

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

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IN THE NEWS

THE EXPONENT OF PHILIPPINE PROGRESS
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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

MGB strengthens fight vs illegal mining

By MADELAINE B. MIRAFLORES

The Mines and Geosciences Bureau (MGB) has intensified its fight against illegal mining, embarking on a web-based management information system (MIS) that will simplify the enforcement of environmental laws across the country and will serve as a data collector of all mining-related cases.

In a statement, MGB said it has participated in the development of the Environmental Law Enforcement Management Information System (ELEMIS), something that is being built with the assistance of the United States Fish and Wildlife Service and is expected to be implemented within this year.

The ELEMIS program is a web-based management and information system that would streamline on a national level the enforcement of environmental laws, through the inclusion of investigation protocols and will serve as the repository of related information.

According to MGB, this would aid field officers, managers, prosecutors and other users in gathering and preserving evidences, generating comprehensive statistical reports, allocating resources, determining investigation cases' sensitivity levels, assessing cases and policy impacts, and monitoring of cases.

It is capable of linking with other related information management systems to expand its network of information sources.

The ELEMIS conference, which was held in Colorado, officially started the development of the ELEMIS pro-

gram.

It was spearheaded by the Department of Environment and Natural Resources' Knowledge and Information Systems Service, with representatives from the MGB, Biodiversity Management Bureau, Forest Management Bureau, and National Bureau of Investigation.

Meanwhile, MGB will also produce groundwater availability maps on a scale of 1:250,000 covering the whole country.

This map and the accompanying report can be used as guide by local government units (LGUs) at the provincial level, for the development and conservation of groundwater resources.

This activity is part of the Groundwater Resource and Vulnerability Assessment Project under the Geological Assessment Program that is currently being implemented by the MGB.

"The Project aims to determine the availability and quality of groundwater in the various rock units of geologic formations and assess groundwater vulnerability of aquifers in the country," MGB said in a separate statement.

Systematic and standardized procedures for mapping, sampling and data collection, supported by the use of specialized equipment such as georesistivity equipment and in-situ water quality equipment, are used by MGB in the Project.

The production of the 1:250,000 scale groundwater availability maps constitutes the initial 3-year phase of the Project covering all the provinces of the country.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

SMALL, LARGE MINERS TRY TO SWAY LOPEZ

By JONATHAN MAYUGA

🐦 @jonlmayuga

WITH Environment Secretary Regina Paz L. Lopez tightening the screws on mining operations, it has now become a fight for survival between large- and small-scale miners. And both camps have started trading barbs in an apparent attempt to win the support of Lopez over the other.

Ronnie Recidoro, vice president for legal and policy of the big miners' group Chamber of Mines of the Philippines (COMP), said Lopez should focus on the environmental destruction caused by small-scale mining than tightening her grip on the already heavily regulated large-scale mines.

“What is the plan, really? We are adding to the level of uncertainty, and that is the worrisome part.” —RECIDORO

A newly formed coalition of artisanal and small-scale gold miners, on the other hand, appealed to President Duterte and Lopez to “change the game” for small-scale mining communities in the country.

In an interview, Recidoro said

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Small, large miners try to sway Lopez

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Lopez's Memorandum Order 2016-01, which imposes a moratorium on new mining projects and orders an audit of mining operations, does not mention about small-scale mining, which, he noted, is more destructive and, in fact, vastly unregulated by the Department of Environment and Natural Resources (DENR).

Lopez could not be reached for comment. She, however, earlier told the *BUSINESSMIRROR* that the audit to be conducted on mining will be "holistic" and would include non-metallic mining operations, as well as small-scale mines. She also vowed to put them under strict regulatory process and would not hesitate to stop their operations if their operations are environmentally destructive and cause people in the communities to suffer.

"I am looking at the memorandum order now. She said the audit will be conducted in accordance with the Mining Act, EO [Executive Order] 79 and DAO [Department Administrative Order] 2015-07. We take this to mean that she will be implementing existing regulations relative to mining," the COMP official said.

'Reveal review results'

HE said EO 79 already imposed a moratorium subject to a review of the performance of existing mining operations.

"We were hoping and, in fact, it was our call to Secretary Lopez for her to reveal the result of that first review undertaken by the MGB [Mines and Geosciences Bureau]. There is already an ongoing review, now here comes another review?" Recidoro lamented.

Recidoro said members of the COMP have not seen the result of the first review. "What is the plan, really? We are adding to the level of uncertainty and that is the worrisome part."

He added that the order does not mention anything about small-scale mining operations.

"To our mind, that is the more serious matters she should look into. Large-scale mines are heavily regulated already. In fact, when the DENR imposed the ISO 14001 [International Organization for Standardization] certification requirement, everyone complied. Most of our members have already secured their ISO 14001 certification," he said.

On the other hand, he added that the small-scale mining sector is unregulated. In fact, he said most small-scale mines are operating illegally.

He noted that there are only five declared Minahang Bayan in the country, where small-scale mining should be conducted as mandated by EO 79.

"Where is the audit there? Where is the regulation there?" he said.

Too focused on large miners

ACCORDING to MGB estimates, he said around

40 percent of the country's gold output may be credited to small-scale mining. "Our appeal to the secretary is for her to look into that, too."

