	(20,573,111)
BOC	939,974,710	943,122,049	3,147,338	832,655,860	8,967,123
LGU	1,289,435,045	1,018,885,996	(270,549,049)	1,237,309,853	(6,570,478)
MGB	-	-	-	-	-
NCIP	266,011,902	4,392,315	(261,619,587)	351,247,446	-
Subtotal	**11,512,482,632**	**11,322,203,550**	**(190,279,082)**	**11,660,184,560**	**(18,176,466)**
Other Metallic mines					
BIR	111,183,273	111,375,897	192,624	2,948,255	1,361,492
BOC	-	-	-	-	-
LGU	17,030,697	1,038,402	(15,992,295)	17,078,644	26,860
MGB	-	-	-	-	-
NCIP	-	-	-	-	-
Subtotal	**128,213,970**	**112,414,299**	**(15,799,671)**	**20,026,899**	**1,388,352**
Total - Metallic	**23,311,841,401**	**19,138,552,633**	**(4,173,288,768)**	**19,511,911,436**	**(181,009,343)**
Non-metallic					
Limestone					
BIR	8,319,960,790	8,224,392,440	(95,568,350)	8,141,132,169	23,364,869
BOC	2,072,779,228	2,051,970,929	(20,808,299)	2,049,763,048	606,064
LGU	716,123,393	270,344,179	(445,779,214)	687,781,045	(88,937,170)
NCIP	1,557,996	-	(1,557,996)	-	-
Subtotal	**11,110,421,407**	**10,546,707,548**	**(563,713,859)**	**10,878,676,262**	**(64,966,236)**
Aggregates					
BIR	139,446,142	160,089,756	20,643,613	131,169,361	20,736,728
BOC	-	-	-	-	-
LGU	9,878,877	2,687,180	(7,191,698)	4,789,243	(3,053,433)
NCIP	-	-	-	-	-
Subtotal	**149,325,020**	**162,776,935**	**13,451,915**	**135,958,604**	**17,683,296**
Silica					
BIR	613,800	49,453,481	48,839,681	-	48,839,681
BOC	-	-	-	-	-
LGU	20,423,289	971,210	(19,452,079)	-	(19,452,079)
NCIP	-	-	-	-	-
Subtotal	**21,037,089**	**50,424,691**	**29,387,602**	**-**	**29,387,602**
Other Non-metallic mines					
BIR	54,952,970	37,224,593	(17,728,377)	36,682,191	(18,778,348)
BOC	-	-	-	-	-

LGU	22,860,733	5,233,610	(17,627,123)	14,868,626	(8,127,777)
NCIP	-	-	-	-	-
Subtotal	**77,813,703**	**42,458,204**	**(35,355,500)**	**51,550,817**	**(26,906,125)**
Total - Non-metallic	**11,358,597,219**	**10,802,367,378**	**(556,229,841)**	**11,066,185,684**	**(44,801,463)**
Oil and gas					
BIR	3,879,081,847	3,959,991,692	80,909,844	3,873,100,966	-
BOC	14,607,141	13,536,650	(1,070,492)	979,192	(91,300)
DOE	17,875,715,018	14,878,610,628	(2,997,104,390)	17,874,469,513	-
LGU	363,612	-	(363,612)	328,329	-
Total - Oil and gas	**21,769,767,619**	**18,852,138,969**	**(2,917,628,650)**	**21,748,878,000**	**(91,300)**
Grand total	**56,440,206,239**	**48,793,058,980**	**(7,647,147,259)**	**52,326,975,120**	**(225,902,106)**

Table II-33. Reconciliation results disaggregated by revenue streams and other taxes for FY 2023

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
Metallic mining					
Nickel					
BIR					
Corporate income tax	4,153,762,557	4,081,157,021	(72,605,536)	4,288,131,118	-
Excise tax on minerals	2,580,854,654	2,612,433,957	31,579,303	2,260,735,530	1,914,815
Withholding tax - Final	25,223,835	305,532,662	280,308,828	28,481,745	14,507,509
Withholding tax - Foreign shareholder dividends	197,620,000	1,753,702	(195,866,298)	197,620,000	1,753,702
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	91,893,865	21,492,007	(70,401,858)	90,210,007	(3,002,602)
Subtotal	**7,049,354,911**	**7,022,369,348**	**(26,985,563)**	**6,865,178,401**	**15,173,423**
BOC					
Customs duties	5,869,395	3,541,115	(2,328,280)	238,793	(2,228,870)
VAT on imported materials and equipment	74,742,639	97,108,466	22,365,828	76,301,123	47,801,936
Subtotal	**80,612,034**	**100,649,582**	**20,037,548**	**76,539,916**	**45,573,066**
LGU					
Local business tax	834,058,683	616,936,221	(217,122,462)	726,365,179	(113,559)
Real property tax - Basic	26,112,411	14,128,140	(11,939,129)	21,281,902	(3,600,561)
Real property tax - SEF	23,538,780	14,128,140	(9,395,593)	21,067,657	(1,271,270)
Subtotal	**883,709,874**	**645,192,501**	**(238,457,184)**	**768,714,738**	**(4,985,390)**
MGB					
Royalty on mineral reservation	1,929,974,331	2,018,391,702	88,417,371	1,899,516,550	(6,115,007)
PPA					
Wharfage Fees					
NCIP					
Royalty for IPs	315,779,878	221,415,799	(94,364,079)	355,647,035	(14,078,875)
Subtotal - Nickel	**10,259,431,029**	**10,008,018,931**	**(251,351,908)**	**9,965,596,640**	**35,567,217**

Gold / Silver / Copper					
BIR					
Corporate income tax	2,410,288,654	3,636,127,902	1,225,839,248	3,672,722,835	-
Excise tax on minerals	4,392,462,409	4,019,324,050	(373,138,359)	4,085,390,716	(18,618,590)
Withholding tax - Final	184,305,946	284,527,211	100,221,265	195,163,622	252,749
Withholding tax - Foreign shareholder dividends	7,001,572	-	(7,001,572)	7,001,572	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	85,162,455	-	(85,162,455)	77,510,555	(7,641,900)
Subtotal	**7,079,221,035**	**7,939,979,162**	**860,758,127**	**8,037,789,299**	**(26,007,741)**
BOC					
Customs duties	152,061,124	120,870,238	(31,190,887)	119,786,485	(23,291,523)
VAT on imported materials and equipment	588,619,888	679,367,281	90,747,393	672,773,133	5,630,488
Subtotal	**740,681,012**	**800,237,519**	**59,556,507**	**792,559,617**	**(17,661,034)**
LGU					
Local business tax	1,003,988,261	485,396,795	(518,591,465)	783,531,657	(16,788,964)
Real property tax - Basic	137,982,131	120,465,004	(17,517,128)	119,910,984	(795,194)
Real property tax - SEF	104,143,850	66,966,462	(37,177,388)	86,133,171	1,183,013
Subtotal	**1,246,114,242**	**672,828,261**	**(573,285,981)**	**989,575,812**	**(16,401,144)**
MGB					
Royalty on mineral reservation	-	-	-	-	-
PPA					
Wharfage Fees					
NCIP					
Royalty for IPs	210,686,271	80,152,816	(130,533,456)	272,656,814	-
Subtotal - Gold / Silver / Copper	**9,276,702,561**	**9,493,197,758**	**216,495,197**	**10,092,581,542**	**(60,069,920)**
Other metallic mines					
BIR					
Corporate income tax	733,338	732,705	(633)	732,705	-
Excise tax on minerals	49,520,008	49,520,008	(0)	49,520,008	-
Withholding tax - Final	1,168,868	-	(1,168,868)	-	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
Subtotal	**51,422,214**	**50,252,713**	**(1,169,501)**	**50,252,713**	**-**

BOC					
Customs duties	681,401	3,747	(677,654)	-	(677,654)
VAT on imported materials and equipment	-	671,083	671,083	-	671,083
Subtotal	**681,401**	**674,829**	**(6,572)**	**-**	**(6,572)**
LGU					
Local business tax	75,542,741	1,011,494	(74,531,247)	29,200	(74,561,547)
Real property tax - Basic	-	-	-	13,462	-
Real property tax - SEF	-	-	-	13,462	-
Subtotal	**75,542,741**	**1,011,494**	**(74,531,247)**	**56,124**	**(74,561,547)**
MGB					
Royalty on mineral reservation	-	-	-	-	-
PPA					
Wharfage Fees					
NCIP					
Royalty for IPs	-	-	-	-	-
Subtotal - Other metallic mines	**127,646,356**	**51,939,036**	**(75,707,320)**	**50,308,837**	**(74,568,119)**
Total - Metallic mining	**19,663,779,945**	**19,553,155,725**	**(110,564,030)**	**20,108,487,020**	**(99,070,821)**
Non-metallic mining					
Limestone					
BIR					
Corporate income tax	1,260,807,461	1,193,615,884	(67,191,577)	1,171,040,816	2,249,274
Excise tax on minerals	201,115,249	170,781,522	(30,333,727)	138,079,929	5,597,600
Output VAT	7,984,182,292	8,010,556,086	26,373,793	7,958,942,281	-
Withholding tax - Final	25,653,442	26,800,626	1,147,184	24,713,760	0
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
Subtotal	**9,471,758,444**	**9,401,754,118**	**(70,004,326)**	**9,292,776,785**	**7,846,874**
BOC					
Customs duties	58,324,483	59,078,305	753,822	53,267,516	5,514,927
VAT on imported materials and equipment	1,474,224,312	1,376,376,860	(97,847,452)	1,309,617,151	67,542,502
Subtotal	**1,532,548,795**	**1,435,455,165**	**(97,093,630)**	**1,362,884,667**	**73,057,429**
LGU					
Local business tax	1,482,777,646.16	19,066,791	- 1,463,710,855	157,119,901	- 3,974,874
Real property tax - Basic	516,651,330.68	135,083,795	- 381,567,536	255,293,851	- 298,651,112
Real property tax - SEF	508,967,676.62	134,560,221	- 374,407,455	248,884,182	- 297,923,766
Subtotal	**2,508,396,653**	**288,710,807**	**(2,219,685,846)**	**661,297,934**	**(600,549,752)**
NCIP					
Royalty for IPs	1,245,892	-	(1,245,892)	-	-

Subtotal - Limestone	**13,513,949,785**	**11,125,920,090**	**(2,388,029,695)**	**11,316,959,385**	**(519,645,449)**
Aggregates					
BIR					
Corporate income tax	20,142,850	26,244,314	6,101,464	26,270,313	(1,361,948)
Excise tax on minerals	32,682,665	18,544,005	(14,138,660)	27,922,013	395,946
Output VAT	84,893,193	181,120,515	96,227,322	151,952,856	22,196,602
Withholding tax - Final	6,555,556	3,779,084	(2,776,472)	6,555,556	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	1,223,528	-	(1,223,528)	1,223,528	-
Subtotal	**145,497,791**	**229,687,917**	**84,190,126**	**213,924,266**	**21,230,601**
BOC					
Customs duties	-	-	-	-	-
VAT on imported materials and equipment	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**
LGU					
Local business tax	3,294,181.24	1,461,060	- 1,833,121	3,001,700	- 23,668
Real property tax - Basic	3,473,571.16	549,656	- 2,923,915	609,727	- 1,905,345
Real property tax - SEF	2,642,722.46	497,453	- 2,145,270	581,897	- 1,154,519
Subtotal	**9,410,475**	**2,508,169**	**(6,902,306)**	**4,193,324**	**(3,083,532)**
Subtotal - Aggregates	**154,908,266**	**232,196,086**	**77,287,820**	**218,117,590**	**18,147,068**
Silica					
BIR					
Corporate income tax	-	1,144,897	1,144,897	-	1,144,897
Excise tax on minerals	5,322,833	15,987,654	10,664,820	1,952,409	12,617,229
Output VAT	628,597	44,288,810	43,660,213	-	43,660,213
Withholding tax - Final	332,147	24,071,582	23,739,435	-	23,739,435
Withholding tax - Foreign shareholder dividends	-	-	-		
Withholding tax - Profit remittance to principal	-	-	-		
Withholding tax - Royalties to claim owners	669,600	-	(669,600)	-	(669,600)
Subtotal	**6,953,178**	**85,492,942**	**78,539,765**	**1,952,409**	**80,492,174**
BOC					
Customs duties	-	-	-	-	-
VAT on imported materials and equipment	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**

