

# Mining industry faces ESG, gov't tax pressures

MINERS are under increasing pressure from the challenges of meeting their environmental, social, and governance (ESG) mandates as governments all over the world set their sights on the industry to fill gaps in their tax revenue, according to an EY Global study cited by EY Philippine affiliate SGV & Co.

"Among the top risks and opportunities, the mining sector in the Philippines is greatly impacted by geopolitical uncertainty, maintaining a license to operate due to anti-mining sentiments, and rising costs and productivity challenges," SGV Mining and Minerals

Industry Sector Leader Eleanor A. Layug said in a statement.

"On the other hand, the increasing focus on ESG, the disruption brought about by digital transformation, and the advent of new business models provide mining players the opportunity to future-proof their businesses," she added.

"The sector needs to do more to improve health, safety and wellbeing. A balanced approach to managing both critical risks and foundational workplace safety and well-being can help companies build a holistic, robust approach," the study added.

According to the study, global conflict and ongoing disruption are also creating new urgency for miners to rethink traditional operating and business models.

"Geopolitics has risen to number two in the ranking and global volatility is likely to be ongoing, driven by changing governments in key markets, competition between key economies, and a growing tide of resource nationalism," according to the study.

"We see evidence that governments are trying to fill revenue gaps created through the COVID-19 pandemic with new or increased mining royalties. For

example, Chile plans to introduce copper royalties, and in Australia, the Queensland state government has already increased royalties on coal. For mining and metals companies, the ability to quickly assess the impact of these changes, as well as different alliances, trade flows and governments on business decisions will be critical," it added.

Meanwhile, the survey also found that ESG has become a priority for key stakeholders.

"Managing ESG risk is becoming more complex. Miners who get it right can get an edge on competitors in many ways — from accessing capital, to securing a

license to operate, attracting talent, and mitigating climate risk."

Mining and metals companies have also become progressively better at managing climate risk, but there are still opportunities to improve.

"Not enough miners are taking action to minimize the physical risks of climate change, which may threaten operations," the study read.

"Many mining and metals companies have committed to highly ambitious decarbonization targets and a sharper focus on reporting emissions, but 2023 will reveal whether the sector is on the trajectory to net zero," it added.

Mining and metals executives surveyed say that data mining and automation, as well as the introduction of an ESG platform to track metrics and reporting, will be the focus of digital investment over the next one to two years.

"We still see some miners taking a siloed approach to implementing technology. An integrated, business-led approach to digital transformation can identify more opportunities to solve some of miners' biggest challenges, including ESG, climate risk, productivity and costs," the study also found. — **Luisa Maria Jacinta C. Jocsos**

## Quezon City sees market size, available land as main draws to investors

THE Quezon City government said its main attractions to investors are available land and the size of its consumer base and work force, with the city also having largely digitized its permit processes.

Quezon City Mayor Maria Josefa G. Belmonte said in a speech at the Quezon City Investors Summit 2022 last week that "Quezon City is... one-fourth of the land of Metro Manila... Size means space. The space in Quezon City is 16,112 hectares, which at present still has a lot of room for development. There is still much more space to move around in Quezon City relative to the majority of cities in the National Capital Region (NCR)," Ms. Belmonte said.

Ms. Belmonte added "Quezon City's size contributes considerably to its competitive advantage. Quezon City's 3.1 million residents also mean 3.1 million customers for your business. Of these, two-thirds are at least 18 years old. That's a workforce of potentially 2.1 million people. This workforce is also a young workforce with an average age of 28 years."

"We made a conscious and deliberate effort to win back the trust of people in the government, so that they could see the government as an enabler, rather than a hindrance. With trust, relation-

ships can be built with relationships, cooperation, and progress," she added.

Trade Secretary Alfredo E. Pascual called Quezon City the "richest city" in the country in terms of locally generated revenue.

"We invite top-notch businesses to consider setting up their businesses here or if they have existing businesses, to expand. We invite them to build high-impact infrastructure projects and contribute to the city's economic development, social services delivery, good governance, and sustainable growth," Mr. Pascual said.

In a statement, the Quezon City government said that over 200 investors, business leaders, business associations, chambers of commerce, and foreign delegates participated in the Investors Summit 2022, including representatives from New Zealand, Singapore, Indonesia, Ireland, France, Denmark, Israel, the US, Germany, and the UK.

