

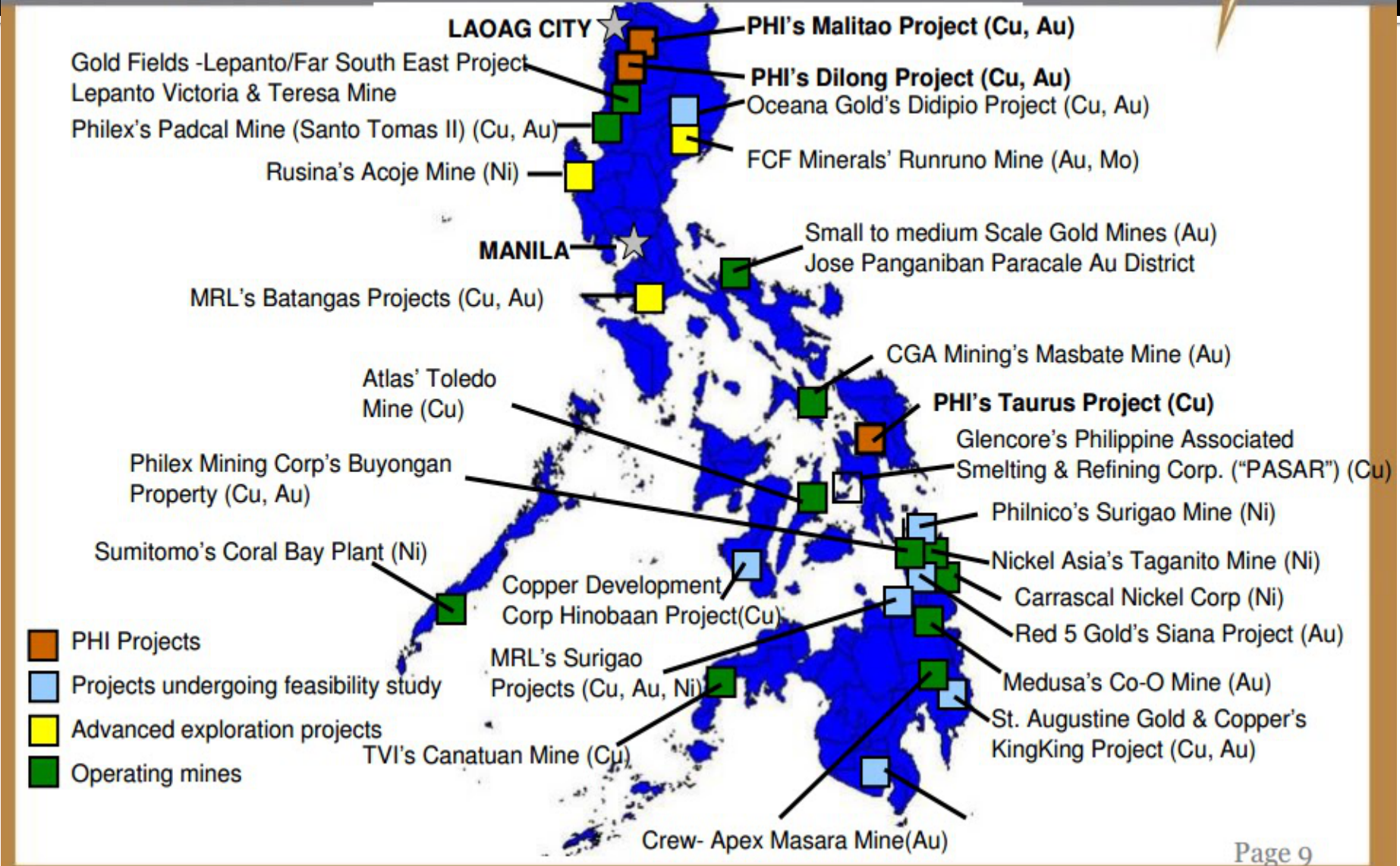
Challenging Corporate Power & Demanding Accountability – Women and Mining in the Philippines

Global Convening on Tax Justice
and Women's Rights

12-15 June, 2017 | Bogota, Colombia



Large Scale Mining -- Government's Flagship Program



20 Million

metric tons of sediments spilt into water channels from the Philex Mine in Itogon, Benguet, the biggest mining disaster in the Philippines (2012)

Overall Impacts

25 killed activists, including three children under the Aquino administration alone

"They use you, then they leave you!"