He said the DENR chief is too focused on large-scale mining. There are two sectors in the mining sector, he said—large-scale mines, which operate under the law, and small-scale mines, which operate outside Minahang Bayans.

The DENR chief, Recidoro said, should stop small-scale mining operations that are illegally operating in various parts of the country before tightening her grip on large-scale mining operations that are compliant with existing mining and environmental laws.

"She should stop the illegal mining operations in Paracale, in Diwalwal and the illegal operations in Zamboanga. Those are definitely destroying the environment," he said. "In fact, President Duterte even announced that he plans to appoint a military man to the DENR to stop illegal mining operations and he knew that is a priority."

COMP statement

IN an official statement sent to the media meanwhile, the COMP, through its Executive Vice President Nelia Halcon, said Lopez's first order as DENR chief "impedes on the otherwise positive investment environment created during the recent business forum in Davao City."

The COMP noted that the mining sector then submitted its inputs to the Duterte administration's 10-point economic agenda stressing the implementation of responsible mining is crucial in driving investments in rural areas.

"Since 2010, the Mines and Geosciences Bureau has been undertaking an assessment of all mining permits and agreements in its 'Use it, lose it' policy in a bid to purge the system of nonmoving mining applications.

Section 3 of EO 79 also called for a review of the performance of existing mining operations and a continuation of the cleansing of nonmoving mining-rights holders. The EO stated, "The review shall be based on the guidelines and parameters set forth in the specific mining contract or agreement and on other pertinent laws, rules and regulations, such as the Mining Act of 1995 and the Labor Code."

According to COMP, after six years of review, it is now incumbent upon the MGB to report the results to the new secretary before another comprehensive review is undertaken.

"A continuing moratorium on new mining projects only breeds more confusion and uncertainty, particularly on capital-intensive and risky mining business," the statement added.

MGB has earlier indicated "frequent violators" of mining rules and regulations, and has

named companies that have not secured ISO 14001 certification.

Out of the 42 companies listed by the MGB, only half, or 21, are members of the Chamber of Mines of the Philippines and of the 21 members, 17 have fully complied with ISO 14001, with the remaining four waiting to be certified anytime soon.

"We are now calling on MGB to release the list of cancelled mining applications in the spirit of transparency," COMP said.

COMP maintains that it relies on the President's directive to the DENR to "just implement the Mining Act of 1995 and ensure responsible mining" in the country.

Small-scale miners speak up

BUT leaders of the Philippine National Coalition for Artisanal and Small-scale Mining said they are hoping that the new administration can fix the problems besetting the artisanal and small-scale mining, or the ASM sector.

The coalition is represented by 15 ASM leaders from six major provinces in the Philippines. The ASMs are engaged in gold-panning activities and use mercury, a toxic heavy metal.

They said, for a long time, the sector has existed and operated illegally because of government neglect.

According to members of the coalition, they are ready and willing to cooperate with the new administration in realizing common goals that will lead to a progressive, healthy and sustainable ASM community.

"This coalition hopes to change the game for small-scale mining communities in the country," said Evelyn Cubelo, development program manager of BAN Toxics.

"With proper support, it can be the best vehicle for miners to look at more responsible mining practices, end poverty and call for mercury-free methods of mining. This is a step toward a more sustainable ASM community."

Among the coalition's goals is to ensure the government's support for projects that aim to uplift and transform the ASM sector.

The ASM sector and its miners have long been neglected and regarded as illegal, despite the fact that the sector consists of roughly 350,000 people per DENR estimates and benefits around 2 million people. About 28 tons of gold, or 80 percent of the country's annual gold production, were produced by this sector in the past decade.

Because it is considered illegal, the ASM sector has largely been ignored and unrecognized by the government.

ASM communities, particularly their indigenous peoples, women and children, frequently lack valuable support from the government, they said.

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By **MADELAINE B. MIRAFLOR**

The first memorandum order signed by Gina Lopez as the new Department of Environment and Natural Resources (DENR) secretary is feared to further hurt mining industry as it keeps the moratorium on the approval of new mining projects aside from ordering an audit of existing ones.

Lopez signed on Monday its first memorandum order (MO), calling for an audit of existing mines in the country and imposes a continuing moratorium

on the new ones. This memo 2016-01 is in effect until formally terminated.

Chamber of Mines of the Philippines (COMP) Executive Vice President Nelia Halcon said this order jeopardizes mining investments in the country, impeding on the otherwise positive investment environment created during the recent business forum in Davao City led by President Rodrigo Duterte himself.

"The Chamber of Mines and its entire membership continues to rely on the President's pronouncement to the

DENR to 'just implement the Mining Act of 1995 and ensure responsible mining' in the country," Halcon said.