LGU					
Local business tax	15,118,799.80	1,294,947	- 13,823,853	-	- 13,823,853
Real property tax - Basic	8,961,910.05	3,400,000	- 5,561,910	-	- 5,561,910
Real property tax - SEF	6,642,741.22	1,726,969	- 4,915,772	-	- 4,915,772
Subtotal	**30,723,451**	**6,421,916**	**(24,301,535)**	**-**	**(24,301,535)**
Subtotal - Silica	**37,676,629**	**91,914,858**	**54,238,229**	**1,952,409**	**56,190,639**
Other non-metallic mines					
BIR					
Corporate income tax	8,561,326	7,902,084	(659,242)	7,880,700	(680,626)
Excise tax on minerals	13,444,196	3,643,714	(9,800,482)	5,699,479	(7,701,794)
Output VAT	43,801,677	17,846,254	(25,955,423)	17,846,254	(25,955,424)
Withholding tax - Final	13,742,106	934,897	(12,807,209)	467,449	(13,714,714)
Withholding tax - Foreign shareholder dividends	21	-	(21)	-	(21)
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
Subtotal	**79,549,326**	**30,326,949**	**(49,222,377)**	**31,893,881**	**(48,052,579)**
BOC					
Customs duties	-	-	-	-	-
VAT on imported materials and equipment	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**
LGU	**-**	**-**	**-**	**-**	**-**
Local business tax	8,602,632.39	463,994	- 8,138,639	8,496,875	-
Real property tax - Basic	2,833,730.00	571,598	- 2,262,132	2,648,874	- 184,854
Real property tax - SEF	2,648,876.00	571,598	- 2,077,278	2,648,874	-
Subtotal	**14,085,238**	**1,607,190**	**(12,478,048)**	**13,794,623**	**(184,854)**
Subtotal - Other non-metallic mines	**93,634,564**	**31,934,139**	**(61,700,425)**	**45,688,505**	**(48,237,433)**
Total - Non-metallic mining	**13,800,169,244**	**11,481,965,174**	**(2,318,204,070)**	**11,582,717,889**	**(493,545,175)**
Oil and gas					
BIR					
Corporate income tax	2,485,313,631	2,486,054,972	741,341	2,486,054,972	-
Withholding tax - Final	640,926,688	1,473,936,720	833,010,032	634,204,466	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	752,841,528	-	(752,841,528)	752,841,528	-
Withholding tax - Royalties to claim owners	-	-	-	-	-

Subtotal	**3,879,081,847**	**3,959,991,692**	**80,909,844**	**3,873,100,966**	**-**
BOC					
Customs duties	14,607,141	13,536,650	(1,070,492)	979,192	(91,300)
DOE					
Government share from oil and gas production	17,875,715,018	14,878,610,628	(2,997,104,390)	17,874,469,513	-
LGU					
Local business tax	49,458	-	(49,458)	14,175	-
Real property tax - Basic	312,527	-	(312,527)	312,527	-
Real property tax - SEF	1,627	-	(1,627)	1,627	-
Subtotal	**363,612**	**-**	**(363,612)**	**328,329**	**-**
Total - Oil and gas	**21,769,767,619**	**18,852,138,969**	**(2,917,628,650)**	**21,748,878,000**	**(91,300)**
Grand total	**55,233,716,808**	**49,887,259,868**	**(5,346,396,750)**	**53,440,082,909**	**(592,707,296)**

Table II-34. Reconciliation results disaggregated by revenue streams and other taxes for FY 2024

	Project amount	Government agency amount	Variance pre-reconciliation	Reconciled amount	Variance post-reconciliation
Metallic mining					
Nickel					
BIR					
Corporate income tax	3,020,717,703	2,781,980,092	(238,737,611)	2,773,558,105	13,359,191
Excise tax on minerals	5,424,821,856	2,211,823,736	(3,212,998,121)	1,884,714,173	2,349,968
Withholding tax - Final	32,202,805	264,369,331	232,166,526	90,185,402	452,430
Withholding tax - Foreign shareholder dividends	137,250,000	-	(137,250,000)	137,250,000	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	97,580,605	15,238,205	(82,342,400)	51,717,704	(46,863,924)
Subtotal	**8,712,572,969**	**5,273,411,363**	**(3,439,161,605)**	**4,937,425,385**	**(30,702,335)**
BOC					
Customs duties	124,034	899	(123,135)	112,588	(10,547)
VAT on imported materials and equipment	2,314,638	2,380,692	66,054	879,021	914,746
Subtotal	**2,438,672**	**2,381,591**	**(57,081)**	**991,609**	**904,199**
LGU					
Local business tax	697,466,906	535,679,755	- 161,787,151	726,331,133	- 25,788,656
Real property tax - Basic	29,557,756	17,057,127	- 12,500,629	26,647,855	- 1,374,460
Real property tax - SEF	26,693,049	17,057,127	- 9,635,922	26,472,823	- 1,227,087
Subtotal	**753,717,711**	**569,794,009**	**(183,923,702)**	**779,451,811**	**(28,390,203)**
MGB					
Royalty on mineral reservation	1,803,047,455	1,774,170,263	(28,877,192)	1,817,605,271	1,311,897
PPA					
Wharfage Fees					
NCIP					
Royalty for IPs	399,367,992	84,177,557	(315,190,435)	296,225,901	(107,344,788)

Subtotal - Nickel	**11,671,144,799**	**7,703,934,784**	**(3,967,210,015)**	**7,831,699,977**	**(164,221,230)**
Gold / Silver / Copper					
BIR					
Corporate income tax	3,607,906,704	3,972,766,910	364,860,206	3,964,400,291	7,059,398
Excise tax on minerals	4,900,447,127	4,894,885,460	(5,561,667)	4,788,303,944	(17,538,613)
Withholding tax - Final	234,083,930	473,287,619	239,203,689	221,751,847	14,000
Withholding tax - Foreign shareholder dividends	98,939,348	-	(98,939,348)	98,939,347	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	175,683,866	14,863,201	(160,820,666)	165,575,971	(10,107,895)
Subtotal	**9,017,060,975**	**9,355,803,190**	**338,742,215**	**9,238,971,401**	**(20,573,111)**
BOC					
Customs duties	182,450,351	160,360,184	(22,090,167)	147,178,324	(16,969,440)
VAT on imported materials and equipment	757,524,359	782,761,865	25,237,506	685,477,536	25,936,563
Subtotal	**939,974,710**	**943,122,049**	**3,147,338**	**832,655,860**	**8,967,123**
LGU					
Local business tax	1,010,657,363	736,519,283	- 274,138,080	993,448,537	- 14,417,827
Real property tax - Basic	180,577,219	157,168,353	- 23,408,866	163,092,182	- 278,051
Real property tax - SEF	98,200,463	125,198,360	26,997,897	80,769,133	8,125,400
Subtotal	**1,289,435,045**	**1,018,885,996**	**(270,549,049)**	**1,237,309,853**	**(6,570,478)**
MGB					
Royalty on mineral reservation	-	-	-	-	-
PPA					
Wharfage Fees					
NCIP					
Royalty for IPs	266,011,902	4,392,315	(261,619,587)	351,247,446	-
Subtotal - Gold / Silver / Copper	**11,512,482,632**	**11,322,203,550**	**(190,279,082)**	**11,660,184,560**	**(18,176,466)**
Other metallic mines					
BIR					
Corporate income tax	1,645,316	1,645,316	-	1,645,316	-
Excise tax on minerals	108,369,089	109,730,581	1,361,492	134,071	1,361,492
Withholding tax - Final	1,168,868	-	(1,168,868)	1,168,868	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
Subtotal	**111,183,273**	**111,375,897**	**192,624**	**2,948,255**	**1,361,492**
BOC					
Customs duties	-	-	-	-	-

VAT on imported materials and equipment	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**
LGU					
Local business tax	17,030,697	1,011,541	- 16,019,156	17,077,147	-
Real property tax - Basic	-	13,430	13,430	748	13,430
Real property tax - SEF	-	13,430	13,430	748	13,430
Subtotal	**17,030,697**	**1,038,402**	**(15,992,295)**	**17,078,644**	**26,860**
MGB					
Royalty on mineral reservation	-	-	-	-	-
PPA					
Wharfage Fees					
NCIP					
Royalty for IPs	-	-	-	-	-
Subtotal - Other metallic mines	**128,213,970**	**112,414,299**	**(15,799,671)**	**20,026,899**	**1,388,352**
Total - Metallic mining	**23,311,841,401**	**19,138,552,633**	**(4,173,288,768)**	**19,511,911,436**	**(181,009,343)**
Non-metallic mining					
Limestone					
BIR					
Corporate income tax	994,954,917	878,125,297	(116,829,620)	878,516,405	(1,283,062)
Excise tax on minerals	301,128,667	153,930,828	(147,197,839)	149,707,767	(13,555,804)
Output VAT	7,289,255,148	7,311,143,704	21,888,556	7,277,021,941	(20,041,896)
Withholding tax - Final	35,750,725	35,123,440	(627,286)	30,615,754	(332,103)
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
Subtotal	**8,621,089,457**	**8,378,323,268**	**(242,766,189)**	**8,335,861,867**	**(35,212,865)**
BOC					
Customs duties	47,280,051	46,429,020	(851,030)	45,736,647	104,092
VAT on imported materials and equipment	2,025,499,177	2,005,541,908	(19,957,269)	2,004,026,401	501,973
Subtotal	**2,072,779,228**	**2,051,970,929**	**(20,808,299)**	**2,049,763,048**	**606,064**
LGU					
Local business tax	162,644,707	25,342,069	- 137,302,637	149,174,051	- 6,285,240
Real property tax - Basic	280,668,332	122,598,213	- 158,070,120	272,374,574	- 42,086,423
Real property tax - SEF	272,810,353	122,403,897	- 150,406,457	266,232,421	- 40,565,507
Subtotal	**716,123,393**	**270,344,179**	**(445,779,214)**	**687,781,045**	**(88,937,170)**
NCIP					
Royalty for IPs	1,557,996	-	(1,557,996)	-	-
Subtotal - Limestone	**11,411,550,074**	**10,700,638,375**	**(710,911,698)**	**11,073,405,960**	**(123,543,971)**
Aggregates					
BIR					
Corporate income tax	20,737,082	21,782,962	1,045,880	17,004,165	(4,236,712)
Excise tax on minerals	31,936,197	18,619,129	(13,317,068)	20,747,747	7,592,169