"As Quezon City (strives) to be the top business destination in the country, applying for business permits and licenses has been made easier through the development of QCBizEasy under the city's QC E-Services platform. The local government has automated and digitized 95% of the city's services," it said. — **Revin Mikhael D. Ochave**

## Germany working to expand PHL environment tech, RE footprint

By Alyssa Nicole O. Tan  
Reporter

GERMANY is encouraging business delegations to explore Philippine partnerships in renewable energy (RE) and environmental technology, the German Embassy in Manila said.

In an e-mail, the embassy said other industries it deems promising for collaboration are consumer-related services and goods, and business process outsourcing.

It said its approach is to connect small and medium enterprises from both countries via the German-Philippine Chamber of Commerce and Industry (GPCCI), noting that such companies make up 99.4% of Germany's economy. The corresponding number for the Philippines is 99%.

A virtual business initiation trip will take place in November on civil security technologies, organized by the Federal Ministry for Economic Affairs and Climate Action.

In March 2023, GPCCI will organize another business initiation trip on energy efficiency in buildings, including Photovoltaic hybrid and storage systems.

The first physical business initiation trip took place in late September, focused on recycling and waste management.

"We (conceive of) our role as a door opener, someone who makes the introductions to help companies settle on either side — either in Philippines or in Germany — and help them navigate this process. But in the end, it's up to these companies to build partnerships and develop

them," the embassy's First Secretary Kai Tomzig has said.

"Apart from these visits, both the embassy and GPCCI receive requests by German companies that are interested in the Philippines as a market and potential place for investment on a daily basis," the Embassy said.

Other than strengthening small and medium enterprises and the industrial sector, the embassy's economic priorities include enhancing post-pandemic recovery, boosting of new investments, shaping digitization, supporting innovative startups and advocating for renewable energy and energy transition.

"The Philippines are a promising market in the Asian-Pacific region," the Embassy said. "German companies wish to invest in the Philippines for various reasons, including good business opportunities, attractive labor conditions, supplier diversification and other reasons."

The embassy said it also expected more intensified collaboration in the fields of education and energy, noting that investing in renewable energies will help reduce the cost of energy production, as well as the effects of global warming on the planet.

It welcomed the Philippine government's decision to lower investment barriers for foreign companies.

"Being the largest trading partner of the Philippines among the European Union member states, this might open up new avenues for the business sector in Germany," it said.

The main fields of cooperation between the Philippines and Germany include climate and renewable energy, the peace process in Mindanao, the health sector, and human rights and the rule of law.



Republic of the Philippines  
Department of Transportation  
**CIVIL AERONAUTICS BOARD**



**CAB Case No.: EP-004744-P-AORD-082022**

01 September 2022

**MRS. GLAIZALIN GARCIA**

Airport Duty Officer  
Gulf Air  
RM 419 IPT Building  
NAIA Terminal 1  
Parañaque City  
Metro Manila  
Philippines 1300

Dear Mrs. Garcia,

Please be informed that your request on behalf of Gulf Air for AUTHORITY to operate schedule flights (Passenger and Cargo) is hereby APPROVED. Details are as follows:

Request Version	Carrier IATA code	Flight number	Effective From	Effective To	DOP	De-pApt	Dep Time (LT)	Arr Apt	Arr Time (LT)	Seat	Aircraft Code	Service Type	Code Share
O	GF	154	30-Oct-22	25-Mar-22	1234567	BAH	2025	MNL	1010+1	281	789/26000	J	PR
O	GF	155	30-Oct-22	25-Mar-22	1234567	MNL	1125	BAH	1635	281	789/26000	J	PR

This approval is issued on the basis of the runway and terminal capacity slot clearance issued by the NAIA Slot Coordinator and pursuant to the authority delegated to the Executive Director and the Deputy Executive Director under CAB Resolution No. 95, Series of 2003 and also conditioned on full compliance with Joint DOTC-DTI Administrative Order No. 1.

All approvals issued by this Office in favor of any carrier may be suspended and/or withheld without prior notice pending the payment of any penalties which may have been assessed by this Office. All air carriers with any unpaid penalties are hereby reminded to settle the same.

Very truly yours,

**CARMELO L. ARCILLA**  
Executive Direc