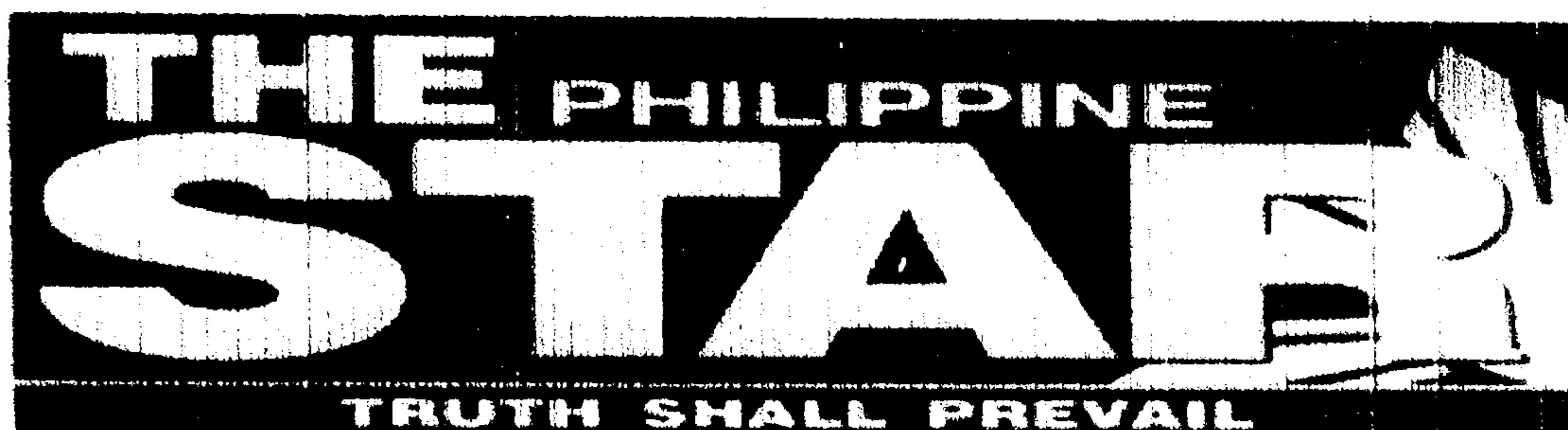
"A continuing moratorium on new mining projects only breeds more confusion and uncertainty particularly on capital intensive and risky mining business," she added.

Halcon also argued that since 2010, the Mines and Geosciences Bureau (MGB) has been undertaking an assessment of all mining permits and agreements in its 'Use it, Lose it' policy in a bid to purge the system of non-moving

mining applications.

She also said that Executive Order 79 already called for a review of the performance of existing mining operations and a continuation of the cleansing of non-moving mining rights holders.

This review, as the order reads, "shall be based on the guidelines and parameters set forth in the specific mining contract or agreement and on other pertinent laws, rules, and regulations such as the Mining Act of 1995 and the Labor Code".



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Small-scale miners seek gov't support

The country's small-scale miners have called for support and legalization from the administration to improve their livelihood as the new government demands for responsible mining.

Local miners have established the Philippine National Coalition for Artisanal and Small-Scale Mining (PNCASM) that represents the ASM sector to appeal to the government to respond to the most pressing

issues of poverty, legalization, amendment of mining laws and environmental impact affecting the people involved.

"We are seeking support from the government for small-

By LOUISE MAUREEN SIMEON

scale miners to become medium scale," PNCASM vice-president Gil Indino said.

The ASM communities aim to be recognized as a legitimate part of the economy as they

have been regarded as illegal despite providing employment to around 500,000 people involved in producing 80 percent of the country's annual gold production.

The new coalition also calls

for the creation of policy on tax reforms for gold produced by ASM to prevent black market trading and the immediate amendment of RA 7076 to enact legislation that will address the needs of the sector.

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WEDNESDAY: JULY 13, 2016

BUSINESS

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Mining group hits new DENR circular

By Anna Leah E. Gonzales

THE new memorandum order issued by Environment Secretary Regina Lopez will jeopardize mining investments in the country, the Chamber of Mines of the Philippines said Tuesday.

Lopez earlier issued Memorandum Order No. 2016-01 calling for an audit on all mining firms and imposing a moratorium on new projects.

CoMP executive vice president Nelia Halcon said in a statement the new order "impedes on the otherwise positive investment environment created during the business forum in Davao City."

Halcon said responsible mining was crucial in driving investments in rural areas.

"A continuing moratorium on new mining projects only breeds more confusion and uncertainty, particularly on capital-intensive and risky mining business," Halcon said.

Halcon said that since 2010, the Mines and Geosciences Bureau had undertaken an assessment of all mining permits and agreements in a bid to purge the system of non-moving mining applications.

"After six years of review, it is now incumbent upon MGB to report the results to the new secretary before another comprehensive review is undertaken," Halcon said.

DENR earlier ordered mining companies to secure an ISO 14001 certification.

Halcon said of the 42 total operating mines, only 21 were members of the CoMP and of the 21 members, 17 had fully complied with ISO 14001, with the remaining four waiting to be certified anytime soon.

"We are now calling on MGB to release the list of cancelled mining applications in the spirit of transparency," Halcon said.

"The Chamber of Mines and its entire membership continues to rely on the President's pronouncement to the DENR to just implement the Mining Act of 1995 and ensure responsible mining in the country," Halcon said.

Meanwhile, the Philippine National Coalition for Artisanal and Small-Scale Mining and environment group Ban Toxics called on President Rodrigo Duterte and Lopez to hear out the concerns of and support the artisanal and small-scale mining sector.

