

Hanggang saan aabot ang:

Php 6 billion?

9,694 classrooms

Enough to cover 14% of shortage of
classrooms in 2015

531,024 CCT beneficiaries
or 18% of the total in 2013

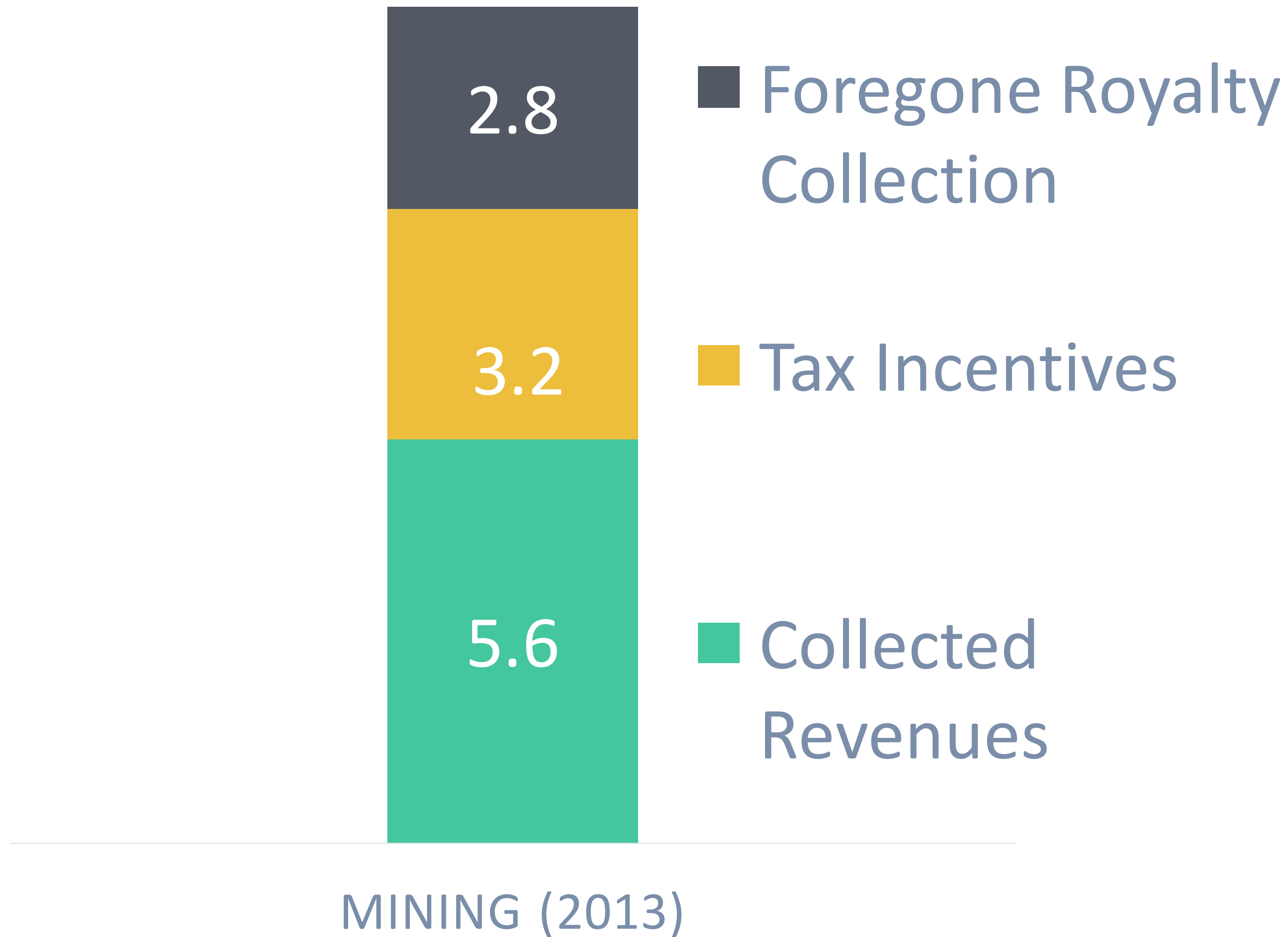
2.16 times

Budget on Assistance to Indigent Patients for
2016 under DoH

Enough to cover
86% farm to market roads
budget for 2016

2.73 times

Budget of TESDA for 2016



Tax Reforms in the Mining Sector



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MINING IN THE REGIONS

— — — — —
In figures



5th

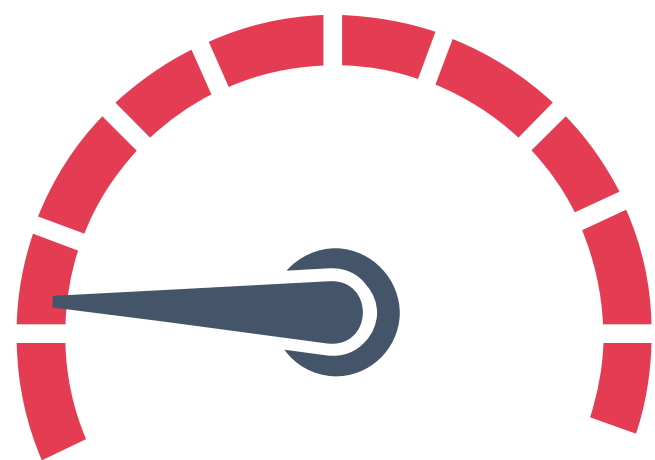
**Most Mineralized
Country in the
World**

EFFECTIVE TAX RATES, MINING

Source: Otto, 2002

Measure of the burden of all tax collected
by the government from mining.