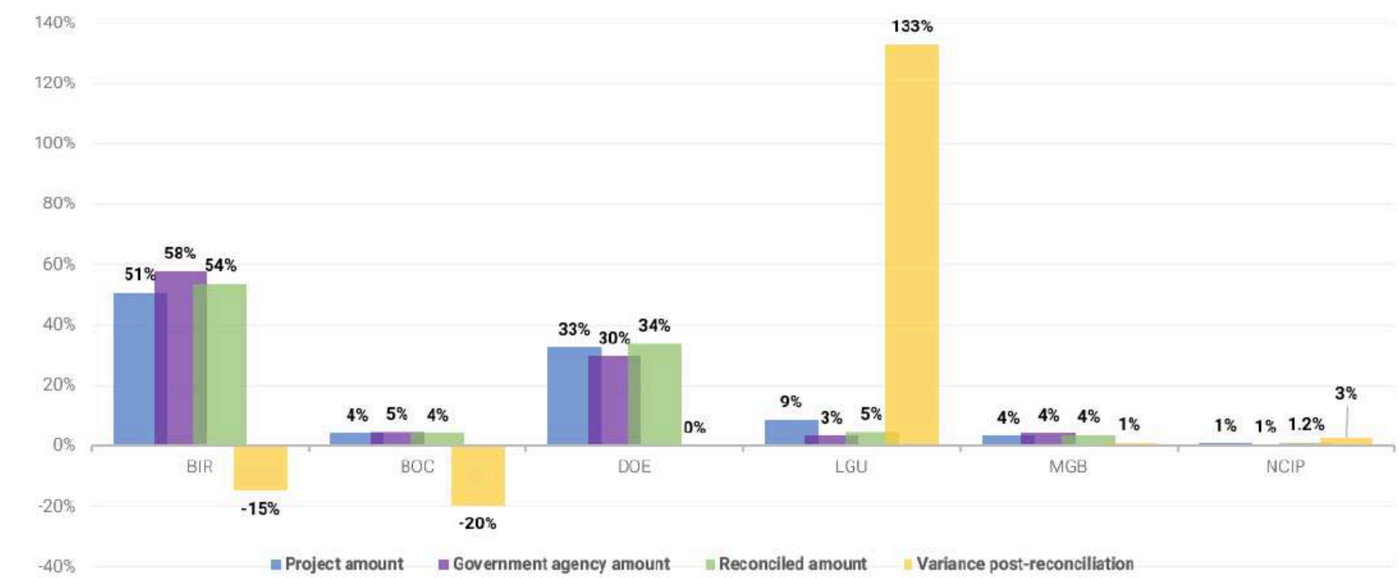
Output VAT	113,308,249	136,905,982	23,597,733	108,764,385	24,973,440
Withholding tax - Final	4,222,222	1,400,812	(2,821,411)	4,222,222	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	1,178,589	-	(1,178,589)	1,178,589	-
Subtotal	**171,382,339**	**178,708,885**	**7,326,546**	**151,917,108**	**28,328,897**
BOC					
Customs duties	-	-	-	-	-
VAT on imported materials and equipment	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**
LGU					
Local business tax	4,028,681	2,348,223	- 1,680,458	3,198,240	4,988
Real property tax - Basic	3,294,321	169,478	- 3,124,843	829,761	- 1,864,173
Real property tax - SEF	2,555,876	169,478	- 2,386,398	761,241	- 1,194,248
Subtotal	**9,878,877**	**2,687,180**	**(7,191,698)**	**4,789,243**	**(3,053,433)**
Subtotal - Aggregates	**181,261,216**	**181,396,064**	**134,848**	**156,706,351**	**25,275,465**
Silica					
BIR					
Corporate income tax	-	2,084,547	2,084,547	-	2,084,547
Excise tax on minerals	3,242,710	12,528,153	9,285,443	2,664,463	12,149,906
Output VAT	-	46,215,577	46,215,577	-	46,215,577
Withholding tax - Final	-	1,153,357	1,153,357	-	1,153,357
Withholding tax - Foreign shareholder dividends	-	-	-		
Withholding tax - Profit remittance to principal	-	-	-		
Withholding tax - Royalties to claim owners	613,800	-	(613,800)	-	(613,800)
Subtotal	**3,856,510**	**61,981,634**	**58,125,124**	**2,664,463**	**60,989,587**
BOC					
Customs duties	-	-	-	-	-
VAT on imported materials and equipment	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**
LGU					
Local business tax	13,334,065	971,210	- 12,362,855	-	- 12,362,855
Real property tax - Basic	4,559,548	-	- 4,559,548	-	- 4,559,548
Real property tax - SEF	2,529,676	-	- 2,529,676	-	- 2,529,676
Subtotal	**20,423,289**	**971,210**	**(19,452,079)**	**-**	**(19,452,079)**
Subtotal - Silica	**24,279,799**	**62,952,844**	**38,673,045**	**2,664,463**	**41,537,508**

Other non-metallic mines					
BIR					
Corporate income tax	10,820,258	10,018,773	(801,485)	10,018,773	(801,485)
Excise tax on minerals	11,527,546	4,471,648	(7,055,898)	6,749,764	(5,205,679)
Output VAT	43,890,398	26,121,016	(17,769,382)	26,121,016	(17,769,382)
Withholding tax - Final	242,287	1,084,804	842,517	542,402	(207,454)
Withholding tax - Foreign shareholder dividends	26	-	(26)	-	(26)
Withholding tax - Profit remittance to principal	-	-	-	-	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
Subtotal	**66,480,516**	**41,696,242**	**(24,784,274)**	**43,431,955**	**(23,984,026)**
BOC					
Customs duties	-	-	-	-	-
VAT on imported materials and equipment	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**
LGU	**-**	**-**	**-**	**-**	**-**
Local business tax	9,890,913	358,236	- 9,532,676	8,848,280	- 1,042,634
Real property tax - Basic	6,870,881	2,437,687	- 4,433,194	3,010,173	- 3,571,572
Real property tax - SEF	6,098,940	2,437,687	- 3,661,253	3,010,173	- 3,513,572
Subtotal	**22,860,733**	**5,233,610**	**(17,627,123)**	**14,868,626**	**(8,127,777)**
Subtotal - Other non-metallic mines	**89,341,249**	**46,929,852**	**(42,411,397)**	**58,300,581**	**(32,111,803)**
Total - Non-metallic mining	**11,706,432,338**	**10,991,917,136**	**(714,515,202)**	**11,291,077,355**	**(88,842,801)**
Oil and gas					
BIR					
Corporate income tax	2,076,662,623	2,080,294,408	3,631,785	2,080,294,408	-
Withholding tax - Final	823,766,345	1,516,760,187	692,993,841	814,517,537	-
Withholding tax - Foreign shareholder dividends	-	-	-	-	-
Withholding tax - Profit remittance to principal	662,810,214	-	(662,810,214)	662,810,214	-
Withholding tax - Royalties to claim owners	-	-	-	-	-
Subtotal	**3,563,239,182**	**3,597,054,595**	**33,815,412**	**3,557,622,159**	**-**
BOC					
Customs duties	12,318,416	11,744,737	(573,678)	540,324	(33,354)
DOE					
Government share from oil and gas production	10,909,926,185	11,433,275,915	523,349,730	10,910,454,547	-
LGU					
Local business tax	1,873,273	-	(1,873,273)	8,500	-

Real property tax - Basic	312,554	-	(312,554)	312,554	-
Real property tax - SEF	1,796	-	(1,796)	1,796	-
Subtotal	**2,187,623**	**-**	**(2,187,623)**	**322,850**	**-**
Total - Oil and gas	**14,487,671,406**	**15,042,075,247**	**554,403,841**	**14,468,939,880**	**(33,354)**
Grand total	**49,505,945,146**	**45,172,545,016**	**(4,333,400,130)**	**45,271,928,671**	**(269,885,499)**

The graphs below summarizes the results of reconciliation, excluding non-participating projects, in percentages.

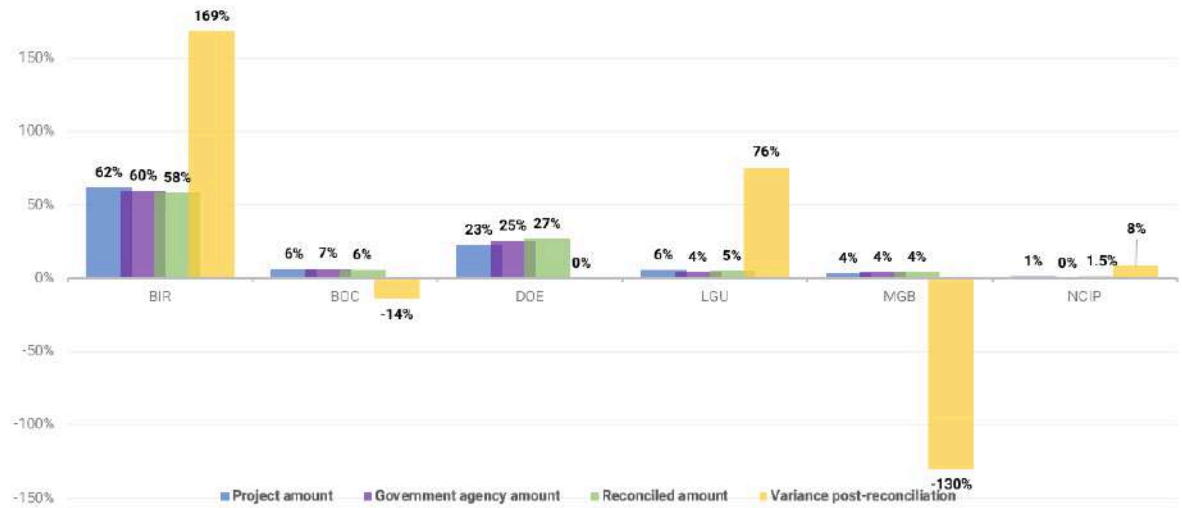
Figure II-12. Summary reconciliation results in percentage contributions in FY 2023



The most glaring number from the graph of reconciliation results for FY 2023 would be the negative Ph₱690m variance or -133% of the total variance for NCIP.

It is BIR who has the biggest contributions to the amount reported by the projects at 51% or Ph₱28bn, government collections at 58% or Ph₱28.8bn, and reconciled amount at 54% or Ph₱28.4bn. DOE follows at second place at 34% or Ph₱17.8bn, 30% or Ph₱14.9m and 34% or Ph₱17.8bn of the total amount reported by the projects, government collections and reconciled amount, respectively. Nonetheless, DOE is still the only NGA that attained a zero variance after reconciliation which is consistent previous reports.

Figure II-13. Summary reconciliation results in percentage contributions in FY 2024



In 2024, the negative Ph₱264m variance or 169% of the total variance for BIR and Ph₱204m variance or -130% are two of the most noticeable data.

Similar to 2023, it is BIR who has the biggest contributions to the amount reported by the projects at 62% or Ph₱29.9bn, government collections at 60% or Ph₱26.9bn, and reconciled amount at 58% or Ph₱23.4bn followed by DOE at 23% or Ph₱10.9bn, 30% or Ph₱11.4m and 27% or Ph₱10.9bn of the total amount reported by the projects, government collections and reconciled amount, respectively. It is still only DOE that attained a zero variance after reconciliation which is consistent previous reports.

For more details on the causes of unreconciled variances, refer to page 84, Section VI, Variances and discrepancies.

B. Safety and health, environmental and social expenditures

As discussed in Section III, Scope of report, these expenditures are not remitted to MGB, but are only monitored by the agency. Since these are not revenue streams of the government, in order to arrive at the reconciled amount, the supporting documents were obtained from the participating projects. The remaining variance pertains to participating projects that were not able to submit the necessary supporting documents.

Safety and health. For the metallic sector, CAR received the most for safe and health in both 2023 and 2024 amounting to Ph₱143m or 38% and Ph₱160m or 33%, of the total reconciled expenditure for annual safety and health program, respectively. This is followed by Region XIII amounting to Ph₱130m or 35% in 2023 and Ph₱144m or 30% in 2024. For the non-metallic sector, Ph₱22.8m or 56% of the total reconciled annual safety and health was spent in Region IVA in 2023 and Ph₱7.7m or 61% in 2024.

Environmental protection. Region XIII received the highest amount of expenditure for environmental protection with Ph₱642bn or 42% in 2023 and Ph₱766bn or 43% in 2024 of the total reconciled mandatory expenditures for environmental protection followed by CAR with Ph₱296m or 19% in 2023 and Ph₱251m or 14% of the total reconciled environmental expenditure. The non-metallic sector, on the other hand, spent the most for environmental protection on Region VII in 2023 amounting to Ph₱49m or 35% of the total reconciled environmental expenditure and on Region III in 2024 amounting to Ph₱43m or 31%.

Social development. Region XIII received the highest amount of expenditure for social development for the metallic sector in the year 2023 and 2024 amounting to Ph₱330m or 38% and Ph₱298m or 34% of the total reconciled social expenditures. For the non-metallic sector, Region IV-A receives the highest amount of expenditure for social development amounting to Ph₱19m or 33% in 2023 and in 2024 Region VII Ph₱12m or 30%.

V. LGUS IN FOCUS

The LGUs' sources of revenues may be classified into indirect payments, such as shares in national wealth and from internal revenue allocation (IRA), and direct payments such as those collected by LGUs themselves based on national laws and local tax codes. Examples include local taxes on business and real property, community tax, and other taxes and fees.

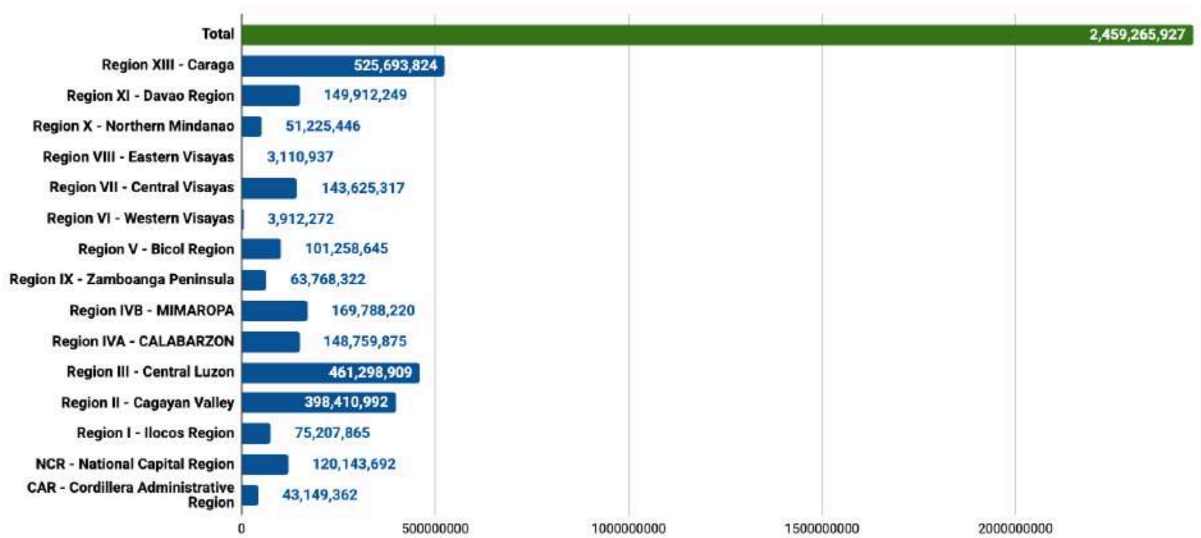
The details of direct LGU payments reconciliation and corresponding analysis are presented in this section. DBM releases of LGU's share in national wealth and MGB allocation of collected royalties on mineral reservation are also covered in this section.

