



Online Reporting in the Extractives Workshop 2019

Department of Finance

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Source: CNN Philippines

Opening Remarks

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PH-EITI
Philippine Extractive Industries Transparency Initiative

Program Overview

- | | |
|----------------|--------------------------------------|
| 02:00 to 02:15 | Opening Program and Ice Breaker |
| 02:15 to 02:30 | Presentation on Mainstreaming |
| 02:30 to 02:45 | Presentation on Beneficial Ownership |
| 02:45 to 03:00 | Open Forum |

Program Overview

03:00 to 03:15	Introduction to ORE v.1.1
03:15 to 03:45	ORE: Hands-on exercises
03:45 to 04:00	Open Forum
04:00 to 04:30	ORE-lympics 2019
04:30 to 05:00	Closing Program

Feedback Forms

1. Accomplish and submit Feedback Forms after the program and bring home:
 1. Limited edition PH-EITI Laptop bag
 2. Limited edition PH-EITI Notebook
 3. Limited edition PH-EITI Lanyard

Ice Breaker: Human Bingo

1. Ask until a question gets asked; alternating turns;
2. Write down (1) name and (2) company or agency from; and
3. First three to complete their Human Bingo Sheets will win special prizes from PH-EITI



The Systematic Extractives Electronic Disclosure (SEED) Initiative



What is Mainstreaming?

- Encouraging implementing countries to integrate transparency and a feature of existing governance and management systems.
- Next: Mainstreaming Video

Why Mainstreaming?

- More timely, comprehensive and reliable data to inform public debate;
- Reduce the number of EITI processes operating in silo; and
- More cost effective and helps address the limited funding

What is SEED Initiative?

- **Systematic Extractives Electronic Disclosure Initiative**
 - a suite or package of innovations developed by PH-EITI and/or its partner agencies and organizations to **mainstream extractives transparency** in the Philippines.

Where are we going?

- Centralize Data Collection and Disclosure
- Harmonize Existing Systems
- Apply for Mainstreaming
- Review MSG and Secretariat Roles
- Outreach to Stakeholders
- Train stakeholders on use of portals

Implications to reporting entities

- Keep data collection a component of the EITI process;
- PH-EITI to serve as a central repository of data and information;
- Reporting entities to eventually disclose reports in their websites and online communication channels
- Third party to audit results



Beneficial Ownership Disclosure 2019



What is beneficial ownership

- A **beneficial owner**, in respect to a company, refers to a natural person who *directly or indirectly* ultimately owns or controls the corporate entity.

Why beneficial ownership disclosure

- Increase ownership transparency and level the playing field making sure only qualified contractors;
- Minimize tax dodging, illegal deals, corruption, and conflicts of interests in granting of extractives contracts;

Recent Developments: PH-EITI

- Last year...
 - Conducted BO Pilot Reporting in 2018
 - Integrated BO Reporting in ORE Tool

Recent Developments: SEC

- Signed Memorandum Circular No. 17, series of 2018
 - Definition: natural person who **ultimately** owns or controls the corporation; has **ultimate control** over the corporation
 - Mandates all domestic corporation to report BOs through their GIS
 - Ownership threshold is set at 20%

Implications to Reporting Companies

- As recommended by the Technical Working Group Meeting, interim BO Reporting covering all reporting companies



ORE-lympics 2019

Are you ready?



Mechanics

- Group yourselves into three (3); participants from the same company or agency *cannot* be in the same group
- Each group will be assigned a **Black Gold Corporation** entity (01-30)
- Each entity will receive a Challenge Sheet to be inputted into their respected Workspaces

Mechanics

- First ten (10) entities to transfer to Validated and Submitted with correct entries will win prizes
 - Top three (3) entities will win Php 300 worth of Starbucks gift certificates
 - Bottom seven (7) entities will receive PH-EITI Umbrellas, PH-EITI Parker Pens, and PH-EIT Notepads