PROPOSED INTERNAL RULES OF THE PHILIPPINE EXACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (PH-EITI)

The following internal rules of procedure are hereby adopted by the PH-EITI Multi-Stakeholder Group (MSG).

TITLE I. STATEMENT OF PRINCIPLES.

ARTICLE I. Engagement between government, business and civil society stakeholders in the Group will be based on the following principles:

a. Local ownership and inclusive dialogue – provide an environment where all participants can engage freely and openly;
b. Transparency – provide all parties, as well as the general public, timely access to relevant and verified information/data, subject to the limits set by law;
c. Accountability – abide by the policies, standards and guidelines of engagement that may be agreed upon, and fulfill commitments;
d. Integrity – adhere to moral and professional standards in fulfilling our commitments;
e. Inclusivity – freely appoint their own representatives, bearing in mind the desirability of pluralistic and diverse implementation;
f. Partnership – cooperate, share responsibilities and uphold mutual respect to ensure that the objectives of the engagement are achieved;
g. Consultation, Capacity-Building and Empowerment – enhance knowledge-sharing and continuing dialogue;
h. Respect for Internal Processes – understand and abide by the limitations of stakeholders with respect to the nature of information to be disclosed and the extent of involvement based on institutional/legally imposed limitations;
i. Sustainability – ensure continuing engagement by instituting progressive policies and operational mechanisms that will promote an environment of mutual trust; and
j. National Interest – uphold the national welfare above the interests of organizations or individuals.

TITLE II. COMPOSITION OF PH-EITI

ARTICLE I. THE MULTI-STAKEHOLDERS GROUP

SECTION 1. Roles. The Philippine Extractive Industries Transparency Initiative Multi-Stakeholder Group (PH-EITI MSG) is a group that provides a platform for business and civil society stakeholders to engage government in the implementation of EITI in the Philippines. Through this, stakeholders are treated as partners in an inclusive decision-making process and are provided the opportunity to participate in the development, implementation, monitoring and evaluation of the Philippine EITI Work Plan. The specific
roles of the MSG shall be pursuant to those defined under their duly approved Terms of Reference.

SECTION 2. MSG Members. The MSG shall consist of the following:

1. Five (5) Government Representatives which will include senior officials from the following offices/ institutions:
   - Department of Finance (DOF)
   - Department of Environment and Natural Resources (DENR)
   - Department of the Interior and Local Government (DILG)
   - Department of Energy (DOE)
   - Union of Local Authorities of the Philippines (ULAP)
2. Five (5) Business Group Representatives
3. Five (5) Civil Society Organizations (CSOs) Representatives

The Business Group and the CSOs shall each designate 5 full and 5 alternate representatives to the PH-EITI MSG.

SECTION 3. Terms of MSG members. All members of the PH-EITI MSG shall serve for a term of 3 years. Representatives may be re-appointed. It shall be the responsibility of each sector to ensure the continuity of representation and institutional memory within the MSG.

SECTION 4. Replacements, resignation, and vacancies. Replacements of MSG members or voluntary resignation of any member shall be in accordance with the respective rules of independent processes of the sector concerned, provided that such replacement shall only serve for the unexpired term of the representative replaced. The affected sector shall notify the entire MSG in writing of such vacancy within two days from its occurrence, and shall fill up the vacant position within fifteen working days from such notification.

SECTION 5. PH-EITI Chairperson. The PH-EITI MSG will be chaired by the designated representative from the Mining Industry Coordinating Council (MICC), and co-chaired by chosen representatives of the Business Sector and CSOs who shall be selected pursuant to their respective selection processes. The Chair will be responsible for organizing a secretariat, which will coordinate the PH-EITI's work and organize other related activities.
ARTICLE II. THE TECHNICAL WORKING GROUP

SECTION 1. Roles of the TWG. The PH-EITI Technical Working Group is constituted to extend such technical assistance and cooperation as the PH-EITI may need in the exercise of its powers, execution of its functions and discharge of its duties and responsibilities.

SECTION 2. TWG members. The TWG is composed of departments, bureaus, offices, agencies or instrumentalities of the Government, including government-owned and controlled corporations, and representatives of the business sector and civil society organizations. There shall be five representatives from the government, two representatives from the business sector, and two representatives from civil society organizations who will be chosen pursuant to their respective selection mechanisms. TWG members may be selected from within or outside of the MSG, provided, that the MSG Chair shall likewise be the Chair of the TWG.