Amounts reconciled are only those for provinces, municipalities, and cities. Reconciliations of LGU figures do not include share in national wealth of barangays as the report focuses on share in national wealth processed for release to provinces, municipalities, and cities.

A. Direct payments to LGUs

For the year 2023 and 2024, Ph₱2.5bn and Ph₱2.7bn (2022 - Ph₱1.9bn), respectively, were directly remitted to LGUs as hosts of the extractive projects. This is in addition to the LGU's share in national wealth as distributed by the DBM which will be discussed in the 'shares in national wealth' sub-section. The direct payments in 2023 is higher by 26% (Ph₱512m) compared to 2022. Meanwhile, the direct payments in 2024 is higher by 41% (Ph₱797m) and 12% (Ph₱285m) compare to 2022 and 2023, respectively.

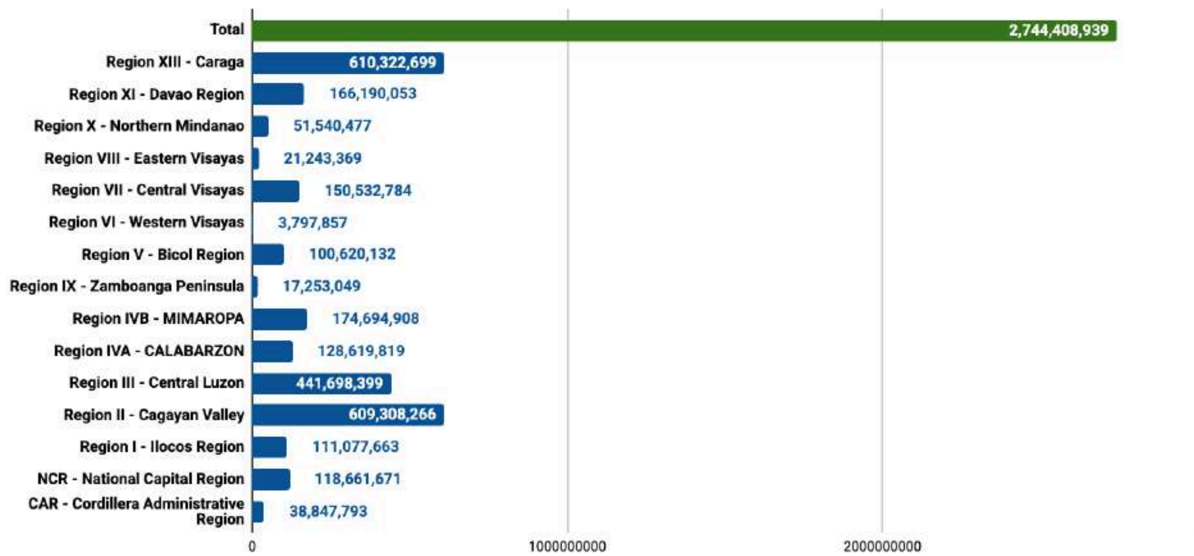
Figure II-14. Distribution of reconciled collections per region for FY 2023



Of the total LGU receipts, Region XIII (Caraga), which hosts the most number of metallic projects, continued to receive the highest collection of local taxes at Ph₱525m or 21% of total payments in 2023 (2022 - Ph₱539m or 27%). The significant contributors of local taxes in Region XIII are Taganito Mining (Ph₱111m), Platinum (Ph₱87m), Carrascal Nickel (Ph₱83m), Philsaga (Ph₱75m), and Marcventures (Ph₱61m) who are consistently the top contributors.

Following Region XIII is Region III (Central Luzon) with total reconciled direct payments amounting to Ph₱461m or almost 19% (2022 - Ph₱364m or 19%). Region III host most number non-metallic projects. Eagle Cement contributed to Ph₱251m or 55% of the total reconciled direct payments.

Figure II-15. Distribution of reconciled collections per region for FY 2024



For 2024, Region XIII (Caraga) continues to receive the highest collection of local taxes at Ph₱610m or 22.24% (2023 - Ph₱525m or 21%; 2022 - Ph₱539m or 27%). Taganito Mining (Ph₱163m), Carrascal Nickel (Ph₱89m), Philsaga (Ph₱87m), Platinum (Ph₱65m), and Marcventures (Ph₱41m) played significant role in Region XIII's collections.

Region II (Cagayan Valley) with total reconciled direct payments amounting to Ph₱609m or 22.20% (2023 - Ph₱398m or 16%) follows Region XIII mainly due to OceanaGold with Ph₱479m or 79% of the region's collections.

VI. VARIANCES AND DISCREPANCIES

This section provides analysis of the variances noted during the reconciliation process including and excluding non-participating projects.

Table II-35 and II-36 summarizes the variance on per industry and per government basis.

Table II-35. Variance per industry sector and per government agency for FY 2023

	Government agency amount (excl. non-participating projects)	Variance post-reconciliation (excl. non-participating projects)	% Variance (excl. non-participating projects)	Government agency amount (incl. non-participating projects)	Variance post-reconciliation (incl. non-participating projects)	% Variance (incl. non-participating projects)
Metallic						
BIR	14,179,998,160	(10,834,318)	-0.1%	15,069,119,511	(10,834,318)	0%
BOC	821,974,447	27,905,460	3.4%	909,296,101	27,905,460	3%
LGU	2,205,366,858	(95,948,081)	-4.4%	1,352,543,855	(62,436,483)	-5%
MGB	1,929,974,331	(6,115,007)	0%	2,079,315,828	(6,115,007)	0%

NCIP	526,466,150	(14,078,875)	0%	301,568,615	(14,078,875)	-5%
Subtotal (including NCIP)	**19,663,779,945**	**(99,070,821)**	**-0.5%**	**19,711,843,909**	**- 65,559,223**	**-0.3%**
Subtotal (excluding NCIP)	**19,137,313,796**	**- 84,991,946**	**-0.4%**	**19,410,275,295**	**- 51,480,348**	**-0.3%**
Non-metallic						
BIR	9,747,261,926	61,517,070	0.6%	9,772,435,612	86,690,755	0.9%
BOC	1,435,455,165	73,057,429	5.09%	1,436,959,437	74,561,700	5%
LGU	299,248,082	(628,119,673)	-209.9%	299,369,654	(627,998,101)	-210%
NCIP	11,481,965,174	(493,545,175)	0%	-	-	0%
Subtotal	**22,963,930,347**	**(987,090,350)**	**-4%**	**11,508,764,703**	**- 466,745,645**	**-4%**
Oil and gas						
BIR	3,959,991,692	-	0%	3,959,991,692	-	0%
BOC	13,536,650	(91,300)	-0.674%	13,536,650	(91,300)	-0.7%
DOE	14,878,610,628	-	0%	14,878,610,628	-	0%
LGU	-	-	0%	-	-	0%
Subtotal	**18,852,138,969**	**(91,300)**	**(0)**	**18,852,138,969**	**(91,300)**	**0.00%**
Mining and oil and gas						
BIR	27,887,251,778	50,682,752	0.18%	28,801,546,815	75,856,437	0.3%
BOC	2,257,429,612	100,962,888	4%	2,346,255,538	102,467,160	4%
DOE	14,878,610,628	-	0%	14,878,610,628	-	0%
LGU	2,504,614,939	(724,067,755)	-29%	1,651,913,509	(690,434,584)	-42%
MGB	1,929,974,331	(6,115,007)	-0.3%	2,079,315,828	(6,115,007)	0%
NCIP	526,466,150	(14,078,875)	-2.7%	301,568,615	(14,078,875)	-5%
Total (including NCIP)	**61,479,849,261**	**(1,086,252,471)**	**-1.8%**	**50,072,747,581**	**(532,396,168)**	**-1.1%**
Total (excluding NCIP)	**60,953,383,112**	**(1,072,173,596)**	**-1.8%**	**49,771,178,967**	**(518,317,293)**	**-1.0%**
Total (excluding NCIP and LGU)	**58,448,768,172**	**(348,105,841)**	**-0.6%**	**48,119,265,458**	**172,117,291**	**0.4%**

Table II-36. Variance per industry sector and per government agency for FY 2024

	Government agency amount (excl. non-participating projects)	Variance post-reconciliation (excl. non-participating projects)	% Variance (excl. non-participating projects)	Government agency amount (incl. non-participating projects)	Variance post-reconciliation (incl. non-participating projects)	% Variance (incl. non-participating projects)
Metallic						
BIR	14,740,590,451	(49,913,954)	-0.3%	14,818,059,169	27,554,765	0.2%
BOC	945,503,640	9,871,322	1.0%	958,127,516	22,495,199	2%
LGU	1,589,718,407	(34,933,820)	-2.2%	1,616,951,424	(7,700,803)	-0.5%

MGB	1,774,170,263	1,311,897	0%	1,963,600,924	190,742,557	10%
NCIP	88,569,872	(107,344,788)	0%	88,569,872	(107,344,788)	-121%
Subtotal (including NCIP)	**19,138,552,633**	**(181,009,343)**	**-0.9%**	**19,445,308,906**	**125,746,930**	**0.6%**
Subtotal (excluding NCIP)	**19,049,982,760**	**(73,664,555)**	**-0.4%**	**19,356,739,034**	**233,091,718**	**1.2%**
Non-metallic						
BIR	8,660,710,029	30,121,593	0.3%	8,682,373,434	51,784,998	0.6%
BOC	2,051,970,929	606,064	0.03%	2,053,889,641	2,524,777	0.1%
LGU	279,236,179	(119,570,458)	-43%	279,468,929	(119,337,708)	-43%
NCIP	-		0%	-	-	0%
Subtotal	**10,991,917,136**	**(88,842,801)**	**-1%**	**11,015,732,004**	**- 65,027,934**	**-1%**
Oil and gas						
BIR	3,597,054,595	-	0%	3,597,054,595	-	0%
BOC	11,744,737	(33,354)	-0.3%	11,744,737	(33,354)	-0.3%
DOE	11,433,275,915	-	0%	11,433,275,915	-	0%
LGU	-	-	0%	-	-	0%
Subtotal	**15,042,075,247**	**(33,354)**	**(0)**	**15,042,075,247**	**(33,354)**	**0.00%**
Mining and oil and gas						
BIR	26,998,355,074	(19,792,361)	-0.07%	27,097,487,197	79,339,762	0.3%
BOC	2,997,474,569	10,477,387	0%	3,012,017,158	25,019,976	1%
DOE	11,433,275,915	-	0%	11,433,275,915	-	0%
LGU	1,868,954,585	(154,504,279)	-8%	1,896,420,353	(127,038,511)	-7%
MGB	1,774,170,263	1,311,897	0.1%	1,963,600,924	190,742,557	10%
NCIP	88,569,872	(107,344,788)	-121.2%	88,569,872	(107,344,788)	-121%
Total (including NCIP)	**45,172,545,016**	**(269,885,499)**	**-0.6%**	**45,503,116,157**	**60,685,642**	**0.1%**
Total (excluding NCIP)	**45,083,975,143**	**(162,540,711)**	**-0.4%**	**45,414,546,284**	**168,030,430**	**0.4%**
Total (excluding NCIP and LGU)	**43,215,020,558**	**(8,036,432)**	**0.0%**	**43,518,125,931**	**295,068,941**	**0.7%**

The remaining unexplained variance, excluding NCIP, in FY 2023 and FY 2024 is -1% and 0.4%, respectively. The following subsections will present and discuss discrepancies for each government agency.