The coalition appealed to the new administration to respond to the sector's issues such as poverty, human rights, legalization, amendment of mining laws, occupational health and environmental impact.

The group said they were "willing to cooperate with the new administration in realizing these goals."

"This coalition hopes to change the game for small-scale mining communities in the country," said Ban Toxics development program manager Evelyn Cubello.

BusinessWorld

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Chamber of Mines says DENR's ban dims 'otherwise positive' investment climate

THE CHAMBER of Mines of the Philippines (COMP) said that the moratorium on new mining projects issued by Environment Secretary Regina Paz L. Lopez on top of another ban already in force will drive away mining investment.

"Memorandum Order No. 2016-01, released yesterday by Department of Environment and Natural Resources (DENR) Secretary Gina Lopez, impedes on the otherwise positive investment environment created during the recent business forum in Davao City," said Nelia C. Halcon, executive vice-president of COMP in a statement sent to reporters.

Ms. Lopez ordered on July 8 a review of mining firms' compliance with environmental standard.

On top of Executive Order (EO) No. 79 which was signed in 2012, ordering an indefinite moratorium on new mining applications, the DENR order poses a second bar on new applications.

EO 79 requires that a pending revenue-sharing bill in the House be enacted before the moratorium is lifted.

"The mining sector then submitted its inputs to the Duterte administration's 10-point economic agenda stressing the implementation of responsible mining as crucial in driving investments in rural areas," Ms. Halcon added.

Since 2010, the Mines and Geosciences Bureau (MGB) has been undertaking an assessment of all mining permits and agreements under its "Use it, Lose it" policy in a bid to purge the system of inactive mining applications.

Ms. Halcon noted that Section 3 of EO 79 also called for a review of the performance of existing mining operations.

"After six years of review, it is now incumbent upon the MGB to report the results to the new Secretary before another comprehensive

review is undertaken. A continuing moratorium on new mining projects only breeds more confusion and uncertainty particularly in the capital-intensive and risky mining business," Ms. Halcon said.

Out of the 42 companies listed by the MGB, only half or 21 are members of the Chamber of Mines of the Philippines. Of the 21 members, 17 have fully complied with ISO 14001, the standard governing environmental management practices, with the remaining four waiting to be certified "anytime soon."

The audit, with results to be released on Aug. 1 according to Ms. Lopez, will determine the efficiency and adequacy of environmental protection measures of each mining operation, identify gaps in environmental protection, and determine appropriate violations of the mining and environmental laws. — **Janina C. Lim**

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

It just got harder to build coal-fired power plants in PH

THE Philippines' new environment secretary will prioritize renewable energy over fossil fuels like coal in approving permits for new power plants.

Southeast Asia's fastest growing economy should build wind, solar and geothermal projects to capitalize on falling costs and minimize emissions, Gina Lopez, named Secretary of the Environment and Natural Resources by President Rodrigo Duterte last month, said in an interview in her office Thursday. Lopez said her family's ties to renew-

able energy companies don't affect her views.

Lopez, 62, whose office gives environmental approval for new power plants in the Philippines as it nearly doubles electricity generation by 2030, stopped short of promising to never approve a new coal-fired plant. She said she would make decisions in consultation with the Department of Energy, which has said the Philippines will have to continue to rely on coal.

"Why allow more coal plants? Why commit to a form of energy

that has no future?" Lopez said in an interview with Bloomberg Thursday. "I'm not keen on it. I'd have to be very convinced."

Thermal coal at Australia's port of Newcastle, a benchmark in Asia, rose 6.4 percent the week ended Friday to \$60.11 a metric ton, according to globalCOAL. Prices have fallen 50 percent in the past five years.

Energy Department officials did not immediately respond to e-mails and phone calls for comment. New Energy Secretary Alfonso Cusi said

at a July 4 press briefing the country couldn't afford to not use coal as it seeks to reduce electricity costs while finding a balance between adequate supply and protecting the environment.

"We have to find that balance, not everything can be renewable," he said.

Coal accounted for 45 percent of the nation's electricity output in 2015, with natural gas at 23 percent, according to Energy Department statistics. Geothermal, hydro and other renewable sources accounted for about a quarter.

Plummeting costs for solar generation mean that if the Philippines commits to new coal plants now, it could be stuck paying higher prices for higher-emission power for the next two decades, Lopez said. The cost of photovoltaic modules, the largest part of solar costs, has fallen from \$72 per watt in 1976 to 60 cents last year, according to Bloomberg New Energy Finance. Costs will fall another 60 percent by 2040, BNEF said in its New Energy Outlook last month.

Bloomberg

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MVP makes pitch for tourism, mining

Businessman Manuel V. Pangilinan yesterday made a pitch for tourism and mining, saying the business sector can help achieve inclusive growth for the Philippines through these two industries.

In his keynote speech at the *BusinessWorld* Economic Forum yesterday, Pangilinan, chairman of Philex Mining Corp. said the business sector could be the government's partner in nation building especially in spurring growth in the countryside.

One way to do this he said, is to invest in tourism and mining.

