

Republic of the Philippines
Department of Environment and Natural Resources
Secretary Roy A. Cimatu

Philippine Mining Club Luncheon
I'M Hotel Ballroom, Makati City
8 June 2018

President Rodrigo Roa Duterte:

“Either we have to reinvent mining in Philippines or sarado kayo lahat by the end of the year.”

President Rodrigo Roa Duterte:

... the government must make “compromise” to prevent the further degradation of the environment.

“We have to limit destruction of the environment.”

Mining Industry Coordinating Council Review

- assessment of the legal, technical, environmental, social and economic aspects of the mining operations
- aims to identify measures that can help strengthen the enforcement of existing laws, regulations and contracts related to open-pit mining

Mining Industry Coordinating Council Review

- assessment of the legal, technical, environmental, social and economic aspects of the mining operations
- aims to identify measures that can help strengthen the enforcement of existing laws, regulations and contracts related to open-pit mining

Measures to strengthen the regulation of mining practices

- review of the mining regulatory process, in particular, providing new guidelines for activities that involve permanent surface modification and potential long-term rehabilitation
- enhance design and performance standards for open pit mines to take into consideration best-practice control strategies and technologies

Measures to strengthen the regulation of mining practices

- revisit the provisions of the Mine Rehabilitation Fund to ensure sufficient financial resources for the rehabilitation, restoration and monitoring activities in the mined-out areas
- revisit the sanctions/penalties prescribed for mining violations under the Mining Act, EIA law, Clean Air Act and Clean Water Act

Measures to strengthen the regulation of mining practices

- prioritize, accelerate and scale-up the rehabilitation of abandoned/legacy mines to prevent any further damage to communities and the environment
- conduct periodic review of the go and no-go zones/areas for mining applications
- enhance coordination and ensure active participation of local governments and communities

MGB-Proposed Regulations:

- 1) Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines; and
- 2) New Guidelines in the Evaluation and Approval of the Three-Year Development/Construction/Utilization Work Program

1. Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines

Emphasis is on:

“the immediate conduct of progressive rehabilitation of all mined-out areas and the temporary re-vegetation of disturbed areas that are not being utilized in the meantime”

1. Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines

- **Topsoil and Subsoil Management**

All Contractors shall conduct stripping activities for topsoil and subsoil collection which shall be stockpiled separately for revegetation and rehabilitation purposes;

- **Buffer Zone Management**

A 20-meter buffer zone shall be established inward from the mining tenement boundary, and outward from the edges of the normal high waterline of rivers and streams within the tenement area;

1. Guidelines for Additional ... (*cont'd*)

- **Pier Stockyard as Temporary Stockpile Area for Ore Shipment**

Pier Stockyards shall be utilized only as temporary stockpile areas for ore prior to loading operations for shipment:

- for Pier Stockyards with capacity of 100,000 mt - 60 days prior to shipment
- for Pier Stockyards with capacity of more than 100,000 mt - 90 days prior to shipment

1. Guidelines for Additional ... (*cont'd*)

- **Maximum Disturbed Area for Nickel Mines**

Scale of Mining Operation	Maximum Disturbed Area
1 Million Tons Per Year (TPY) or less	50 has
More than 1 Million but less than 3 Million TPY	60 has
3 Million TPY but less than 5 Million TPY	70 has
5 Million TPY but less than 7 Million TPY	80 has
7 Million TPY but less than 9 Million TPY	90 has
9 Million TPY and up	100 has

2. New Guidelines in the Evaluation and Approval of the Three-Year Development/Construction/Utilization Work Program

- provides for a new template to incorporate temporary re-vegetation and progressive rehabilitation during the mining operation
- provides for a 60-day transitory period to allow Contractors with pending, expired and previously approved Three-Year Development/Utilization Work Program to submit a proposed or revised Program

DENR's Proposed Policy Reforms:

- Expedite the approval of Minahang Bayan and processing of SSM Contracts;
- Ensure correct reporting of employment in mining including indirect employment;
- Establish the Private Sector Mining and Environment Fund to address compensation claim for damages and injuries over and above the EPEPF/FMRDF;

DENR's Proposed Policy Reforms :

- Increase the Social Development and Management Fund from 1.5% to 3% of total operating cost and expand its coverage to provide inclusive development in mining communities;
- Ensure the timely release of the share of LGUs; and
- Ensure increasing LGUs' share and granting them direct access similar to existing arrangements with the PEZA.

DENR's Policy Initiatives:

- Strictly monitor the shipments of ores/minerals;
- Strictly implement the Water Code and NWRB policies on the use of water in mining operations;
- Adopt the Programmatic EIA in the implementation of the EIA System for mining projects and related activities;
- Strictly enforce the ban on black sand mining in coastal areas;

DENR's Policy Initiatives:

- Impose mining limits in contiguous areas;
- Prohibit the practice of mining companies suspending their mining operations when metal prices are low;
- Impose limits on the quantity and duration of ore stockpiles; and
- Require third-party audit on ore shipment.

DENR's Monitoring Activities:

- Strengthen the Environment National Task Force to stop illegal mining and environmental violations;
- Use modern technology in monitoring mine operations;
- Review the compliance of mining companies by MICC every two years;
- Deputize the Chamber of Mines as Environment and Natural Resources Group to police their members and mining operating areas;

DENR's Monitoring Activities:

- Blacklist irresponsible mining companies with major violations;
- Cleanse non-moving mining rights holders and review of existing mineral agreement for renegotiation of the terms and conditions;
- Strengthen the Multipartite Monitoring Team; and
- Impose one-strike policy to DENR officials for inability to monitor and take immediate actions on major violations.

To ensure the increase in the contribution of mining to national income:

- **Amend EO 79** (*Institutionalizing and Implementing Reforms in the Philippine Mining Sector Providing Policies and Guidelines to Ensure Environmental Protection and Responsible Mining in the Utilization of Mineral Resources*); and **DMO 2016-01** (*Audit of all Operating Mines and Moratorium on New Mining Projects*);
- **Declare high-mineral potential areas as mineral reservations including all existing operating mines;**

To ensure the increase in the contribution of mining to national income:

- Strictly monitor payment of taxes by mining companies;
- Promote the establishment of mineral processing plants in the country;
- Encourage mineral processing of all nickel ore; and
- Finalize the national program and road map for the development of value-adding activities and downstream industries for strategic metallic ores.

DENR will also pursue the following policy measures:

- Adopt new technology to maximize mineral ore utilization and environment protection;
- Intensify Information and Communication activities through:
 - Promotion of unified IEC Program on Mining; and
 - Mandatory establishment of private sector mining statistics data and training center;

DENR will also pursue the following policy measures:

- Further review of policies, such as:
 - Mining in critical watersheds; and
 - Mining in small islands which should be subject to conduct of study on carrying capacity.

National Task Force Mining Challenge:

- The enforcement campaign will include other government agencies such as:
 - AFP
 - PNP
 - BOC
 - NBI
 - PPA
 - PCG

Thank you and Mabuhay!