A. BIR

i. Revenue streams

	Corporate income tax	Excise tax on minerals	Output VAT	Final withholding tax			
				Foreign shareholders dividends	Branch profit remitta nce	Royalties to claim owners	Others
Frequency of payment	Quarterly, adjusted in annual filing	Quarterly, when applicable	Monthly and quarterly, when applicable	Monthly and quarterly, when applicable			
Form/ document	1702	2200M	2550M, 2550Q	0619F, 1601FQ			
Timing of payment	Quarterly - within 60 days following the close of each of the first 3 quarters of the taxable year Annual - on or before the 15th day of the 4th month following close of the taxpayer's taxable year	On or before15 days after the end of the calendar quarter when mineral products were removed	Monthly - on or before the 20^{th} day following the close of each of the month for the Quarterly - on or before the 25^{th} day following the close of each of the quarter	On or before the 10th day of the month following the month in which withholding was made			
Mode of payment	Tax returns are filed through Electronic Filing and Payment System (EFPS) and Electronic Bureau of Internal Revenue Forms (eBIR) for large and non-large tax payers, respectively. Payments are made through Accredited Agent Banks (AABs) online or over the counter. For participating entities in places where there are no AABs, payments are made to the Revenue Collection Officer or duly Authorized City or Municipal Treasurer located within the Revenue District Office (RDO) where entities are registered.						
Remittance from agency	Over the counter and EFPS collections by AABs (except Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP) are remitted to the Central Bank of the Philippines (BSP) on the 6th and 5th day, respectively, from the date of collection. Collections by LBP and DBP are directly credited to the Bureau of Treasury (BTr).						

ii. Findings and causes of variance

a. Timing difference

Pre-reconciliation variance is mainly due to participating projects and BIR reporting payments based on when the payment is made and not on when the payment is due. These were disposed of during the validation of supporting documents provided by the participating projects.

b. Different accounting period

Few of the participating projects have an accounting period that is not calendar or not ending in December 31; thus, they disclose data following their fiscal period while BIR follows the calendar period. These were disposed by obtaining prior submissions of BIR.

c. Improper accomplishment of reporting template

Some participating projects disclosed taxes paid instead of taxes due. For instance, income taxes were disclosed at net of quarterly payments made and CWTs. Additionally, some also made errors in the encoding of data. Further, BIR includes penalties in their submission while the projects only disclose the actual tax due which is the proper amount to be reported and reconciled.

The resulting variance pre-reconciliation is disposed during the validation of schedules and supporting documents provided by the participating projects.

d. Delayed and non-submission of required schedules and documents to support disclosures made in the templates.

Due to the number of information requested and required level of disaggregation, current accounting and filing systems may have hindered some projects and BIR from readily providing these disclosures and reports for reconciliation and examination. This is specifically true with the validation of variances pertaining to excise tax on mineral production and final withholding taxes given the number of transactions involved.

B. BOC

i. Revenue streams

	Custom duties	**Value added tax (VAT) on imported materials and equipment**
Frequency of payment	Transactional	Transactional
Form/document	Form 236, Import Entry and Internal Revenue Declaration Form	
Timing of payment	Entry must be filed in the Customhouse (i.e. BOC office) within 30 days from the date of discharge of the last package from the vessel, which shall not be extendible. Payments are made after completion of the assessment process by the government agency.	
Mode of payment	AABs will be notified by the government agency to debit entities' bank account.	
Remittance from agency	Collections through the AABs are remitted to the BTr on a daily basis.	

ii. Findings and causes of variance

a. Timing difference

Pre-reconciliation variance is mainly due to participating projects recording payments to BOC based on when the payment is made while BOC records these transactions upon arrival of imported items. These were disposed of during the validation of supporting documents provided by the participating projects.

b. Different accounting period

Few of the participating projects have accounting period that are not calendar or not ending in December 31; thus, they disclose data following their fiscal period while BOC followed the calendar period. These were disposed by obtaining prior submissions of BOC.

c. Misclassification of payments

Some participating projects misclassified the revenue streams on both ORE and corresponding supporting schedules. Common error was reporting excise tax on imported materials and equipment and other charges as part of custom duties or VAT on imported materials and equipment. These were disposed of during the validation of supporting documents.

d. Absence of supporting documents for transactions disclosed by BOC

Supporting documents for all noted variance from the participating projects were initially obtained, however, there are few transactions that the supporting documents can't be located which pertain to transactions reported by BOC. The supporting documents that BOC provided are inadequate since these were only screenshots from the system the data provided for the exercise were obtained. These transactions remain unreconciled.

C. DOE

i. Revenue streams

	Government share from oil and gas production
Frequency of payment	Quarterly
Form/document	Quarterly reports
Timing of payment	Payment is made through checks along with submission of quarterly report
Mode of payment	Paid in cash or checks
Remittance from agency	Checks collected will be remitted to BTr by the treasury division within the day of collection or the following day

ii. Findings and causes of variance

a. Foreign exchange rate used in reporting the government share in Philippines peso

Minimal variance was noted as a result of the different foreign exchange rates used in converting the government share, originally reported in US dollar, to Philippine Peso. These were disposed of during the validation of supporting schedules.

D. LGU

i. Revenue streams

Revenue streams of LGUs are discussed in page X, Section III, Scope of the report, of this chapter.

ii. Findings and causes of variance

a. Incomplete data submitted by BLGF

The different LGUs use ENRDMT to report their collections and BLGF generates the data using the same system. Although a reporting system is in place, the reported transactions remain to be incomplete mainly due to non-submission and/or incorrect submission of the different LGUs into the system. For an instance, only one (1) or two (2) quarterly payments were disclosed in the report submitted by BLGF for participating projects who availed of the quarterly payments for local business tax and real property tax. There were also cases wherein the participating project was able to provide multiple official receipts (OR) for real property tax while only 1 was listed in the data submitted by BLGF and the OR number indicated is the same as the OR number for the local business tax which does not and should not happen.

b. Timing difference

Another factor for pre-reconciliation variance are the advance payments made by projects usually for real property taxes. These advance payments occur in the year before and it would no longer be included in current year submission of BLGF, but the projects include these in their disclosure which is appropriate since these payments are for the current year. These were disposed of during the validation of supporting documents provided by the participating projects and obtaining prior submissions of BLGF.

c. Different accounting period

Few of the participating projects have accounting period that are not calendar or not ending in December 31; thus, they disclose data following their fiscal period while LGUs followed the calendar period. These were disposed by obtaining prior submissions of BLGF.

d. Misclassification of payments

Some participating projects included other administrative and regulatory fees as part of local business tax. These were disposed of during the validation of supporting documents.

e. Absence of supporting documents

Similar to the case of excise tax and final withholding tax, the volume of transactions for real property tax incurred in the mine site have hindered the participating projects to produce the documents. The remaining variances were due to the absence of supporting documents.

E. MGB

i. Revenue streams

10% share of royalty payment

Mining companies pay various taxes and fees directly to the LGUs including royalty payments. Section 82 of the Philippine Mining Act of 1995 (RA 7942) and Section 290 of the Local Government Code (LGC) indicate that the LGU's share in royalty payments on mineral reservation is 40% of the 90% of balance after 10% of the payment goes to a special account in the General Fund (Fund 151) which is appropriated annually for the operating expenses of the DENR-MGB.

Section 5 of RA 7942 likewise stipulates that 10% of the amount collected will accrue to the MGB for "special projects and other administrative expenses related to the exploration and development of other mineral reservations". The other 90% will be divided between the national government (60%) and the local government units (40%) where the minerals are located.

ii. Findings and causes of variance

a. Timing difference

On the initial variance noted, the most common cause pertains to the timing of recognizing the royalty on mineral reservation. MGB and some projects included royalty for prior years not covered by the scope of the report, but were only paid in 2023 and 2024.

b. Different accounting period

Few of the participating projects have accounting period that are not calendar or not ending in December 31; thus, they disclose data following their fiscal period while MGB followed the calendar period. These were disposed by obtaining prior submissions of MGB.

c. Non-submission of required supporting schedules

F. NCIP

i. Other taxes

Other taxes monitored by NCIP are discussed in page X, Section III, Scope of the report, of this chapter.

ii. Findings and causes of variance

a. Minimal participation of NCIP

Only a few NCIP regional offices submitted data due to the unavailability of information at the central office. Because of this, the supporting documents from the participating projects were obtained to arrive at the reconciled amount.

b. Non-submission of supporting documents

Some of the amounts could not be validated due to lack of supporting documents to reconcile amounts disclosed by participating projects.

VII. AUDIT PROCEDURES

A. Participating projects

Reporting templates submitted by the participating projects require senior management signoff. These templates are prepared and endorsed by finance officers responsible for the day to day recording of transactions, preparation of financial reports, and compilation of data. Companies of participating projects use Philippine Financial Reporting Standards (PFRS) or PFRS for Small and Medium-sized Entities as the accounting framework in recording transactions, which is the major source of information for the reporting templates. These standards are adopted from the International Financial Reporting Standards issued by the International Accounting Standards Board.

As required by the SEC, companies prepare annual financial statements that are required to be audited by an external auditor and submitted on or before the 15th of the fourth month following annual period end. External audit involves obtaining sufficient and appropriate audit evidence about the amounts and disclosures in the financial statements and are conducted in accordance with Philippine Standards on Auditing, adopted from International Standards on Auditing.

By signing off the reporting templates, participating projects represent that the data provided in the templates are actual and valid transactions obtained from the projects' records and reconcile with that presented in the audited financial statements.

B. Government agencies

Government agencies prepare periodic reports in accordance with Philippine Public Sector Accounting Standards. Audit is performed by COA in accordance with the Government Auditing and Accounting Manual (GAAM) and is conducted in two (2) phases:

1. Annual financial audit performed in accordance with PD 1445 obtaining evidence on each government agency's revenues and expenditures.
2. Monthly review of collections and disbursements performed by resident auditors of each government agency.

COA's audit procedures over revenues are focused on agreeing collections with remittances to the national treasury.

Reporting templates submitted by each government agency are signed off by the head of the agency (assistant secretary or higher position) to signify that the amount reported are the actual collections as recorded in their accounting system.

Accordingly, reporting templates of all participating projects and government agencies were ascertained to comply with the above procedures; hence deemed reliable and comprehensive with no exceptions identified other than those gaps included as part of recommendations under Section VIII, Recommendations. Recommendations noted in the Report were limited to areas covering administrative functions of each of the government agency that would not impact the reported revenues.

It is noteworthy to emphasize that companies of participating projects and government agencies provided quality assurances by certifying the following, as duly stated in the last section of the reporting templates:

1. The signatory is the duly authorized and designated representative of either the project or government agency; and
2. All information disclosed and documents submitted in satisfaction of the EITI initiative are considered authentic and complete, and all statements and information provided therein are true and correct.

There were no identified exceptions or instances of non-compliance on the above.

VIII. RECOMMENDATIONS

Improving EITI implementation

A. MSG and PH-EITI Secretariat

The succeeding discussions are fundamentally similar to points raised in the previous PH-EITI Country Reports with additional recommendations on the data collection process and ORE reporting.

Timeliness and timing. The PH-EITI exercise should start by May or June following the covered year; thus, the start of the production of the PH-EITI report covering fiscal year 2025 should begin in May or June 2025. Data collection should end by July and reconciliation begins in August lasting until October. By December of the same year, the report is finalized and published. In this timeline, companies would also have their full attention on the exercise since it does not coincide with the tax season (January - April).

Data collection. On the onset, a discussion should be conducted with all parties, companies and government agencies, to debrief the events that transpired during the previous report, to discuss the common sources of variances, to obtain updates from recommendations from the previous report, and to discuss the process for the current exercise and changes, if any. It is also important to highlight and reiterate to participating projects and government agency that the EITI implementation follows the accrual basis of reporting which means that government payments due in 2023 although paid in 2022 or 2024 should be included in the reported amounts and payments made in 2023, but due for other year should be excluded. In addition, ensure participating projects to submit detailed supporting schedules for all payments to different government agencies for efficient reconciliation. Further, requests of audited financial statements to the SEC should be made once the targeted projects have already been finalized.

Strict implementation of DAO No. 2017-07. The issuance of the administrative order mandating mining contractors to participate in the PH-EITI project clearly shows the commitment of DENR-MGB to ensure more transparency and accountability from the sector. Show cause orders should be sent immediately to mining projects who did not participate and not after the report has been published. If reasons for non-participation is unjustified, there should be consequences.

Participation of oil and gas and coal sectors. While the oil and gas sector has been consistently well represented in the previous PH-EITI reports, we still recommend that the DOE issue an administrative order similar to DAO No. 2017-07 to further promote accountability and transparency in the sector especially in the coal sector.