"There are many soft parts of our economy begging to be addressed. The good news is that these gaping deficits represent investment opportunities. Since most are job-creating and situated in rural areas, they would help in promoting inclusive growth. What are these opportunities? First, businesses unique to their geographic and resource advantages such as tourism and mining. Most of these are located in rural areas where poverty incidence is the highest. At around 40 percent, this is higher than the national average of 26 percent," Pangilinan said.

He said progress is best achieved when the public and private sector appreciate each other's mandate and work together in fulfilling the one and same purpose — improvement of people's welfare.

By IRIS GONZALES

However, he said poverty must be addressed.

"The optimum approach to poverty, in our view is jobs — not just the quantum of jobs created but jobs that lift families up from the bottom of the pyramid," he said.

Elaborating on the issue of mining, Pangilinan said that even with the premise that mining is bad, the need for mining products would not stop.

"We will import the metal sand minerals we refuse to mine ourselves. We would then be paying the Indonesians, Malaysians, Australians — everybody else — for their riches. We'd be paying not only their profit but also the cost of protecting their environment. This makes no sense at all — paying somebody else to do the job we ourselves can and should do," Pangilinan said.

He said the country could choose to develop its abundance of natural resources so it could benefit people or just let these resources "lie fallow."

In power, Pangilinan called for a national policy on fuel mix for the country's generation plants.

"This fuel allocation will impact both the cost of power and our environment in the long run. The recent heightened interest in renewables is understandable. But let me say this — for now, renewables cost

more than conventional power which means higher power prices. There's a cost to protecting our environment — no such thing as a free lunch," he said.

During the forum attended by some of the country's biggest businessmen, Vice President Leni Robredo, meanwhile, urged businesses to participate in achieving inclusive growth.

"Progress that benefits only

the elite is not progress at all," Robredo said.

She urged businesses to change their mindsets so it's no longer business as usual anymore where growing profits is the main driver.

"Let us now be business unusual. Let's celebrate disruption and innovation and create wealth and profit shared by both top and bottom," she said.



INTERNET ACCESS: Transportation Secretary Arthur Tugade and PLDT and Smart chairman, president, and CEO Manuel V. Pangilinan yesterday signed a Memorandum of Understanding outlining the initiative for better customer experience and to bring Internet access to more Filipinos nationwide. Under the MOU, Smart Wi-Fi will be strengthened in major airports across the country, and deployed at seaports and bus terminals to serve millions of users.

The Manila Times

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'DENR order jeopardizes investment in mining'

THE country's big mining lobby on Tuesday said the moratorium on new mining permits jeopardizes investment in the sector.

The Chamber of Mines of the Philippines (COMP) noted the recent move by the Department of Environment and Natural Resources (DENR) impedes the otherwise positive investment environment created during the business forum in Davao City last month.

Environment Secretary Regina Paz Lopez issued DENR Memorandum Order (MO) 1-16, imposing a moratorium on the approval of new mining projects and will disallows new mining activities under her watch despite paying higher taxes.

The order took effect immediately and "shall remain in force and in effect until formally terminated."

Lopez's first memo institutionalizes her policy pronouncement when she took over the helm of the DENR.

"In line with the pronouncement on responsible mining by His Excellency, President Rodrigo Duterte, 'that there will be a comprehensive review of the mining claims of concessions given, and in the interest of the common good and to ensure that the concerns of the helpless and the impoverished are addressed, an audit of all operating mines and a moratorium on the approval of all new projects are hereby ordered for the guidance and compliance of all concerned," the order stated.

The memo repealed or modified all other existing orders, circulars, and directives that are inconsistent with the provisions of the order, said Nelia Halcon, executive vice president of the Chamber of Mines.

"The Chamber of Mines and its entire membership continues to rely on the President's pronouncement

to the DENR to just implement the Mining Act of 1995 and ensure responsible mining in the country," Halcon said.

Since 2010, the Mines and Geosciences Bureau has been undertaking an assessment of all mining permits and agreements in its "Use it, Lose it" policy in a bid to purge the system of non-moving mining applications.

Executive Order 79 also called for a review of the performance of existing mining operations and a continuation of the cleansing of non-moving mining rights holders.

"The review shall be based on the guidelines and parameters set forth in the specific mining contract or agreement and on other pertinent laws, rules and regulations such as the Mining Act of 1995 and the Labor Code," according to the EO.

"After six years of review, it is now incumbent upon the MGB

to report the results to the new secretary before another comprehensive review is undertaken," Halcon said.

"A continuing moratorium on new mining projects only breeds more confusion and uncertainty particularly on capital-intensive and risky mining business," she added.

Out of the 42 companies listed by the MGB, only half or 21 are members of the Chamber of Mines—and of the 21 members, 17 have fully complied with ISO 14001 with the remaining 4 waiting to be certified.

"We are now calling on MGB to release the list of cancelled mining applications in the spirit of transparency," Halcon said.

In a related development, newly established Philippine National Coalition for Artisanal and Small-Scale Mining called on the Duterte administration for support.

JAMES KONSTANTIN GALVEZ

Mining firms balk at new review, moratorium

By Ronnel W. Domingo

SUBJECTING mining operations to another audit and again suspending the acceptance of applications for new mines will dampen planned investments, according to the Chamber of Mines of the Philippines (COMP).