800 abandoned mines

2/3 of claimed and titled ancestral domains are directly impacted by mining (PAFID, 2007 and 2010)

1-2% contribution of mining to the GDP in the last decade

WHAT DEVELOPMENT?!



They destroy our home
JUST FOR THAT?!



15 major tailings dam disasters in the country

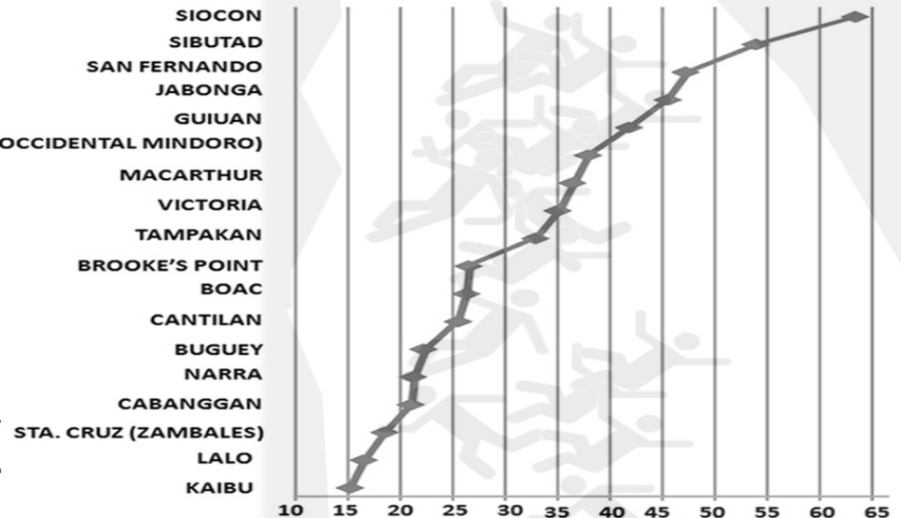
3.2 Million

metric tons of waste dumped by the Marcopper mine into the Boac River in Marinduque, considered the worst mining disaster in terms of toxicity (1996)

50% protected areas and key biodiversity areas are directly impacted by mining (HARIBON, 2006)