Criteria for participation. Submission of schedule of payments should be considered as mandatory submission for participation since it is an integral part of the reconciliation process. Any delay in submission of the schedule of payments can lead to lower reconciled amount and higher post-reconciliation variance.

ORE. The ORE version utilized for the FY 2023 - FY 2024 Report is less efficient compared to the older version. Key functions such as (1) generating consolidated report across each sector; (2) downloading all disclosures of a project into one file; and (3) downloading submitted schedules and supporting documents without going to specific forms. Aside from the lacking functions, navigation is less user friendly. All of these led to the inefficiencies in validating the disclosures submitted in ORE.

Data centralization. Constraints due to infrastructure limitations (e.g. none or slow internet bandwidth) have been the primary source of issue on accessibility of data. While satellite and regional offices periodically report to head offices (i.e., NCR/ Metro Manila), delays in the data were the primary cause of variances and delays in the reconciliation procedures. MGB implemented measures (i.e. workshops, direct involvement in the gathering of data from the regional offices) that contributed to the improvement in the reconciled MGB revenue streams. However, MGB continues to struggle when it comes to monitoring for safety and health, social and environmental expenditures. MGB should enforce the regional office to report these expenditures together with their collections. Meanwhile, NCIP continues to have difficulty with gathering data from regional offices wherein most locations do not have readily available information on the royalty for IPs. In lieu of a centralized reporting system, the national office of NCIP should establish formal policies that will require regular reporting of regional offices. The national office of NCIP should institute policies and programs to monitor royalty for IPs paid by mining companies. These policies and procedures should also encompass tracking of the projects and programs paid for by these royalties.

B. Government agencies

Observation/s	Recommendation/s
Bureau of Internal Revenue (BIR)	
Data submitted by the BIR for the aggregate revenue streams form the entire extractive industry is less in terms of amount compared to revenue streams for participating projects which should not be the case since there are fewer companies that participated compared to the total companies in the entire extractive industry.	A meeting with the BIR after the request of data can be conducted to discuss the specifics of the request in order to lessen variances due to errors observed.
Submissions by the BIR for participating projects that are not considered as large taxpayers (LT) is normally incorrect specifically, corporate income tax for the year.	
Bureau of Local Government Finance (BLGF)	
In the reconciliation process, it was still observed that the data submitted by BLGF was incomplete. This is mainly due to the several system breakdown of ENRDMT, the main system used by the different LGUs for reporting. Refer to page 84, Section VI, Variances and discrepancies for details.	DOF, through MSG, could help BLGF in the assessment and improvement of ENDRMT since MSG is set to continuously improve ORE. Aside from the improvement of ENDRMT, focus should also be placed on training the personnel of the different LGUs on how to properly use the ENRDMT and how their work impact the PH-EITI exercise.
Department of Energy (DOE)	
Initial reconciliation variance for the government share in oil and gas production is relatively high compared to the previous reports which is considered unusual. Refer to page 84, Section VI, Variances and discrepancies for details.	Schedule of collections or detailed listing should also be required as part of DOE's submission to provide a more efficient reconciliation.
Mines and Geosciences Bureau (MGB)	
Submissions from the MGB do not include the corresponding project number (MPSA/FTAA), but only the company name whom they received the payment. As a result, it would be challenging to trace the payments if a company has multiple projects.	Submissions for revenue streams should at least include the project number, company name, receipt number, receipt date and amount for better result of reconciliation.
National Commission on Indigenous Peoples (NCIP)	
For the past 11 reports, NCIP has been consistently struggling in providing disclosures to PH-EITI.	An urgency should be placed on the implementation of NCIP monitoring tool for IP royalties.

CHAPTER 3

A DECADE OF TRANSPARENCY: 10 YEARS OF PH-EITI

TEN years of implementation under the Philippine Extractive Industries Transparency Initiative trace the gradual embedding of transparency within the country's extractive governance framework. Since 2013, extractive transparency in the Philippines has expanded from an initial focus on disclosure and reconciliation into a sustained multi-stakeholder process that has influenced institutional practices, policy discussions, and public engagement.

The evolution of PH-EITI reflects how legal constraints were navigated, government systems adapted to new disclosure requirements, and participatory spaces widened over time, particularly for civil society and local stakeholders. Viewed across successive milestones, the Philippine experience illustrates how transparency has been used not only to clarify revenue flows and contractual arrangements but also to strengthen accountability, support evidence-based reform, and respond to the complex social, environmental, and economic realities that continue to shape extractive governance.

To capture this progression, the Decade of Transparency is organized into six sections, each highlighting a distinct focus area that marks a critical shift in PH-EITI's approach and impact:

2012–2014

The Foundational Years and Institutionalization

2015–2017

Global Recognition and Digital Foundations

2018–2020

Innovation in Digital Infrastructure and Stakeholder Engagement

2020–2022

Resilience Amidst Crisis

2023

The Decade Mark and Strategic Horizons

2023 Strategic Objectives: Looking Forward

2012–2014 The Foundational Years and Institutionalization

Establishing the Foundations of Extractive Transparency

In 2013, the Philippines formally entered the Extractive Industries Transparency Initiative (EITI) and established the institutional foundations of PH-EITI. Following Executive Order No. 79 issued in 2012, the Multi-Stakeholder Group was constituted in January 2013, bringing together government, industry, and civil society to oversee implementation. The country was admitted as an EITI Candidate Country in May 2013, signaling its commitment to international transparency standards, and this was consolidated with the issuance of Executive Order No. 147 on 26 November 2013, which formally established PH-EITI as a government-led, multi-stakeholder initiative. These developments coincided with the 6th EITI Global Conference in Sydney, where the first EITI Standard was adopted, expanding transparency beyond revenue reconciliation to include broader governance disclosures. Together, these milestones positioned PH-EITI at its inception as a framework for advancing accountability across the extractive sector.

Stakeholder Mobilization: The 2014 National Conference

In May 2014, PH-EITI convened its 2nd National Conference, a landmark event where the first annual activity report (covering August 2012–May 2014) was presented. This event was crucial for "socializing" the concept of transparency. It served as a platform for a "sectoral assessment" where MSG members critically evaluated their participation. This reflexivity allowed the group to identify early weaknesses—such as the need for broader local government engagement—and strengths, particularly the high level of commitment from key government agencies.

Outreach activities during this period were extensive. The Secretariat and MSG members traveled to mining communities, holding forums with local government units (LGUs) and conducting mine site visits. These visits were critical for context; stakeholders saw firsthand the operations, environmental protection measures, and social development programs that the financial data represented.

WHERE TRANSPARENCY MET THE GROUND

BENCHMARK

The First Country Reports: Unearthing the Data

The report did more than just reconcile figures; it acted as a diagnostic tool for government systems. The reconciliation process revealed fragmented data management across agencies like the MGB, BIR, and DOE. Discrepancies in the figures often pointed not to corruption, but to incompatible recording systems or differences in accounting standards (cash vs. accrual). This prompted the MSG to recommend the standardization of data fields and reporting templates, a move that would later evolve into the creation of digital reporting tools.

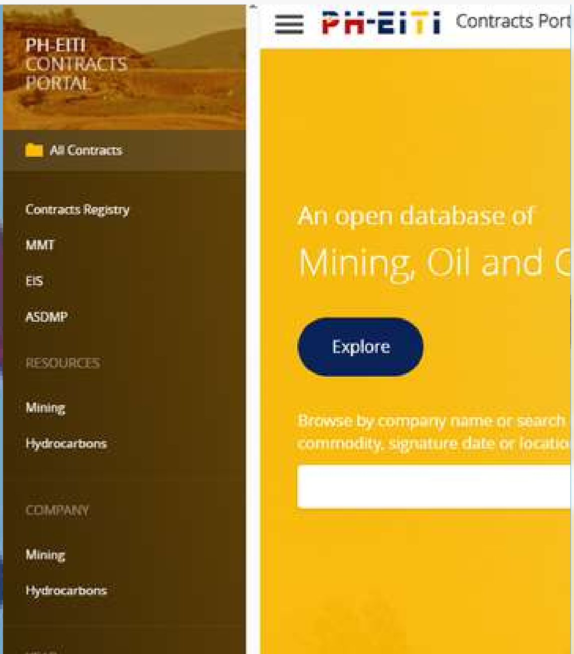
The report did more than just reconcile figures; it acted as a diagnostic tool for government systems.

The reconciliation process revealed fragmented data management across agencies like the MGB, BIR, and DOE. Discrepancies in the figures often pointed not to corruption, but to incompatible recording systems or differences in accounting standards (cash vs. accrual). This prompted the MSG to recommend the standardization of data fields and reporting templates, a move that would later evolve into the creation of digital reporting tools.

2015-2017
Global Recognition and Digital Foundations

The Contracts Portal

Transparency in the extractive sector is incomplete without access to the actual contracts that define the fiscal and social terms of extraction. To address this, PH-EITI launched the Contracts Portal on October 26, 2015. This open database serves as a central repository for mining, oil, and gas contracts in the Philippines.



The portal allows users to browse contracts by company name, contract type (e.g., Mineral Production Sharing Agreement, Financial or Technical Assistance Agreement), commodity, and location. By making these legal documents public, PH-EITI enabled civil society, media, and analysts to scrutinize the specific fiscal terms, environmental obligations, and social commitments agreed upon by the government and contractors. This created a new layer of accountability, allowing communities to verify if companies were adhering to their contractual obligations.

True transparency begins where the contracts are open to all.

The Environment and Natural Resources Data Management Tool (ENRDMT)

Launched in November 2015, ENRDMT was a direct response to the persistent difficulties LGUs faced in tracking their shares of national wealth. Developed in partnership with the Department of Finance-Bureau of Local Government Finance (BLGF) and the Philippine Poverty-Environment Initiative (PPEI), this web-based system allowed local treasurers to report revenues from extractive industries directly.

The ENRDMT facilitated the reporting of three critical data streams:

1. Local taxes and fees (direct payments made by mining companies to the LGU e.g., real property tax, business tax);
2. Shares from National Wealth – monitoring the 40% mining tax share due to LGUs, amid persistent delays and opacity
3. Expenditures (tracking how LGUs utilized these receipts, linking revenue to development outcomes).

The EITI International Chair's Award

The global EITI community took notice of the Philippines' rapid progress and innovative approaches. On February 24, 2016, during the opening ceremony of the 7th EITI Global Conference in Lima, Peru, the Philippines was honored as one of the recipients of the EITI International Chair's Award.

This award recognized the Philippines for its "impactful implementation" of the EITI. The citation specifically highlighted the country's ability to translate transparency into tangible policy reforms and its success in embedding EITI principles into government systems. It acknowledged the development of pioneering digital solutions for Local Government Units (LGUs) to report and manage extractive revenues, setting a precedent for other implementing nations to follow.

The 2017 Validation

The most defining moment of this period came on October 5, 2017, when the EITI International Board declared the Philippines as the first country among over 50 implementing nations to achieve "Satisfactory Progress" under the rigorous 2016 EITI Standard.

Validation is the EITI's quality assurance mechanism, assessing countries on a wide array of requirements ranging from civil society engagement to data reliability and revenue management. Achieving "Satisfactory Progress" (the highest rating available at the time) so soon after joining the initiative was a testament to the robust, genuine multi-stakeholder dialogue that PH-EITI had fostered. It validated the "Philippine model" of EITI—one that was government-led but genuinely participatory, where civil society had a strong, critical voice, and industry was an active, cooperating partner. This achievement solidified the Philippines' status as a model for extractive transparency globally.

2018-2020

Innovation in Digital Infrastructure and Stakeholder Engagement

Online Reporting in the Extractives (ORE) Tool

To streamline the massive data collection process involved in producing the annual country reports, PH-EITI developed the Online Reporting in the Extractives (ORE) tool which was launched in August 2018. This digital platform replaced the cumbersome manual Excel templates that companies and government agencies previously had to fill out and submit via email.

The ORE tool centralized reporting for mining, oil, and gas companies, as well as national government agencies. It improved data accuracy by enforcing validation rules at the point of entry, reduced the time required for reconciliation by the Independent Administrator, and facilitated the automated generation of data summaries. By digitizing the submission process, PH-EITI significantly reduced the administrative burden on reporting entities and accelerated the publication timeline of annual reports, ensuring that the data released to the public was more timely and relevant.