Lowest Taxing Quartile



Sweden
Chile
Zimbabwe
Argentina
China

Second Lowest Taxing Quartile



Bolivia
South Africa
Philippines
Kazakhstan

Second Highest Taxing Quartile



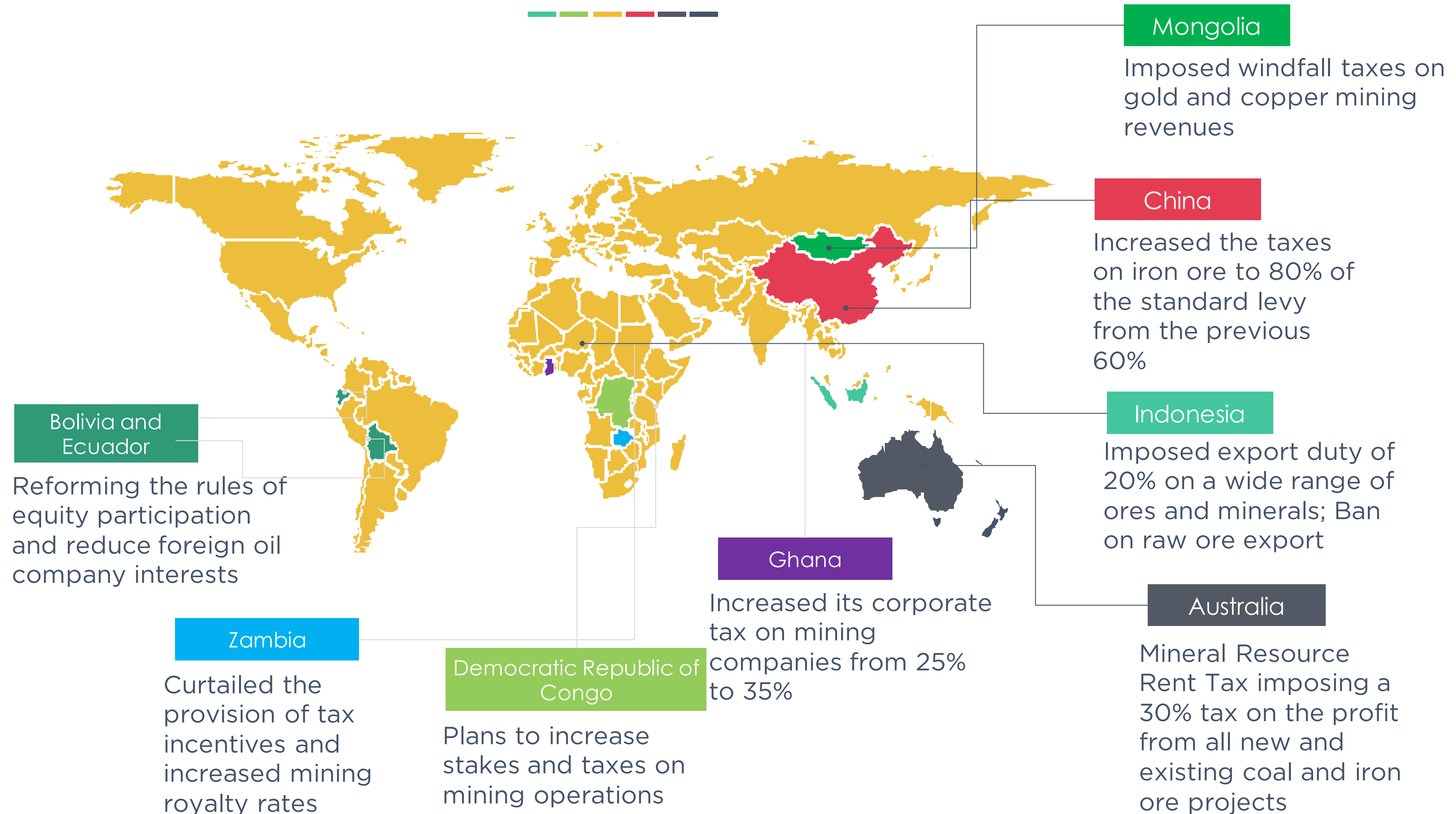
Tanzania
Poland
Mexico
Greenland

Highest Taxing Quartile



Ghana
Uzbekistan
Ontario (Canada)
Mongolia
Cote d'Ivoire
Indonesia

GLOBAL PRACTICE



S&P Downgrades Glencore To Lowest Investment Grade Rating



by Tyler Durden
Feb 4, 2016 1:48 PM

43
SHARES



Anglo American debt down to junk, outlook negative

Moody's worried about bulk portfolio; restructuring "faces high execution risk"

Frik Els | Feb. 15, 2016, 12:22 PM | 1,916 | 0

MOODY'S
INVESTORS SERVICE



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Rating Action: Moody's downgrades BHP Billiton to A3; outlook negative.

Global Credit Research - 03 Mar 2016

Sydney, March 03, 2016 -- Moody's Investors Service has today downgraded the issuer ratings of BHP Billiton Limited and BHP Billiton Plc to A3 from A1.

Boom to gloom as mining slowdown sees Northern Territory jobs dry up, Manpower report finds

By [Nadia Daly](#)

Updated 8 Mar 2016, 2:54pm

How Indonesia escaped the worst of China's slowdown



13 people like this. Be the first of your friends.