COMP executive vice president Nelia Halcon yesterday said the Mines and Geosciences Bureau (MGB) under the Aquino administration had

been undertaking an assessment of mining operations and a moratorium on new mines pursuant to Executive Order No. 79.

The industry group earlier described EO 79 as a "flawed policy" and had asked President Duterte to scrap the order.

"After six years of review, it is now incumbent upon the MGB to report the results to the new Secretary (of the Department of Environment and Natural Resources) before another com-

prehensive review is undertaken," Halcon said in a statement.

"A continuing moratorium on new mining projects only breeds more confusion and uncertainty particularly on capital-intensive and risky mining business," she added.

Last July 8, Environment Secretary Regina Lopez issued DENR Memorandum Order No. 2016-01, which formalized the imposition of a new audit and a new moratorium.

Halcon said the memo "im-

on the otherwise positive investment environment created during the recent business boom in Cebu City."

Earlier, the COMP said it expected investment inflows of \$23 billion to P1 trillion from new mines that are scheduled to start commercial operations over the next few years.

Halcon said that during the forum, the mining sector submitted its inputs to the Duterte administration's 10-point economic agenda, stressing that

the implementation of responsible mining is crucial in driving investments in rural areas.

Also, she noted that the MGB last month indicated "frequent violators" of mining rules and regulations and had named companies that have not secured ISO 14001 certification.

"Out of the 42 companies listed by the MGB, only half or 21 are members of the (COMP), Halcon said.

She said that of the 21 mem-

bers, 17 have fully complied with ISO 14001 with the remaining four waiting to be certified "anytime soon."

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"The (COMP) and its entire membership continues to rely on the President's pronouncement to the DENR to 'just implement the Mining Act of 1995 and ensure responsible mining in the country," she said.



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Gov't drawing up new energy mix

By DANESSA RIVERA

The government will not touch most of the coal-fired power projects in the pipeline as it plans to determine the appropriate energy mix policy, a ranking government official said yesterday.

The government recognizes the need to consult with power industry players over a clear fuel mix policy and the country's need for a reliable power supply, Finance Secretary Carlos Dominguez said during the BusinessWorld Economic Forum yesterday.

"There has to be an energy mix policy, but at the moment we will proceed with what we have already in the pipeline so we will not stop everything. (It will) require a lot of consultation from both the entity that will provide (electricity supply) as well as people that are using it," he said.

Consultations will allow government to point out "all the pluses and minuses" for the energy mix policy, Dominguez said.

Recent reports said Department of Environment and Natural Resources (DENR) Secretary Regina Lopez said her office would prioritize giving necessary permits to renewable energy (RE) power plants over fossil fuels like coal.

Currently, more than half of the country's power supply comes from coal-fired and diesel-fired power plants, 30 percent from natural gas plants and 10 percent from renewable sources that include geothermal, wind, hydropower and solar.

The country will get an addition of 5,000 megawatts (MW) in capacity from 47 new power plants being built of which over 70 percent are coal-based, recent data from the Department of Energy (DOE) showed.

In the same event, businessman Manuel Pangilinan commended the move to have a public-private consultation on the much-sought policy to balance environment protection and the cost of power.

"I think Secretary Dominguez is right. It has to be a consultation between government (and private sector) to communicate what the government sees is right for the country as they have that broad perspective, not the private sector," he said.

"Clearly, there's an imperative of protecting the environment and...minimizing the impact on the pricing of power. Fuel mix will also drive the pricing of power. It will have to be a balance between environment and cost of power. For so long, we've been complaining of the high price

Turn to B-4

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of power, we have to address that as well," Pangilinan said.

Earlier, DOE Secretary Alfonso Cusi said he would review the fuel mix policy "to find the correct mix." He is seeking the rationale of the energy mix laid down by the previous administration which was 30 percent from coal, 30 percent from renewable energy, 30 percent from natural gas and 10 percent from oil-based power plants.

But more than forming the ideal fuel mix, the government must also lay down how this mix will be achieved, AC Energy Holdings Inc. president and CEO John Eric Francia said.

"The important question is how do we

get there...how do we get to that ideal mix. The policy has to spell out how do we get there," he said. "It has to boil down into levels of specificity."

In forming a clearer policy, issues in natural gas and renewables should be ironed out, Francia said.

"We need to develop an LNG (liquefied natural gas) supply chain but it's going to be tough since it's hard to compete with coal, which is the most cost competitive. Just to put up an LNG terminal adds to the cost of supply chain," he said.

The government should seriously consider whether to do a public-private partnership to spur LNG supply or some sort of subsidy support for an LNG terminal or pipeline, Francia said.



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PAANONG NAAPEKTUHAN NG GLOBAL WARMING ANG DAMI NG ULAP SA NAKALIPAS NA 30 TAON?

SA bagong pag-aaral na inilathala nitong Lunes, sinabi ng mga siyentista na sa unang pagkakataon ay masusi nilang naidokumento ang isa sa pinakamahahalagang pagbabago sa planeta na epekto ng patuloy na umiinit na klima: Nagbago ang distribusyon ng mga ulap sa iba't ibang parte ng mundo, ayon sa kanila.