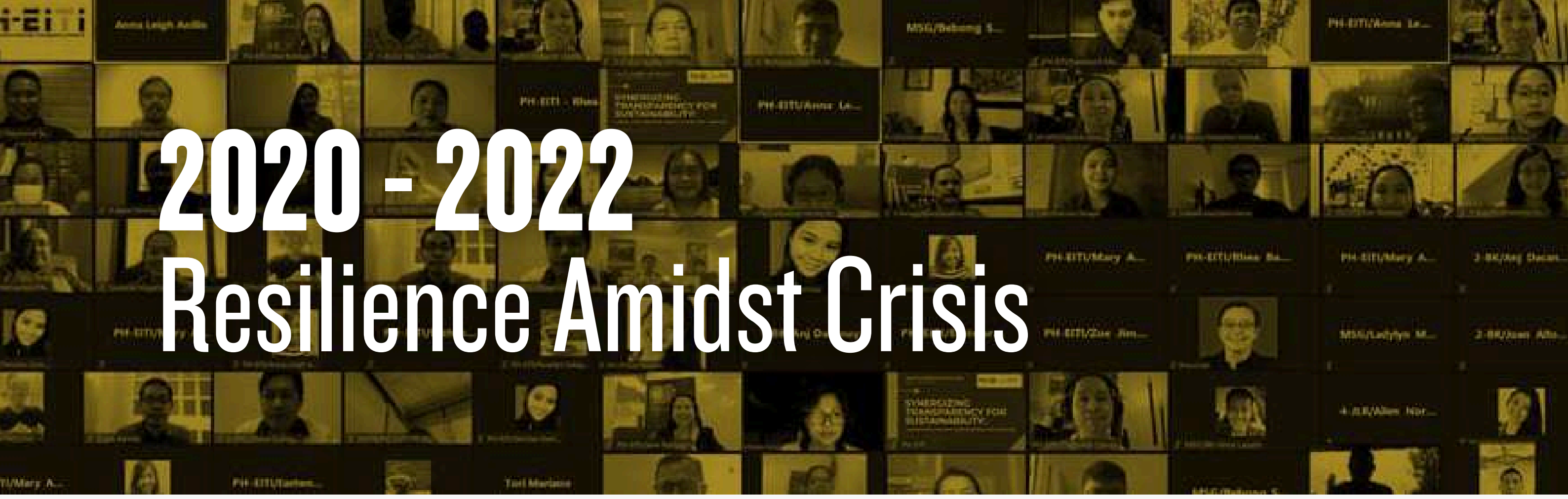
ORE: Turning Manual Reporting into Real-Time Insight

Institutionalizing LGU Roadshows

PH-EITI institutionalized LGU Roadshows, a series of regional forums designed to bring the findings of the EITI reports directly to the communities hosting extractive activities. Unlike the high-level national conferences, these roadshows were grounded in local realities. They served as feedback mechanisms where local officials, indigenous peoples, and community leaders could voice concerns about environmental degradation, delayed revenue shares, and the implementation of Social Development and Management Programs (SDMP).

These engagements highlighted a critical gap: while national data might reconcile, local realities often differed. For instance, a company might report paying excise taxes to the national government, but the host municipality might not have received its lawful share of those taxes for years. This feedback loop informed the MSG's policy recommendations, leading to stronger advocacy for the timely release of LGU shares from national wealth.

Reports Shared. Voices Heard.



2020 - 2022
Resilience Amidst Crisis

Virtual Roadshow: Online Learning on Extractives (OnLearn)

In 2020, in response to the COVID-19 pandemic, the Philippine Extractive Industries Transparency Initiative (PH-EITI) replaced its physical LGU Roadshow with the Online Learning on Extractives (OnLearn), a virtual series of regional webinars. The goal was to maintain dialogue, gather feedback on the latest report, and promote better resource governance for national and community development.

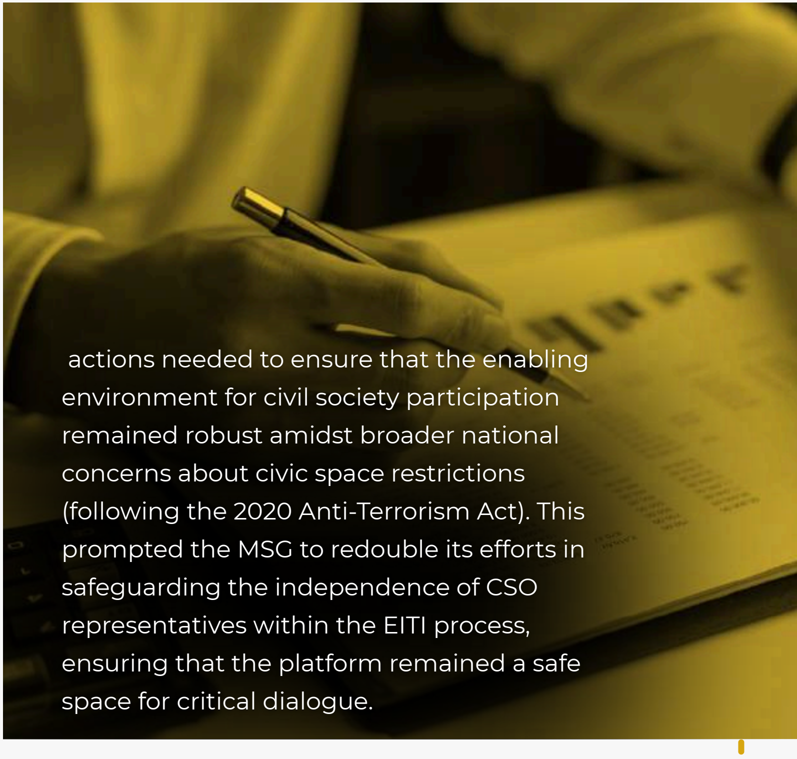
The program was structured in two main phases: The first phase (Phase 1), with the subtheme of "Making Extractive Information Work for Data Providers and Users", was attended by 273 participants from local government units, national government agencies, extractive companies, and civil society organizations who are responsible for or immediately use the EITI data. Meanwhile, the second phase (Phase 2), with the subtheme of "Making Extractive Information Work for the Members of the Community", involved 106 leaders and members of community-organized groups focused on natural resource governance and environmental protection. Both phases utilized Zoom and Facebook to ensure wide accessibility and participation.

The 2020 Country Report: Pandemic Resilience

The FY 2020 PH-EITI Report, published in December 2022, provided a crucial snapshot of the industry's resilience during the height of the pandemic. Despite a 9.5% contraction in the national GDP, the report revealed that the metallic mining sector actually saw a 24% increase in reconciled revenue and a 16% increase in employment.

This counter-cyclical performance highlighted the potential of the extractive sector to anchor economic recovery. The report also documented a critical policy pivot: the Mines and Geosciences Bureau (MGB) authorized companies to realign their unutilized Social Development and Management Program (SDMP) funds to support COVID-19 relief efforts in their host communities. This flexibility allowed mining funds to be used for immediate health and economic needs, such as purchasing PPEs and food packs, demonstrating the sector's role in local resilience.

Second Validation and Corrective Actions



In 2021, the Philippines underwent its second Validation under the updated 2019 EITI Standard. On February 17, 2022, the EITI Board awarded the Philippines a "Moderate Overall Score". While this was a step down from the "Satisfactory" rating of 2017, it reflected a more rigorous validation framework and stricter requirements regarding civil society space. The assessment acknowledged strong technical implementation but identified corrective actions needed to ensure that the enabling environment for civil society participation remained robust amidst broader national concerns about civic space restrictions (following the 2020 Anti-Terrorism Act). This prompted the MSG to redouble its efforts in safeguarding the independence of CSO representatives within the EITI process, ensuring that the platform remained a safe space for critical dialogue.

The Decade Mark and Strategic Horizons

2023

The 10th Anniversary: Extractives Transparency Week 2023

To commemorate a decade of implementation, PH-EITI hosted the Extractives Transparency Week (ETW) in November 2023. This event brought together over a thousand stakeholders to celebrate the "Decade of Transparency."

Finance Secretary Benjamin Diokno highlighted the initiative's cumulative achievements: eight country reports published covering nine fiscal years, reconciling over PHP 405.4 billion in government revenues, and covering over 100 extractive projects. The event served as a renewal of commitment, with government, industry, and civil society pledging to sustain the reforms achieved and to institutionalize EITI through legislation.

The "SET-UP-GO" Program

To formalize and expand subnational engagement, the Department of Finance and PH-EITI committed to the Subnationalizing Extractives Transparency – Ushering Participatory Governance (SET-UP-GO) program. This initiative was enshrined under the 6th PH-OGP National Action Plan (covering 2023-2027, though the strategy's roots and pilots began earlier in this period).

SET-UP-GO aims to establish functional participatory spaces at the local level by: empowering Provincial Mining Regulatory Boards (PMRBs) and Multipartite Monitoring Teams (MMTs) to use EITI data for decision-making and monitoring; extending digital reporting tools to the local level to ensure real-time data flow from the ground up; and ensuring that civil society has a protected and active role in local governance structures regarding extractives, allowing them to monitor environmental compliance and social expenditures without fear of reprisal.

Participation, set in motion

2023
Strategic Objectives: Looking Forward

Looking forward, the MSG identified key strategic objectives for 2023-2028, reflecting the evolving landscape:

Full Subnational Implementation

Rolling out the EITI process to the local level to ensure communities are the primary beneficiaries of data.

Policy Formulation

Using EITI data to craft evidence-based policy proposals, particularly regarding the fiscal regime of mining and revenue sharing.

Gender and Inclusion

Expanding reporting to cover gender-disaggregated data and the impacts of mining on women, following the findings of the 2020 scoping study on Women and Large-Scale Mining. This recognizes that the costs and benefits of extraction are often experienced differently by men and women.

PH-EITI MSG Through the Years

Looking back over more than a decade of PH-EITI implementation reveals a continuum of public service, collaboration, and shared responsibility. Since the release of the first Country Report in 2012, individuals from government, industry, and civil society have stepped forward—often behind the scenes—to steward the EITI process in the Philippines.

Across successive reporting cycles, these members contributed not only technical expertise and institutional knowledge, but also the time, patience, and leadership required to sustain dialogue across sectors with different mandates and interests. Some served for a single reporting year, others across multiple terms, yet each played a role in strengthening data disclosure, shaping policy conversations, and embedding transparency within extractive governance.

This look back recognizes those contributions as part of a collective legacy. It affirms the MSG not merely as a reporting body, but as a living space where trust was built, reforms were tested, and accountability was advanced through sustained multi-stakeholder engagement.

PH-EITI MULTISTAKEHOLDER GROUP
Members from 2012 to 2024

Government Sector

- Adriano, Karlo Fermin S.
- Agabin, Bayani H.
- Agustin, Docena †
- Agustin, Elsa P. †
- Beltran, Gil S.
- Bichara, Al Francis C.
- Bonagua, Anna Liza F.
- Cauton, Maricor Anne D. G.
- Cerdena, Thelma
- Chiva, Rosauro B.
- David, Carlos Primo C.
- Galindes, Ana Martha
- Grafilo, Pamela
- Habitan, Ma. Teresa S.
- Iringan, Marlo I.
- Jacinto, Mario Luis J.
- Jariel, Nenito C., Jr.
- Juan, Michael Joseph U.
- Lazaro, Reginald
- Maralli, Alfonso A., Jr.
- Medina-Guce, Maria Czarina
- Miguel, Arvi
- Monsada, Zenaida Y.
- Moncano, Wilfredo G.
- Navarro, Agustus Cesar A.
- Obillo, Melita V.
- Ocampo, Ismael
- Padua, Miriam
- Panadero, Austere A.
- Paul, Jeremias N., Jr.
- Prestado, Jeffrey
- Quizon, Ma. Pamela P.
- Raymundo, Alain
- Racho, Juabilly P.
- Sales, Alessandro O.
- Sayo, Bernardino E.
- Soluta, Araceli S.
- Tamang, Jesus
- Umali, Alfonso V., Jr.
- Valeroso, Nestor S.