With Mitsubishi Corp. becoming the latest player looking to quit a major mining project, Indonesia would seem to be a victim of the great commodity crash.

Newmont Corp. and BHP Billiton Ltd., two of the world's largest mines, have already announced plans to exit the Southeast Asian country.

But Indonesia is doing just fine, thank you.

Bloomberg is reporting that Indonesia has dodged the bullet that struck Brazil, Russia, Venezuela and others as China's growth slowed and the global resources boom waned.

[Indonesian coal miners move on as cash runs out | Daily Mail Online](#)

www.dailymail.co.uk/wires/reuters/article.../Indonesian-coal-miners-cash-runs-out.ht... ▼

Apr 28, 2015 - **Indonesian coal miners** move on as cash runs out. By Reuters ... "The Chinese **slowdown** is worse than we thought," Sjahrir said. "India and ...

Political Risk Outlook: How Will Peru's Economy Perform In 2016?

TRENDS IN MINING (2011-2014)



-23% COPPER
-16% GOLD
-46% SILVER
-27% NICKEL

55% PRODUCTION VALUE
41% EXPORT OF MINERALS
43% OPERATING METALLIC MINES
19% FTAA APPLICATIONS
17% EXPLORATION PERMITS
46% MINING PROCESSING PERMITS
44% APPROVED MINING PROCESSING

Benguet earnings up

 Like 13  Share 170  Tweet 1  Google+ 1  Share 0

Posted on **April 29, 2016**

BENGUET CORP. saw its profit jump two-fold in 2015 on the back of increased shipments of nickel ore amid volatile markets.