SECTION 3. Applicability of provisions. Except when otherwise provided, or when inconsistent with specific provisions under this Article, all provisions in these Rules governing the MSG shall also be applicable to the TWG.

ARTICLE III. THE SECRETARIAT

SECTION 1. Composition and roles. The PH-EITI Secretariat shall be lodged under the Department of Finance. It shall be composed of the National Coordinator and other necessary staff. The Secretariat shall:

1. Run the day-to-day operations of PH-EITI under the direction of the MSG through its Chair;

2. Keep an updated Members' Registry and directory at all times;

3. Prepare and keep a record of all official documents of PH-EITI including the MSG's Terms of Reference, minutes of all MSG and TWG meetings, reports, studies commissioned by PH-EITI, as well as documentation of all EITI trainings and conferences. All such minutes shall be published on the PH-EITI website;

4. Maintain and constantly update PH-EITI's official website;

5. Maintain a data base of all EITI-related information and secure such information from relevant government agencies and other entities;

6. Coordinate with all the stakeholders regarding EITI activities;
7. Coordinate with EITI International Secretariat to track the development of EITI implementation at the international level and to update the International Secretariat on the development of EITI in the Philippines; and

8. To do such other functions as may be assigned by the MSG and the TWG.

SECTION 2. Role of the National Coordinator. The Secretariat shall be led by a full-time national coordinator who will manage the day-to-day running and other activities of the secretariat, including the selection of necessary staff. He/she shall provide support to the MSG and the TWG, and shall report to the said bodies through the MSG Chair. The National Coordinator, or his/her appointee from the Secretariat, shall serve as secretary to MSG and TWG meetings, trainings, and conferences.

TITLE III. ADMINISTRATIVE PROVISIONS

ARTICLE I. PROCEEDINGS

SECTION 1. Regular meetings. The Multi-Stakeholder Group and the TWG will meet once a quarter or as often as necessary. Full and alternate members shall attend and participate in the PH-EITI MSG meetings.

SECTION 2. Special meetings. In case of urgency, special meetings may be called at the instance of any MSG or TWG member upon approval of majority of the members.

SECTION 3. Notice and Agenda. The Chair will call and preside MSG meetings. Notices shall be sent out by the PH-EITI Secretariat a minimum of one week before the date of the meeting. The Secretariat shall prepare, subject to the approval of the Chair, the provisional agenda for each MSG and TWG meeting and shall communicate to the MSG or TWG members, as the case may be, the provisional agenda and related documents, at least one week before the scheduled meeting. Any member of the MSG or the TWG, as the case may be, shall have the right to propose an item for inclusion in the provisional agenda. Proposal of such items may be done by communicating the same to the Chair directly or through the secretariat any time before the start of the scheduled meeting, or in the course of the consideration of the provisional agenda during the meeting itself. The agenda of each session or meeting shall be adopted by majority of the members present in the meeting.

SECTION 4. Quorum. The quorum for such meetings shall require the presence of at least three representatives each from the Government, the Business Group and the CSOs.
SECTION 5. Venue. MSG meetings shall be conducted at the Department of Finance or in such other offices within or outside of Metro Manila, and at such time as may be agreed upon by the MSG.

SECTION 6. Participation of non-MSG members. Resource persons, consultants, and support staff may be allowed to participate in MSG meetings upon invitation by the MSG.

SECTION 7. Only full and alternate members are allowed to attend MSG meetings. However, whenever appropriate, and as may be decided upon by all the members, public consultations, focus group discussions and such other similar activities that may be participated in by the public, may be conducted.

SECTION 8. Minutes. The secretariat shall handle the documentation and preparations of the minutes of the meetings. The highlights, agenda, minutes of the meetings and all supporting documents shall be circulated to the members of the group one week after the meeting. The members will also have one week to send their comments, and no comment will be considered approval. In case an MSG member suggests a revision and the same is not contested by other MSG members within one week after circulation in the e-group, such revision will be incorporated by the Secretariat in the version that will be submitted for approval at the next MSG meeting. In case the suggested revision is contested by other MSG members, the conflicting versions shall be resolved during the next MSG meeting.

Implementation of the decisions made by the MSG will be reported by the Secretariat and will be discussed in the subsequent MSG meeting.

In preparing the minutes, the Chatham House Rule shall be adhered to. Such Minutes shall record the names of those present, the resolutions made at the meetings and, where appropriate, the reasons for the resolutions. The Secretariat shall also keep an audio recording of all meetings of the MSG and TWG.