Higit pa rito, nagkaroon ito ng pagbabago sa isang paraan — sa pagpapalawak ng subtropical dry zones, na matatagpuan sa pagitan ng 20 at 30 degrees latitude sa parehong hemisphere, at sa pagtaas ng cloud tops — na pinalala ng global warming.

"As global warming occurs, there's the expectation that the storm track will shift closer to the pole and the dry areas of the subtropics will expand poleward," sinabi ni Joel Norris, climate scientist sa Scripps Institution of Oceanography sa University of California, San Diego, at ang pangunahing awtor ng pag-aaral. Ginawa ang pag-aaral kasama ang iba pang mga siyentista sa Scripps, sa University of California sa Riverside, at sa Lawrence Livermore National Laboratory sa Colorado State University.

Inobserbahan ng pag-aaral ang pagbabagong ito, ngunit hindi lamang ang pagbabago ng pagkilos ng bagyo sa dakong hilaga ang epekto nito. Ang tuktok ng mga ulap ay patuloy na tumataas patungo sa atmosphere, paliwanag ni Norris.

"An increase of CO2 leads to cooling of the stratosphere, so it's cooling down, the troposphere underneath is warming up, and so that means, as the clouds rise up they can rise up higher than they did before," dagdag ni Norris.

Ang mga bagay na ito na mangyayari sa teorya, base sa pagkakaintindi ng physics sa atmosphere, ay matagal nang inaasahan. Ang mga pisikal na dahilan na inaasahan ay mabilis na naging kumplikado, kasama ang factors tulad ng "Rossby radius of deformation," at kung paanong nababago ng pag-ikot ng mundo ang landas ng hangin — na tinatawag na Coriolis force, paliwanag ni Norris. Pero ang lahat ng ito ay matagal nang inaasahan base sa mga climate simulation na nakaangkla sa pagkilos ng atmosphere.

Gayunman, metikulosong pinagsama-sama ng pag-aaral ang mga imahe mula sa weather satellites sa pagitan ng taong 1983 at 2009 — iwinasto ang maraming palya ng satellites na hindi rin nito maayos ang ginawang pagsusukat sa temperatura ng atmosphere — para ayusin ang pre-existing theory nang may obserbasyon.

"We're seeing what the climate models think the pattern of cloud change would be," sabi ni Norris.

Nagtutugma ang mga lokasyon ng karamihan ng climate models at ang karamihan ng satellite records kung paano nagbabago ang kaulapan sa pagitan ng 1980s hanggang 2000s.

Hindi ito nangangahulugan na wala nang ulap ang ibang bahagi ng mundo. Ang pagbabago ay mahalaga sa konteksto kung paano pumapasok sa planeta ang radiation mula sa araw, at kung paano ito umaalis mula sa sistema ng mundo.

Washington Post

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HATAW!

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Ozone layer naghihilom na

KINALAP NI TRACY CABRERA

NADISKUBRE ng mga siyentista ang mga senyales ng paghihilom sa butas sa ozone layer sa ibabaw ng kontinente ng Antarktika, ayon sa bagong pag-aaral.

Noong nakalipas na Setyembre 2015, ang nabanggit na butas ay nakitang lumiit nang 4 na milyong kilometro kuwadrado kaysa nakaraang 15 taon, sinabi sa pag-aaral.

Mahalaga ang ozone dahil ito ang humaharang sa ultraviolet radiation mula sa araw na maaaring dahilan o maging sanhi ng kanser sa balat at pinsala sa

cataract ng mata, at nakakasama rin sa kalikasan.

Binanggit ng mga siyentista na ang paghihilom ng ozone layer ay dahil umano sa phasing out ng ozone-destroying simula nang unang madiskubre ang butas noong kalagitnaan ng 1980s.

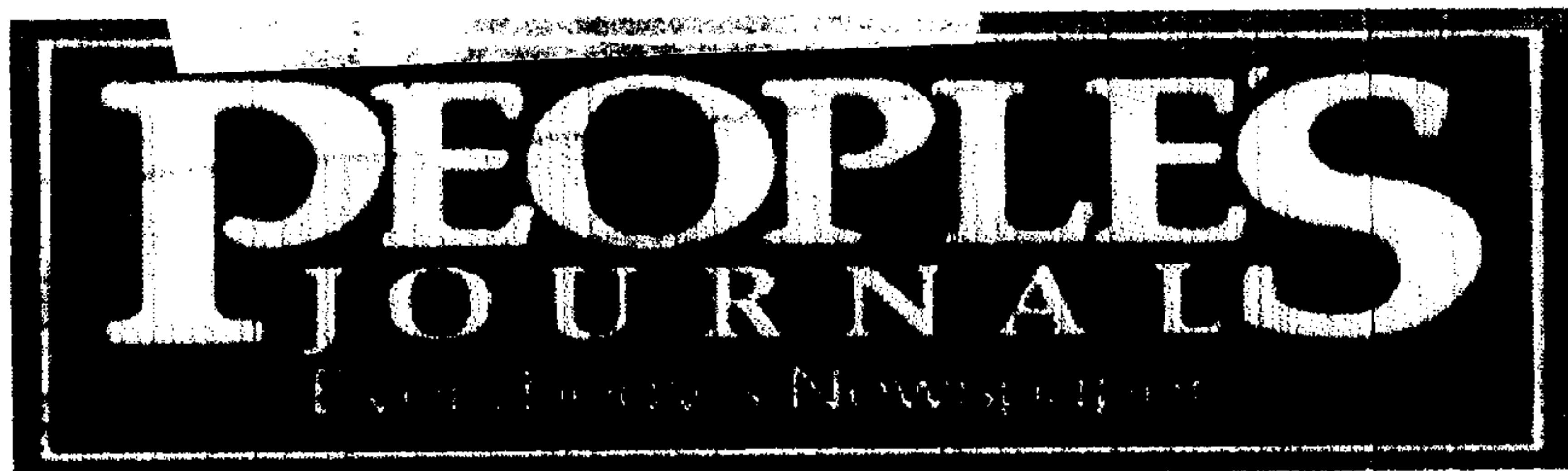
Napag-alaman ng mga researcher na ang mga molecule mula sa mga chlorofluorocarbon (CFC) na matatagpuan sa mga aerosol can at ilang mga home appliance o kagamitan sa tahanan ang sumisira sa ozone ng mundo.