[Philex Mining profit rises 40% in Q1 | Business, News, The Philippine ...](#)

[www.philstar.com/business/2016/04/29/1577765/philex-mining-profit-rises-40-q1](#) ▼

Apr 29, 2016 - **Philex Mining Corp.** posted an almost 40 percent increase in its first quarter net income to P420 million on the back of improved market prices.

[BusinessWorld | Philex Mining profit rises in 2015](#)

[www.bworldonline.com/content.php?section=Corporate...philex-mining-profit...](#) ▼

Feb 25, 2016 - **PHILEX MINING Corp.** on Wednesday said its net income climbed a tenth last year, as it implemented cost reduction programs to reduce the ...

[BusinessWorld | Philex Mining net income rises](#)

[www.bworldonline.com/content.php?section=Corporate...philex-mining...income...](#) ▼

Apr 29, 2016 - **PHILEX MINING Corp.** saw its net income rise by 38% in the first quarter versus the year-ago level as it kept its costs and expenses low, even ...

[Philex Mining profit up 47% | Inquirer Business](#)

[business.inquirer.net/46979/philex-mining-profit-up-47](#) ▼

Philex Mining Corp. posted a 21-percent increase in revenue and 47 percent surge in net income in 2011 to hit a record of P5.8 billion, officials said in a briefing ...

[Philex Mining's net profit increases 10% - The Standard](#)

[manilastandardtoday.com/business/.../philex-mining-s-net-profit-increases-10-.html](#) ▼

Feb 24, 2016 - **Philex Mining Corp.** said it booked a net income of P776 million in 2015, up 10 percent from P703 million in 2014, as it contained its expenses ...

Nickel Asia's nine-month net income jumps by 370%

Published November 10, 2014 9:17pm

[Semirara net income up 23% in 2015 | Inquirer Business](#)

[business.inquirer.net/207585/semirara-net-income-up-23-in-2015](#) ▼

Semirara net income up 23% in 2015 ... 04:50 AM February 25th, 2016 ... **CONSUNJI-LED Semirara Mining and Power Corp.** saw its net income increase by 23 ...

[Semirara's earnings may hit P10b - The Standard](#)

[thestandard.com.ph/business/204757/semirara-s-earnings-may-hit-p10b.html](#) ▼

May 2, 2016 - **Semirara Mining and Power Corp.** said net profit in 2016 may reach around P10 billion from P8.45 billion in 2016 with the full commercial ...

[BusinessWorld | Semirara Q1 profit rises 16%](#)

[www.bworldonline.com/content.php?section=Corporate&title=semirara...profit...](#) ▼

May 11, 2016 - Semirara Q1 profit rises 16% ... **LISTED Semirara Mining and Power Corp.** ... revenues fell 8% to P6.65 billion in the first quarter of 2016 from ...

TAXING MINING



REGULAR TAX

Corporate Income Tax,
VAT, Customs Duties etc.

+

PAYMENT FOR MINERALS

Mineral Royalties

TAXATION PRINCIPLES FOR MINING



Certain and not
complicated

TAXATION PRINCIPLES FOR MINING



Account for social and
environmental cost

TAXATION PRINCIPLES FOR MINING



Fair share for the
government (royalties)