Mining employs less than 0.4% of total labor force

Most mining host-communities have the highest and consistent poverty rates



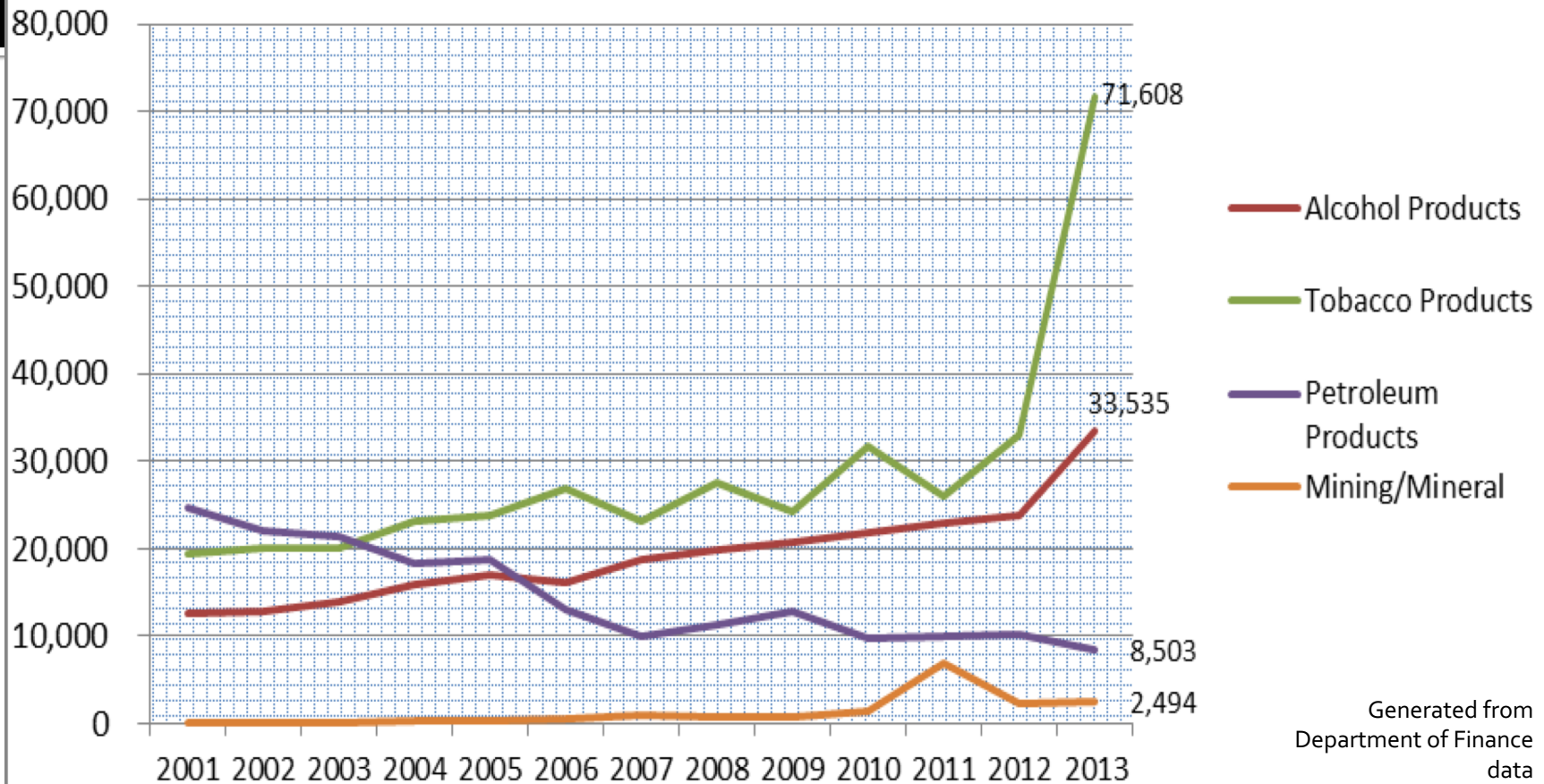
Mining host-communities vs. % of poverty rate
SOURCE: National Statistical Coordination Board

GDP contribution

- Despite the huge wealth it generates, the sector continues to register dismal outputs as a proportion of GDP, lagging behind other industrial groupings. Compared to agriculture, fishery, forestry, industry and services, it accounted for an “insignificant” (MGB) 0.9% of GDP from 2003-2012 (GMA Network).



Comparison of Excise Tax Collections, 2001-2013 (in million PhP)



Excise taxes paid by mining firms averaged a mere **0.12%** over **15 years** from **1999 to 2013**. It contributed only **PhP2.5 billion** or **2.15%** of the total **PhP116.14 billion** excise taxes collected in 2013 from the four products above.

Incentives have a cost!

Taxes forgone due to:



= **₱144B**

1.49% of 2011 GDP

10.61% of 2011 Government Revenues

9.26% of 2011 Government Expenditures

or about

\$3.1B

- Over 211 special laws provide tax incentives in the form of 4 - 8 years income tax holidays (ITHs), exemptions on duties, taxes, wharfage dues, export tax credits and additional deductions from income
- Lost revenues from ITHs and special rates amounted to P365 billion (or about \$7.85B) in only 4 years (2012-2015). Of this figure, incentives from the Board of Investments, which mining firms avail of, accounted for 28% or PhP101.3 billion.

