

Joint Foreign Chambers of the Philippines

American Chamber of Commerce of the Phils., Inc. ♦ Australian-New Zealand Chamber of Commerce (Phils.), Inc.
Canadian Chamber of Commerce of the Phils., Inc. ♦ European Chamber of Commerce of the Phils., Inc.
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 8, 2018

Rep. Pedro B. Acharon, Jr.
Chairperson
Committee on Local Government
House of Representative
Batasan Hills, Quezon City

Dear Chairman Acharon:

We would like to express our appreciation for your committee's effort to initiate deliberation on House Bills 1533, 2581, and 2995 – 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.



The Joint Foreign Chambers is a coalition of the American, Australian-New Zealand, Canadian, European, Japanese, Korean chambers and PAMURI. We have over 3,000 member companies engaged in over \$100 billion worth of trade and some \$30 billion worth of investments in the Philippines.

Sincerely yours,



JAMES WILKINS
President

American Chamber of Commerce of
the Philippines, Inc.



DANIEL ALEXANDER
President

Australia-New Zealand Chamber
of Commerce of the Philippines



JULIAN PAYNE
President

Canadian Chamber of Commerce of
the Philippines, Inc.



GUENTER TAUS
President

European Chamber of Commerce
of the Philippines



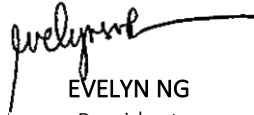
NAOTO TAGO
President

Japanese Chamber of Commerce
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of the Philippines, Inc.



HO IK LEE
President

Korean Chamber of Commerce
of the Philippines, Inc.



EVELYN NG
President

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