LOBBYING FOR REFORMS



PH-EITI



5% ROYALTIES



Royalty government's guaranteed share

Present

Companies in mineral reservation areas

2013 Income: P896,810,657.00

Proposed

All companies pay royalties

Projected Income: P3,715,085,837

2013 Lost Income: P2,818,275,180



HIGHER LOCAL GOVERNMENT SHARE



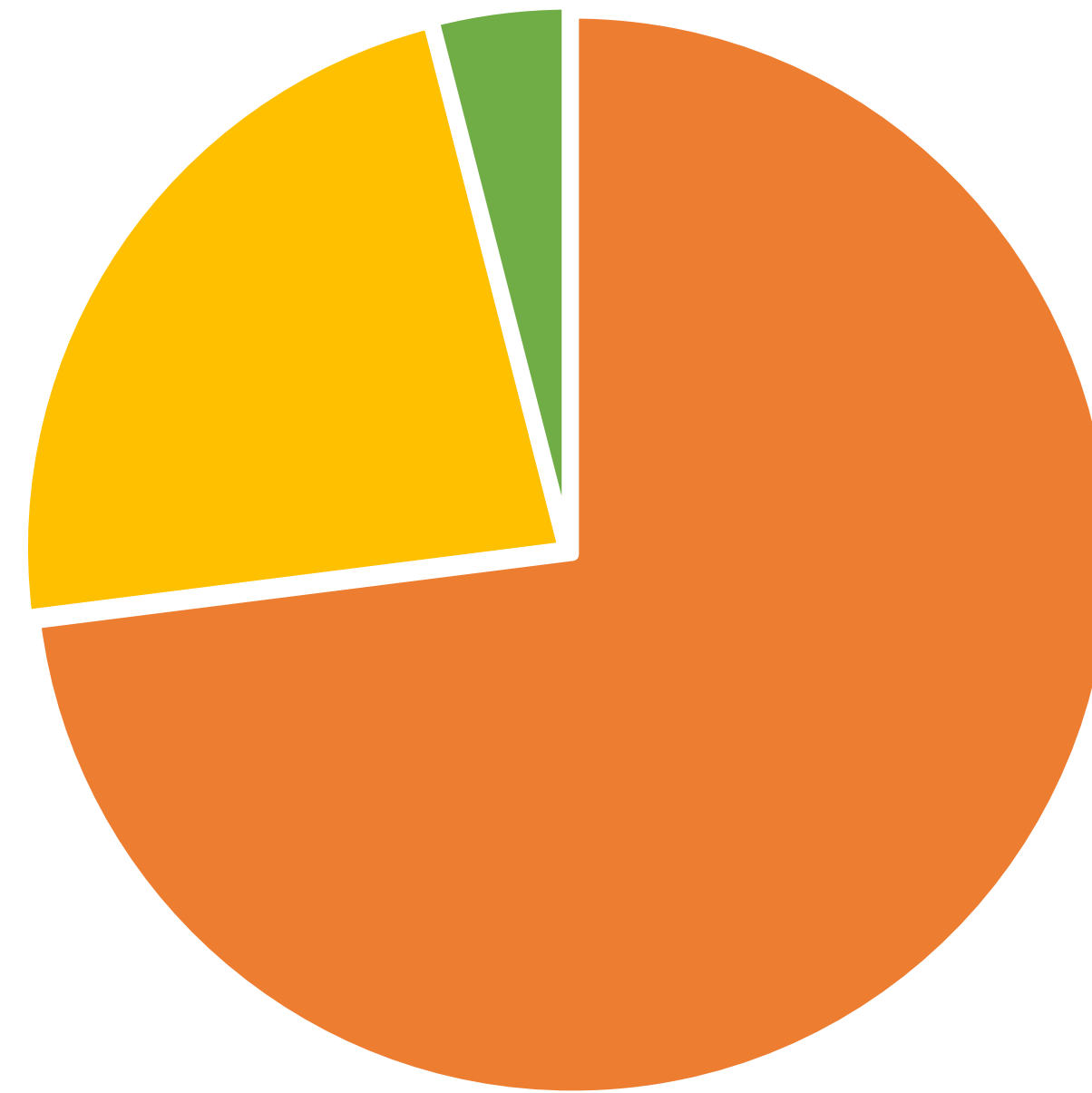
Present

40% of gross national collections goes to local governments

Proposed

Increase to 50% of gross collections