Industry Sector

- Adaci-Cattiling, Joan D.
- Arañes, Francisco J., Jr.
- Austin, Eulalio B., Jr.
- Ballesteros, Francis Joseph G., Jr.
- Brimo, Gerard H.
- Caral, Jose Ma. Emmanuel A.
- Cutiongco, Edgar Benedict C.
- Disini, Artemio F.
- Ferrer, Anthony P.
- Halcon, Nelia C.
- Javier, Odette A.
- Leviste, Jose P., Jr.
- Mallari, Josie
- Migriño, Renato N.
- Norman, Bradley
- Ong, James G.
- Osorio, Jhon
- Paulino, Rolando J., Jr.
- Pimentel, Clarence J.
- Quiniones, Sebastian C.
- Recidoro, Ronald Rex S.
- Riñon, Erwin R.
- Samson, Emmanuel L.
- Santos, Sabino L.
- Santiago, Maria Eleonor

Civil Society Organizations

- Barnacha, Ronald Allan A.
- Barrios, Becky S.
- Baltar, Aniceta C.
- Batongbacal, Jay L.
- Benjamin, Golda S.
- Besmanos, Beverly F.
- Blanco, Augusto S., Jr.
- Cuaresma, Nelson C., Jr.
- Dadizon, Silvestra N.
- Docena, Agustin
- Galicha, Rodne R.
- Garcia, Leonora †
- Gonzales, Maria Rosario Aynon A.
- Gonzales, Roldan †
- Jontilla, Jansen
- Lamanilao, Jose Melvin A. †
- Lazatin, Vincent T.
- Llanos, Chadwick
- Maata, Buenaventura M., Jr.
- Magno, Cielo D.
- Mangada, Ladylyn L.
- Mani, Merian C.
- Okubo, Jeanira G.
- Pajares, Glenn G.
- Pimentel, Maria Kristina
- Sevilla, Arlene N.
- Sta. Ana, Filomeno S., III
- Tabada, Maria Aurora Teresita W.
- Trillanes, Chito U.
- Veridiano, Esther Roxanne
- Villanueva, Starjoan D.


PH-EITI
Philippine Extractive Industries Transparency Initiative

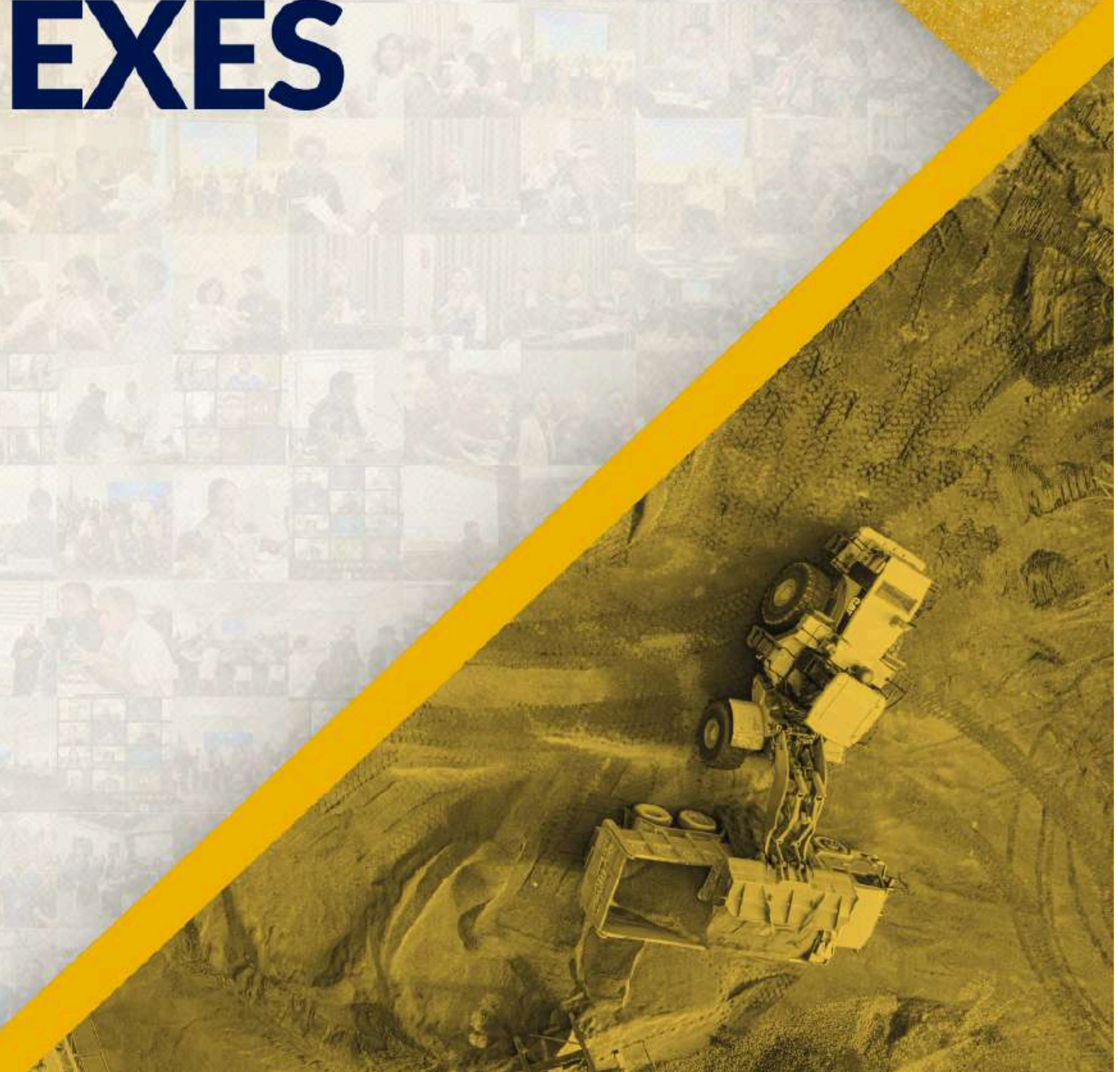
PH-EITI FY 2023 - 2024

COUNTRY REPORT

Expanding Horizons

Promoting Accountability through Transparency and Inclusive Participation in Extractive Governance

ANNEXES



ANNEXES

Contextual Chapter

Annex I-1. Beneficial Ownership Categories (Based on SEC Definitions Used by PH-EITI)

Category	Definition (PH-EITI / SEC)
A	Natural person(s) owning, directly or indirectly or through a chain of ownership, at least 25% of the voting rights, voting shares, or capital of the reporting corporation.
B	Natural person(s) who exercise control over the corporation, alone or with others, through any contract, understanding, relationship, intermediary, or tiered entity.
C	Natural person(s) having the ability to elect a majority of the board of directors/trustees or similar governing body.
D	Natural person(s) having the ability to exert dominant influence over management or company policies.
E	Natural person(s) whose directions, instructions, or wishes are carried out by a majority of the board, who are accustomed or obligated to act accordingly.
F	Natural person(s) acting as stewards of the properties of corporations where such properties are under their care or administration.
G	Natural person(s) who own or control the corporation through nominee shareholders or nominee directors acting for or on their behalf.
H	Natural person(s) ultimately owning or controlling, or exercising ultimate effective control, through other means not covered by the earlier categories.
I	Natural person(s) exercising control through positions held within the corporation—e.g., board members, trustees, or senior management who direct daily operations. This category applies only when no natural person can otherwise be identified after exhausting all means.
No Category Specified	Individuals identified only by position (Chairman, Director, Board Member) with no category assigned.

Annex I-2. List of Small-Scale Mining Contracts issued in 2023 and 202

List of Small-Scale Mining Contracts Issued in 2023 and 2024

REGION		MINAHANG BAYAN PETITIONER/S	COMMODITY	PROVINCE	MUNICIPALITY	BARANGAY	SSM CONTRACT HOLDER	Contract Area (Ha)	SSMC DATE
CAR	Luzon	Loacan Itogon Pocket Miners Association	Gold	Benguet	Itogon	Loacan	Loacan Itogon Pocket Miners Association (LIPMA)	15	21-Sep-23
CAR	Luzon	Bulawan Land Owners Small-Scale Mining Association	Gold	Apayao	Calanasan	Butao	Bulawan Land Owners Small-Scale Mining Association (BLOSSMA)	20	04-Jun-24
CAR	Luzon	Roman T. Austodillo	Gold	Apayao	Calanasan	Eva Garden	Ycalanasan Minahang Bayan	20	04-Jun-24
4A	Luzon	Buenavista Quezon Small-Scale Miners and Producers Association	Gold	Quezon	Buenavista	Bulo, Bayog and Cadlit	Villa Mina Multi-purpose Cooperative	5	29-Aug-24
5	Luzon	LGU Camarines Norte	Gold	Camarines Norte	Paracale	Casalugan	Samahan ng mga Minero sa Barangay Casalugan	5	11-Apr-24
5	Luzon	LGU Camarines Norte	Gold	Camarines Norte	Paracale	Casalugan	Tugos Small Scale Miners Association	5	19-Apr-24
5	Luzon	Magkamatao Small Scale Miners Association (MSSMA)	Gold	Camarines Norte	Labo	Malaya	Magkamatao Small Scale Miners Association (MSSMA)	20	19-Nov-24
5	Luzon	Mambulao Miner Mining and Quarrying Service (MMMQS)	Gold	Camarines Norte	Jose Panganiban	Sta. Rosa Norte	Mambulao Miner Mining and Quarrying Service (MMMQS)	10	12-Nov-24
5	Luzon	Mambulao Miner Mining and Quarrying Service (MMMQS)	Gold	Camarines Norte	Jose Panganiban	Sta. Rosa Norte	Santa Rosa Miners Group	9.4283	12-Nov-24
10	Mindanao	Brgy. Government of Gango	Gold	Bukidnon	Libona	Gango	Gango Small-Scale Miners Cooperative Association Inc.	20	26-Mar-24
10	Mindanao	Impahanong-Amusig Higaonon Tribal Community Organization (IAHTCO), Inc.	Chromite	Bukidnon	Malitbog	San Luis	Eddie Chromite Mining	20	26-Mar-24
11	Mindanao	Nabunturan Integrated Miners Development Cooperative	Gold	Compstela Valley	Nabunturan	Mainit	Nabunturan Integrated Miners Development Cooperative (NIMDC)	20	22-May-23
11	Mindanao	Panoraon Small-Scale Miners Cooperative	Gold	Compstela Valley	Maco	Panoraon	Panoraon Small Scale Miners Cooperative	20	05-Apr-24
12	Mindanao	Desawo Integrated Small-Scale Mining Association Inc.	Gold/Silver	South Cotabato	T'boli	Desawo	Desawo Integrated Small-Scale Mining Association, Inc. (DISSMAI)	20	07-Dec-23
12	Mindanao	T'boli Minahang Bayan Multi-Purpose Cooperative	Gold/Silver	South Cotabato	T'boli	Kematu	Maguan Clan Small-Scale Mining Association, Inc.	20	16-Mar-23
12	Mindanao	T'boli Minahang Bayan Multi-Purpose Cooperative	Gold/Silver	South Cotabato	T'boli	Kematu	T'boli Minahang Bayan Multi-Purpose Cooperative	20	16-May-23
12	Mindanao	Datu Jun K. Camsa	Gold	Sultan Kudarat	Bagumbayan & Isulan	Chua & Bual	R12 CADC 138 Small-Scale Mining and Agro-Forestal Workers Association	20	23-Apr-24

List of Small-Scale Mining Contracts Issued in 2023 and 2024

REGION		MINAHANG BAYAN PETITIONER/S	COMMODITY	PROVINCE	MUNICIPALITY	BARANGAY	SSM CONTRACT HOLDER	Contract Area (Ha)	SSMC DATE
12	Mindanao	Datu Jun K. Camsa	Gold	Sultan Kudarat	Bagumbayan	Chua	HGSC Precious Metal Mining	20	23-Apr-24
12	Mindanao	Arnold B. Nor	Gold	Sultan Kudarat	Bagumbayan	Bai Saripinang	ABN Nature Copper Ore Mining	20	06-Dec-24
12	Mindanao	Fludi Tuan Small Scale Mining Cooperative	Gold	South Cotabato	T'boli	Kematu	Fludi Tuan Small Scale Mining Cooperative (FTSSMC)	20	13-Mar-24
13	Mindanao	Masabong Village SSM Association	Gold/Silver	Agusan Del Sur	Rosario	Bayugan 3	Vicencio P. Ocite (VP0) Enterprise and Gold Processing	20	13-May-24
13	Mindanao	Masabong Village SSM Association	Gold/Silver	Agusan Del Sur	Rosario	Bayugan 3	Rosario Manobo Tribal Association, Inc. (ROMATRA)	20	13-May-24
13	Mindanao	Masabong Village SSM Association	Gold/Silver	Agusan Del Sur	Rosario	Bayugan 3	Lilibeth R. Tion	20	13-May-24
13	Mindanao	Nagkahiusang Gagmayng Mag-uuma Association (NGMA)	Gold	Surigao del Norte	Placer	Magsaysay	Ms. Julieta Abadiez Felicia	20	11-Jul-24