

# Joint Foreign Chambers of the Philippines



**AMCHAM  
PHILIPPINES**

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CANADIAN



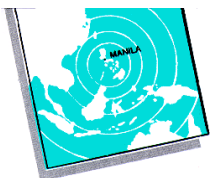
EUROPEAN



JAPANESE



KOREAN



PAMURI

American Chamber of Commerce of the Phils., Inc. ♦ Australian-New Zealand Chamber of Commerce (Phils.), Inc.  
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Japanese Chamber of Commerce & Industry of the Phils., Inc. ♦ Korean Chamber of Commerce of the Phils., Inc.  
Philippine Association of Multinational Companies Regional Headquarters, Inc.

October 9, 2012

**Hon. Ferdinand “Bongbong” R. Marcos, Jr.**

Chairman

Committee on Local Government

Philippine Senate

Pasay City

Dear Chairman Marcos:

We would like to express our appreciation for your committee’s effort to initiate deliberation on Senate Bills 1101 and 1419 and House Bill 4410 – providing for the direct remittance to the host local government unit of its forty percent (40%) share of the gross collection derived by the national government from national wealth taxes.

Considering the Philippines’ substantial mineral resources, with an estimated US\$ 1.4 trillion in mineral reserves, especially gold, copper, nickel, aluminum, and chromite, the mining potential of Philippines is great. According to the Mines and Geosciences Bureau, the archipelago is second in the world in gold and third in copper resources as mentioned in part of the *Arangkada Philippines 2010* on Seven Big Winner Sectors (<http://www.arangkadaphilippines.com>). As a result your committee’s work has special significance.

We note that while the Mining Act promotes the national policy of mining in provinces with mineral deposits, several local government units (LGUs) have closed their provinces to mining for various reasons. We believe that one practical reason is the slow, if not the absence of, remittance of the economic benefits from mining to many LGUs.

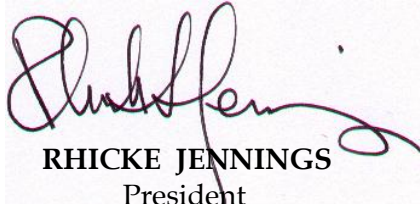
We also note that Article 10 of the Philippine Constitution states that LGUs are entitled to an “equitable share in the proceeds of the utilization and development of the national wealth within their jurisdiction” and the Local Government Code of 1991 provides that LGUs “have the duty and authority to protect and co-manage the environment and enhance the right of the people to a balanced ecology.”

We support the passage of this vital legislation to ensure that LGUs not only get their fair share of remittances from the mining industry but also receive it in a timely manner. As the late DILG Secretary Jesse Robredo commented on the divergent

national and local policies on mining, "There will be anarchy if anyone can do as they please without following a legal framework we have."<sup>1</sup>


Thank you for the opportunity to comment on this legislation.

Best regards,



**RHICKE JENNINGS**  
President

American Chamber of Commerce  
of the Philippines, Inc.



**IAN PORTER**  
President

Australian-New Zealand Chamber  
of Commerce of the Philippines, Inc.



**JULIAN PAYNE**  
President

Canadian Chamber of Commerce  
of the Philippines, Inc.



**MICHAEL RAEUBER**  
President

European Chamber of Commerce  
of the Philippines, Inc.



**TAKASHI ISHIGAMI**  
President

Japanese Chamber of Commerce  
& Industry of the Philippines, Inc.



**EUN GAP CHANG**  
President

Korean Chamber of Commerce  
of the Philippines, Inc.



**SHAMEEM QURASHI**  
President

Philippine Association of Multinational Companies  
Regional Headquarters, Inc.

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<sup>1</sup> LGUs have to follow nat'l policy on mining: Robredo, <http://www.abs-cbnnews.com/business/07/10/12/igus-have-follow-natl-policy-mining-robredo>