Sharing of Mining Collections

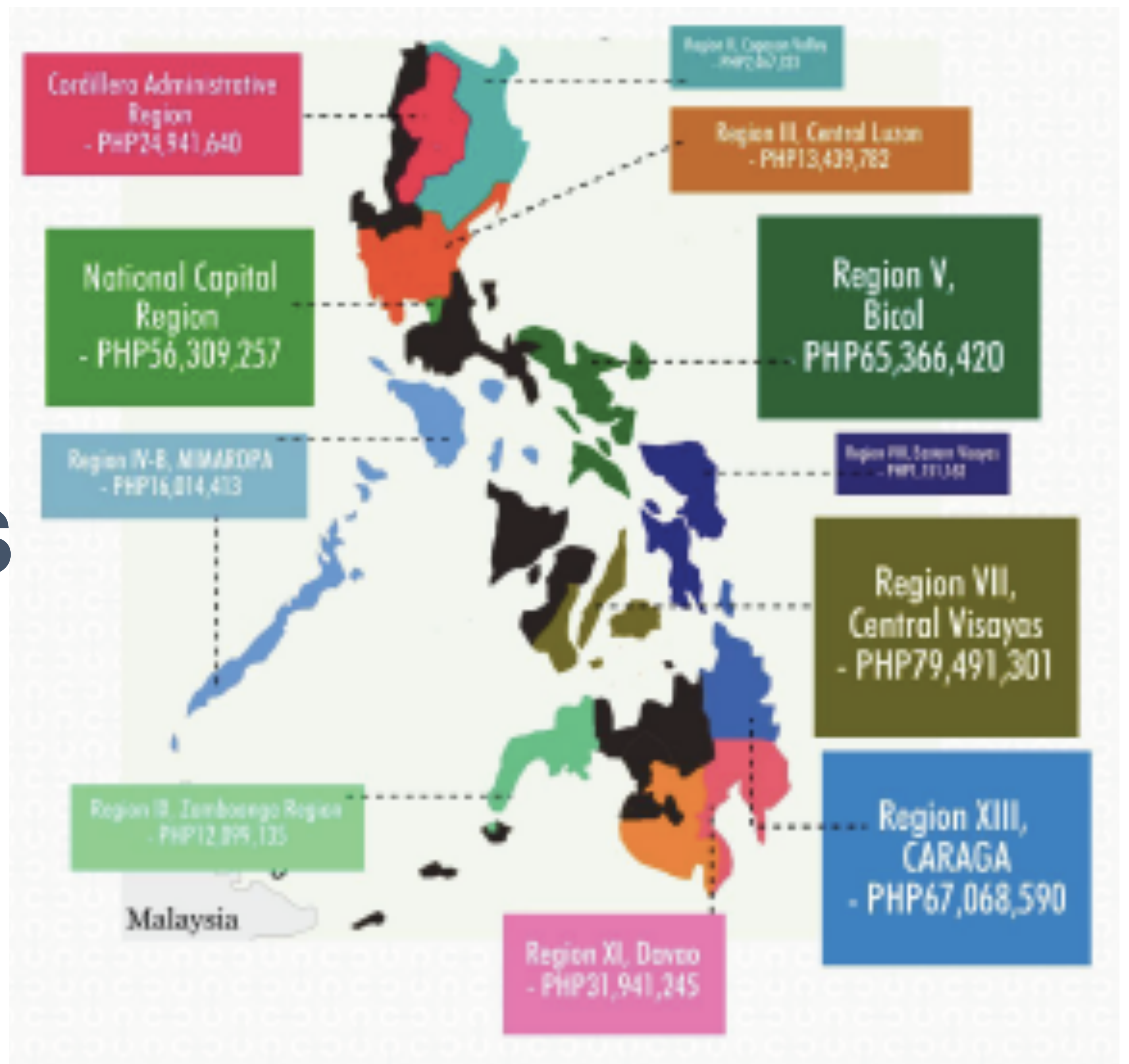


- National Government
- Local Government
- Indigenous Peoples

LGU COLLECTIONS

In figures

TOTAL LGU
RECEIPTS
PHP370,290,268





EXPORT TAX

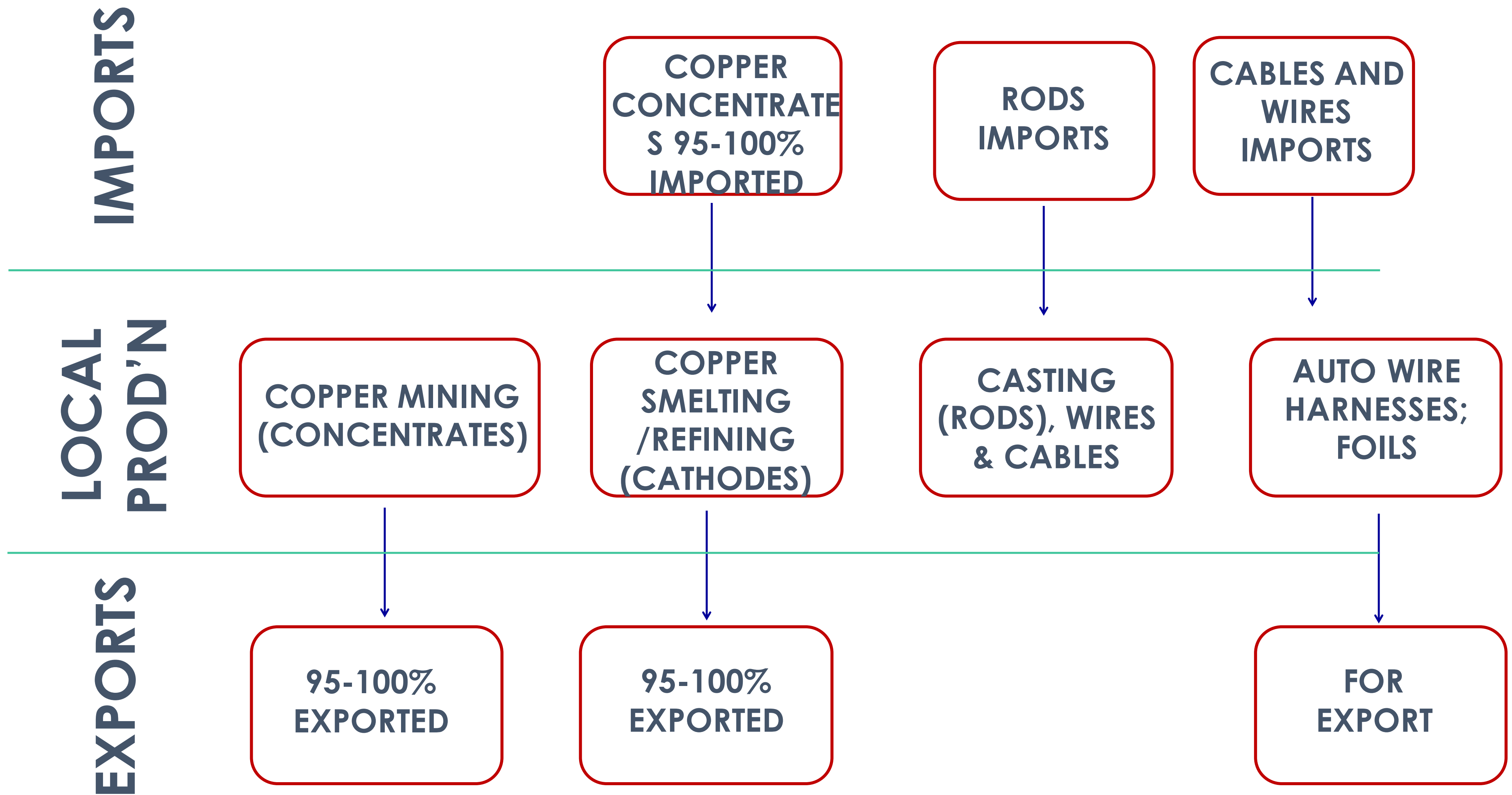


Present

No export tax

Proposed

Impose export tax on gross value of raw ore





RATIONALIZATION OF FISCAL INCENTIVES

Present

Generous fiscal incentives to mining companies

Proposed

Repeal ALL tax incentives

Lost Income (2013): P3,198,312,252

MINING INVESTMENT INDICATORS

Source:  Behre Dolbear, 2011

	Political System	Economic System	Currency Stability	Social Issues	Permitting Delay	Taxation Regime	Corruption
Canada	9	9	9	4	4	7	10
Australia	9	9	9	8	8	5	10
USA	9	8	7	3	1	3	10
Chile	9	9	8	7	6	4	8
Mexico	8	8	6	2	7	7	6
Philippines (17)	5	5	4	3	5	4	2

Tax Reforms in the Mining Sector



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