Omnibus Investments Code

1. Income Tax Holiday (ITH) – three to six years
2. Duty exemption on imported capital equipment, spare parts and accessories;
3. Exemption from wharfage dues and any export tax, duty, impost and fees;
4. Tax exemption on breeding stocks and genetic materials;
5. Tax credits on imported raw materials;
6. Tax and duty-free importation of consigned equipment;
7. Additional deduction for labor expense;
8. Employment of foreign nationals;
9. Simplification of customs procedures;
10. Access to bonded manufacturing warehouse.

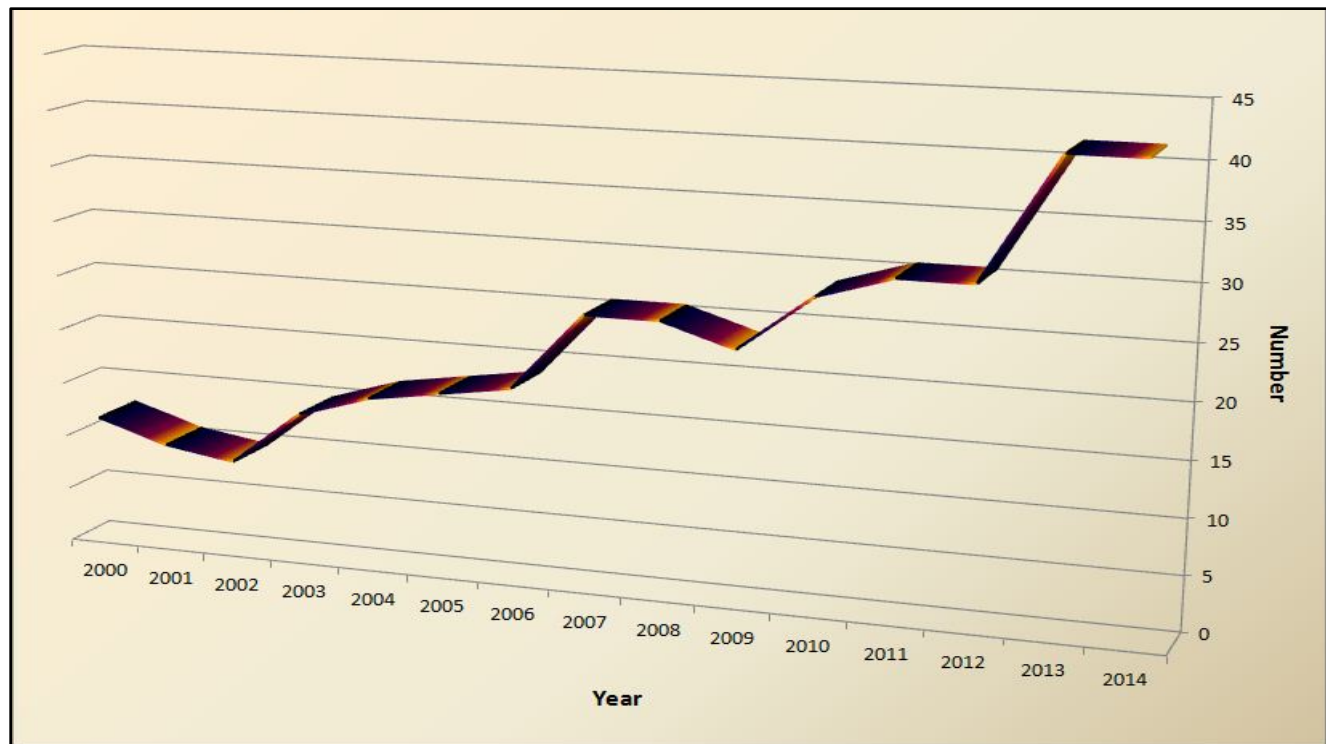
Philippine Mining Act of 1995 (RA No. 7942)

1. Exemption from real property tax and other taxes or assessments of pollution control devices;
2. Income tax-carry forward of losses;
3. Income tax-accelerated depreciation.

