

MTT Welcome Remarks
Mining Philippines 2023
September 19, 2023

Distinguished guests, industry colleagues, friends, ladies and gentlemen. Good morning.

Welcome you to the 2023 Mining Philippines International Conference and Exhibition. It gives me immense pleasure to be standing in front of you as this marks the first time since 2019 that we are holding this much-awaited forum. Let me point out though that the four intervening years before today were not a hiatus for the industry. Far from it. A lot of things have changed for mining in the Philippines. Thankfully, most of those changes are for the better.

Among the most notable positive changes of course are the lifting of the moratorium on new mining projects and of the ban on open pit mining. It took a global contagion before these decade-long policy roadblocks were removed and the importance of mining was recognized. While most other industries were staggering and downsizing at the height of Covid-19, only a few large-scale mining operations experienced temporary closure, and these were due mainly to local government directives. This explains why mineral exports were largely unaffected and employment in mining was generally stable throughout the pandemic.

Three large copper-gold projects that were stymied by the policy roadblocks – Tampakan, Silangan, and King King – are now in a better position to proceed to development. We will learn this afternoon more about the status and the benefits the Filipino nation and people can derive from these projects from no less than their lead proponents.

Those are just three projects that were hampered by the constricting policy environment. If we can establish stable mining policies over the long term, we can see more projects coming onstream. The industry's potential will grow even more over time. And the Chamber of Mines is extremely hopeful that stability is just around the bend.

Our hope is magnified by another positive change. At long last, we have a government that has clearly expressed support – qualified support, let me emphasize that – for mining. The administration of President Bongbong Marcos, through the pronouncements of several cabinet officials in various forums – including two who were invited to speak here today – acknowledges mining as a priority sector with a high growth potential that will help our economy recover. Nevertheless, the government, in the words of our most esteemed keynote speaker this morning, will only push for responsible and sustainable mining. This means, according to her, not just the extraction of minerals per se, but also the implications of mining on the integrity of the ecosystem and on the livelihood and well-being of communities.

We in the Chamber like to think that we are up to the task with the changes we have been carrying out within our ranks – and this has a lot to do with our theme for Mining Philippines this year. Since our last conference, we have been laying the groundwork – using a deliberately phased

approach – to further improve our members’ ESG performance by way of the Towards Sustainable Mining initiative. We completed the Filipinization of TSM’s performance measurement tools – including those on climate change adaptation – during the pandemic lockdowns. Consequently, we are on track to meet our target of making available to the public the 2023 and 2024 externally verified self-assessment reports of our operating members. Our progress with TSM will be discussed in greater detail in one of the afternoon sessions tomorrow.

His Excellency Ambassador David Hartman of Canada and Her Excellency Hae Kyong Yu of Australia can perhaps give us a glimpse of their respective national mining associations’ TSM journey in a short while.

On another note, we welcome our government’s move to rejoin the Extractives Industry Transparency Initiative. We in the Chamber are open to any undertaking that encourages good governance. After all, we cherish our position at the forefront of transparency reporting in the extractives sector.

As the world advances toward a wider energy transition to meet global carbon reduction objectives in response to climate change, mining’s relevance has grown and become even more crucial. As you know, minerals are an essential part of clean renewable energy technologies and the demand for minerals to produce these technologies is increasing. We recognize the Philippines can only take advantage of opportunities in the energy transition if two conditions are met:

First, we must be able to address the divided public opinion on mining. Towards this end, we are happy to report to you yet another positive change. The National Unified Information, Education, Communication Program or NUIECP, an initiative of the Mines and Geosciences Bureau that seeks to improve public perception on mining, is now well underway. A first-of-its-kind undertaking with five other industry associations and with the support of several others, the NUIECP is being implemented with the help of a prominent communications agency. The NUIECP will also be among the topics for discussion in tomorrow’s afternoon sessions.

The second condition involves resolving other issues affecting the investment climate in the industry. These issues include conflicting local and national laws, our country’s high power costs, a protracted permitting process, and a fiscal regime that will not only enhance our country’s competitiveness as a mining investment destination, but equally important, reflective of the government’s designation of mining from being merely a “beneficial” industry to one that is “essential” and “critical”. I have discussed the Chamber’s recommendations vis-à-vis these issues in various forums, and I believe further discussions – and actions – are necessary before we can truly say that mining in the Philippines is back in business.

Mining has become more than just an enterprise that deals with rocks and dirt. Global trends, the challenges they pose, and the positive changes being effected by our policy makers and industry players aimed at ensuring sustainability are gradually transforming mining as an area of

growth, responsibility, and a future that gleams with possibility. More positive changes are needed, but I believe the signposts show that we are on a course that is likely to result in success.

Most fittingly, our keynote speaker is, herself, an agent of change. Her formidable scientific credentials make her well-positioned to lead us in addressing a colossal change that is now upon us: climate change. Before she assumed her current post, she was the executive director of the Manila Observatory for nine years, eventually becoming the chair of its International Advisory Board. Her work involved advancing research on climate change and disaster preparedness and resilience, including being the president of the National Resilience Council, a public-private partnership aimed at the implementation of the Sendai Framework for Disaster Risk Reduction, the Sustainable Development Goals, and the Paris Climate Agreement. She is a member of the Asia-Pacific Science & Technology Advisory Group of the United Nations Office for Disaster Risk Reduction.

Our keynote speaker, the Honorable DENR Secretary Ma. Antonia Yulo-Loyzaga, however, is currently in New York to represent our country at the UN General Assembly High Level Week and the Climate Ambition Summit. Delivering the Secretary's message on her behalf is an Undersecretary who is more than capable of being Secretary himself and equally a proponent of positive change.

He is a licensed geologist and a professor of Geology and Environmental Science and University Scientist of UP Diliman. From 2015 to 2017, he was on secondment to the Department of Science and Technology where he concurrently served as Executive Director of the DOST-PCIEERD Innovation Council and OIC of the Philippine Nuclear Research Institute. More recently, he was the Chairperson of the National Panel of Technical Experts of the Climate Change Commission. He also provided valuable inputs as member for the Environment Sector of the Chamber of Mines' TSM Community of Interest Advisory Panel before he assumed his current post.

Ladies and gentlemen, let's all welcome the DENR Undersecretary for Integrated Environmental Science, the Honorable Carlos Primo David.