The final version of the minutes shall be approved by the MSG at the succeeding meeting.

ARTICLE II. RECORD KEEPING.

SECTION 1. Accessibility of files. The files of PH-EITI are, as a general rule, open and accessible to the public, subject to the following rules:

1. Documents disclosed to the EITI on any matter concerning operational and/or business matters, which for competition reasons are important to keep secret
in the interests of the person whom the information concerns, are exempted from access. For example, a business secret would normally be exempted if disclosure has the potential of influencing the competitive position of the company in question.

2. Documents revealing information received from a third party are exempted from access if disclosure is likely to influence legitimate interests of that third party. For example, access to documents will not be granted if the personal security of the third party and/or his family and/or any person closely connected to the third party in question may be endangered. Further, the protection of personal privacy will also qualify as legitimate interest and thus be exempted.

3. EITI internal working documents are exempted from access. For example, documents from the International Secretariat to the MSG are considered internal. E-mails between EITI colleagues are considered to be internal working documents. In contrast, final minutes from MSG and TWG meetings are not internal documents.

4. Personal information related to the MSG and secretariat is exempted from access. For example, documents on evaluations made in connection with recruitment and dismissal, and/or documents regarding assessments of staff performance and/or personal information about staff and MSG members are exempted from access. On the other hand, all contracts, salaries of EITI Secretariat, compensation and expense accounting are public.

Section 2. Official website. PH-EITI shall maintain a publicly accessible website which shall contain all relevant information pertaining to PH-EITI’s operations and activities. All contents of the website shall be approved by the MSG except for ministerial matters which may be delegated to the Secretariat such as the uploading of final minutes, duly approved work plans, budget and reports, commissioned studies, and documentation of PH-EITI’s public activities.

TITLE IV. DECISION MAKING

ARTICLE I. PROCEDURAL AND SUBSTANTIVE REQUIREMENTS

SECTION 1. Consensus. The MSG shall make decisions by consensus. For this purpose, consensus shall be construed to refer to positions reached by the body as a whole, or the middle ground between agreement and disagreement, at which level the parties are amenable to proceed to achieve the desired objective. For urgent matters where decision is immediately needed, necessary information shall be circulated through email so that decisions can be made electronically, also by consensus.
SECTION 2. Official acts and agreements. The MSG’s official acts and agreements shall be embodied in the minutes of the meetings duly approved by the MSG provided that when the MSG deems it necessary, certain official acts or agreements shall be in the form of resolutions signed by all MSG members.

TITLE V. FINANCES

ARTICLE I. SOURCE OF FUNDS AND FUND MANAGEMENT

SECTION 1. Source of funds. The funds of PH-EITI shall come from the Philippine government and other development partners.

SECTION 2. PH-EITI’s receipt of grants should be purely gratuitous and not conditioned upon the performance of any obligation, the imposition of any burden, or the adoption of any stand by any member of the MSG, TWG, and Secretariat. Neither should such grants be used, directly or indirectly, to engage in partisan political activity.

SECTION 3. Bank account. The PH-EITI shall maintain a separate account to be created by the Department of Finance. The internal rules of the DOF shall be followed with respect to the persons authorized to approve expenses and disbursements, to withdraw from such account, and to sign all documents pertaining to the same.

SECTION 4. Use of Funds. The said funds can be used for any activity falling within the objectives of the PH-EITI and the work plans approved by the MSG.

SECTION 5. The Secretariat shall prepare a monthly financial report to be presented every MSG meeting.

SECTION 6. AUDITOR. The finances of PH-EITI shall be audited annually by the Commission on Audit.

TITLE VI. FINAL PROVISIONS

SECTION 1. Interpretation of Rules. These Internal Rules of the Philippine Extractive Industries Transparency shall be read in conjunction with the duly approved Terms of Reference of the MSG and the principles embodied in the EITI International standards of 2013.
Whenever disputes regarding the interpretation of these Rules arise, a construction that is consistent with general EITI principles, standards and requirements shall be adopted.

SECTION 2. Amendments. These Rules may be amended by the MSG, by consensus, during a meeting convened and held pursuant to these Rules.

Proposals for amendment shall be communicated in writing to all MSG members four weeks before the meeting where the proposed amendment shall be discussed.

SECTION 3. Effectivity. These rules shall take effect immediately upon approval of all MSG members. Publication of these rules shall be made on PH-EITI’s official website.

Approved:

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