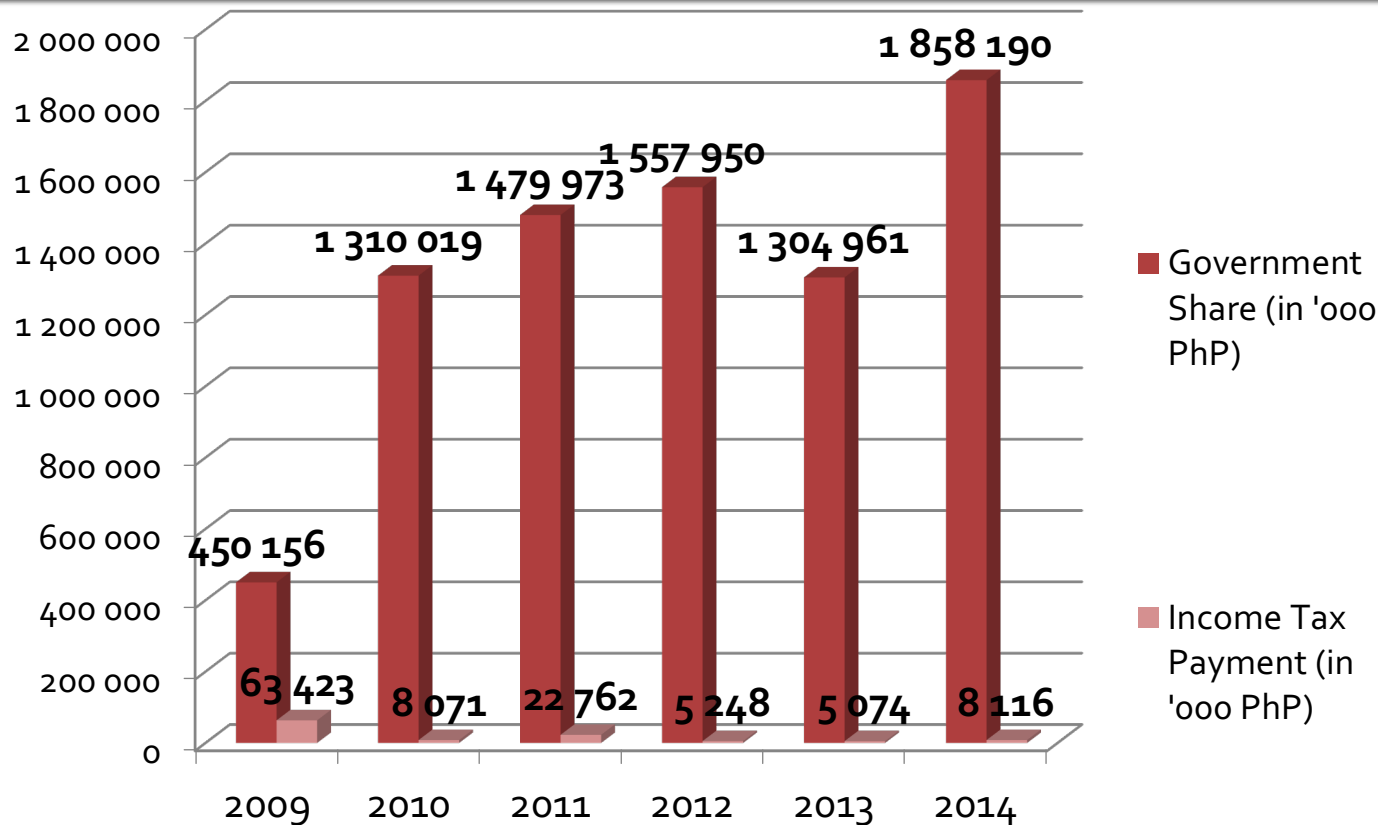
Increasing mining activities

Number of Operating Metallic Mines 2000-2014

Source: (Department of Environment and Natural Resources)



Semirara Mining and Power Corporation Annual Remittance of Government Share from Coal Proceeds and Income Tax Payment, 2009-2014 (in '000 Phil. Pesos)



Government seems to be getting a huge share from the firm's total proceeds. However, under the revenue-sharing scheme for coal, Semirara is allowed to deduct up to 90% of its gross proceeds as expenses (as compared to 70% for oil and gas).

Semirara gets its revenue share of 7% from the remaining 10% of gross proceeds, and the national government is left with 3% (Ragos). Deducting the 40% that LGUs hosting mining activity are entitled to, less than 2% goes to the national coffers.

Source: MGB cited by (Philippines Extractive Industry Transparency Initiative)

Income tax exemption (in %) and forgone government revenues), 2008-2012 (in million Php

Year	Statutory Corporate Income Tax Rate (in %)	Income Tax Exemption (in % of taxable income)	Forgone Government Revenue from income tax holiday (ITH)	Income Tax and Government Share minus Forgone Revenue from ITH
2008	35.00	11.46	118,430	371,975
2009	30.00	30.62	584,812	-71,366
2010	30.00	31.14	1,219,925	54,943
2011	30.00	30.68	1,834,551	-376,747
2012	30.00	29.97	1,917,400	-319,990
TOTAL			5,684,118	-341,184

Source: Semirara Mining Corporation Consolidated Financial Statements, 2006-2012 cited in Ragos, Anton. "Inequitable Share." Bantay Kita and Philippine Movement for Climate Justice, n.d.

From 2009 to 2011, income tax exemption exceeded the statutory corporate income tax rates. Accumulated forgone revenues of PhP5.7 million exceeded government's share and income taxes collected combined.

Marcopper Mining Corporation (Marcopper)

- 1996 – one of the most destructive socio-economic and environmental disasters in Philippine history. Some 1.6 million cubic meters of toxic wastes poured into river systems, burying villages, displacing thousands of families and destroying food, water and livelihoods resources.
- Previously 39.9%-owned by one of Canada's largest gold producers, Placer Dome, Inc.; acquired in 2006 by another Canadian mining firm, the largest gold mining company in the world, Barrick Gold Corporation; today it is difficult to pinpoint the actual owners.
- Real Property Tax (RPT) delinquencies of PhP19,253,315.36 still uncollected (but this doesn't cover the whole area used by Marcopper and RPT arrears in other provinces).



Photo source:

<http://marinduquegov.blogspot.com/2013/09/>

Leaving a trail of destruction and misery



www.AllanLissner.net

Source: <http://www.salem-news.com/articles/february212012/philippine-mine.php>

Sores on the feet of a food vendor who regularly waded in the polluted Mogpog River. Photo: David Sproule/OxfamA US

Sores on the feet of Eu Procina Lambon, a food vendor who walks regularly through the polluted Mogpog River. Photo: David Sproule/OxfamAUS



Contaminated river and barren ricelands in Marinduque

Source: <https://ejatlas.org/conflict/marcopper-placer-dome-mining-disaster-marinduque-island-philippines>

← (Left): "Mining Ombudsman Case Report: Marinduque Island", Oxfam Australia. www.oxfam.org.au/campaigns/mining

Rapu-Rapu Polymetallic Mine, Albay

Rubicon Group:
Lafayette Phils., domestic
subsidiary of Lafayette
Mining Ltd. of Australia,
LG Int'l Corp., Korea
Resources Corp., &
Malaysia Smelting Corp.,
Filipino investors



<https://media.gettyimages.com/photos/an-aerial-view-of-lafayette-mining-ltds-rapu-rapu-copper-gold-and-picture-id94654093>



<http://saverapurapu.blogspot.com/2008/07/revisiting-marinduque-mining-disaster.html>

- Earned more than P67 billion over the course of mining operations
- Spent a total of P114.5 million on “social development” or 0.17%
- Total taxes amounted to P1.29 billion or 1.9% of its income.

RioTinto

Why gender matters
A resource guide for integrating
gender considerations into
Communities work at Rio Tinto



BHP Billiton senior officers talk about improving the role of women in mining: 'Women in Mining Day'.

Australian firm BHP Billiton was responsible for Brazil's biggest environmental disaster in 2015. According to scientists, the whole food chain in large areas in Brazil will be compromised for a minimum of a 100 years.

Photo source: <http://www.gettyimages.com/license/527443570>

Women and Gender issues

- Male-dominated negotiations, eroding women's leadership, silencing women's voices and interests
- Marginalization of indigenous women's knowledge and practices of indigenous women, progressive "invisibilization" when they lose standing within their communities and are displaced by mining activities
- No say in whatever benefits that mining developments bring, especially in relation to the cash/market economy where women are already marginalized.
- Increased care work for women as men are mobilized in the cash economy.
- Bearing the physical and emotional strain of finding and setting up new homes, schools, food and water sources after displacement.
- Increased violations of reproductive and sexual health rights
- Discrimination and abuse for women working in mining.

"Women, communities and mining: The gender impacts of mining and the role of gender impact assessment. Oxfam Australia.

Advocacy & campaigning frames: Tax and Gender Justice

Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)

Substantive Equality Approach

- *Equality of opportunity in terms and access to the resources of a country, to be secured by a framework of laws and policies, and supported by institutions and mechanisms for their operation.*
- *Equality of results upon access and opportunity, toward achieving real change for women. State parties to CEDAW have a responsibility and a legal obligation to ensure the practical realization of rights, and are thus obliged to show results.*

- Fiscal instruments—revenues and expenditures—enable the enjoyment of economic, social and cultural rights as part of gender-just, equitable, sustainable development agenda.
- The state is duty-bound to exercise its taxation powers hand-in-hand with meeting its mandate of ensuring that the interests of the majority of its citizens are promoted and safeguarded.

- Constraints on the ability of the state to raise resources from tax revenues affect its ability to meet these obligations to its citizens.
- Thus, it is vital that the state effectively enforce tax policies that are just and progressive, together with other programs and policies that strengthen the domestic economy and the country's internal capacity to provide for its own finance needs.

- People-centered and gender-aware tax policies can contribute to changing unequal gender relations that disadvantage women, reducing gender and income inequality, encouraging healthy lifestyles, dismantling monopoly control over land and natural resources, redistributing wealth, and protecting the environment against large-scale exploitation, among others.

Glencore's Tampakan gold and copper project is the biggest stalled mining venture (\$5.9B) in the Philippines.

Source:

<http://www.yestolifenotomining.org/glencore-london-protestors-call-end-glencores-global-mining-abuses/>



Source:

http://en.radiovaticana.va/news/2015/07/17/philippines_priests,_nuns_join_resistance_to_mining_project/1159182

Pushing for enactment of the Alternative Minerals Management Bill



Engaging government



Source: <http://news.abs-cbn.com/business/07/27/16/gina-lopez-vows-to-block-tampakan-open-pit-mine>

Source: http://www.sentro.org/wp-content/uploads/2014/09/ammb_sentro4-700x300.jpg

Women at the forefront of resistance



"Women, communities and mining: The gender impacts of mining and the role of gender impact assessment." **Oxfam Australia.**

Women living in the area of the Oceana Gold Mine in Didipio, Nueva Vizcaya, participate in a community meeting.

Photo: Shanta Martin/OxfamAUS.

Indigenous women
take to the streets to
fight for their land

<https://arkibongbayan.org/2012/2/012-07July10-vsminingeo/vsMiningEO.htm>





National Conference on Women's Human Rights in Mining and Climate-Affected Communities, 2016



Holding the barricades against mining, stopping the Australian firm Royalco's exploration activities.

Source: <http://pinoyweekly.org/new/2013/09/foreign-mining-companies-score-for-hr-abuses-environmental-damage-in-n-vizcaya/>



People before mining!

Juvy Capion, killed in the struggle against Sagittarius Mines, Inc., a firm controlled by Swiss-based Xstrata Plc. SMI operated the Tampakan Copper & Gold Project, one of the world's largest untapped deposits of gold and copper

<http://pinoyweekly.org/new/2014/08/dap-funded-projects-to-displace-indigenous-peoples/>

<https://taomunahindimina.wordpress.com/news-page/>