Noong 1987, naipatupad ang polisiya sa pagbabawal ng mga CFC.

Batay sa huling datos ngayon, umaasa ang mga researcher na makakakita sila ng patuloy na paghihilom ng ozone layer sa susunod na mga taon ngunit naniniwala pa rin na hindi makakamit ang full recovery nito hanggang sa 2050.

Sinabi rin sa pag-aaral na ang mayorya ng paghihilom ay nagresulta sa kabawasan ng antas ng Chlorine sa himpapawid sa ibabaw ng Antarktika.





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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Land use and climate changes impact on species

SAN FRANCISCO – A new study by researchers at Stanford University shows the effects of deforestation and climate change are amplified into a one-two punch that pushes vulnerable rainforest species towards extinction, while dry-climate species persist.

The findings, published in *Ecology Letters*, could help guide decisions about where land can be converted to agriculture while minimizing species losses.

"The current and future climate of a region must be considered when evaluating the impact of habitat conversion," said lead author Luke Frishkoff, a Stanford biology doctoral student at the time of the research.

"By paying attention to current and future regional climate, agricultural landscapes may be modified in practical ways to minimize harm to, and maybe even benefit, wildlife," said Frishkoff.

Studying more than 300 bird species across Costa Rica in central America over 12 years and compiling one of the most extensive data sets on biodi-

ENVIRO WATCH

versity in the tropics, the researchers found that when rainforests were cleared for agriculture, bird species that require wetter climates tended to die out, while dry-climate birds took their place.

This is likely because agricultural areas more closely resemble the scrubland and savannah habitats of many dry-climate birds.

Whatever the reason, according to the researchers, it seems clear that dry-climate species will be more resilient to future changes in both climate and land use.

"When people cut down trees, there are cascades that impact tropical forest species and de-forested environments," said co-author Elizabeth Hadly, the Paul S. and Billie Achilles Professor in Environmental Biology and a Stanford Woods Institute senior fellow.

"Not only do these cleared landscapes lead to a decrease in humidity, but their air temperatures increase locally too."

Protecting wildlife while feeding a

world population predicted to reach 9 billion by 2050 is a defining challenge of our era.

At least three-quarters of the world's land surface is directly affected by humans and the rest is vulnerable to human-caused impacts such as climate change.

Current projections forecast that about half of Earth's plants and animals will go extinct over the next century because of human activities, mostly due to our agricultural methods.

"We focused on the wildlife-rich tropics, because change is expected to be especially dramatic there - with temperature increases of up to 4 degrees Celsius and precipitation declines by as much as 20 percent over the next century," said co-author Gretchen Daily, a professor in environmental science and a senior fellow at the Stanford Woods Institute for the Environment.

"People depend on forests and the many animals living in them in a wide array of ways, for pollination of crops like coffee to provision of ample, healthy water supplies."

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Philippines alarmed by IUCN's 'endangered' listing of 'butanding'

By JONATHAN L. MAYUGA [@jonlmayuga](#)

THE latest Red List assessment of the International Union for Conservation of Nature (IUCN) has put the whale shark and two other species at an increasing risk of extinction.

While whale sharks and winghead sharks are now listed as "endangered," the Bornean orangutan is now listed as "critically endangered," according to the IUCN.

An official of the Department of Environment and Natural Resources (DENR) said the report is a cause for concern.

Director Theresa Mundita S. Lim of the DENR's Biodiversity Management Bureau (BMB) said there is a need for stronger cooperation among countries to ensure the global protection of not only the whale sharks and winghead sharks, but all migratory marine mammals that are threatened with extinction.

Environmental advocates, likewise, said the report is alarming, especially for the country, which fought

for the listing of whale sharks, locally called *butanding*, in the Convention on International Trade in Endangered Species (CITES) of Wild Fauna and Flora, also known as Washington Convention. The CITES is a multi-lateral treaty to protect endangered plants and animals.

The Philippines is a known migratory route of marine mammals, particularly the whale sharks, or *butanding*. These gentle giants tend to stay longer along coastal areas, where they feed undisturbed.

Scientists say whale sharks feed on phytoplankton, macroalgae plankton, krill and small nektonic life, such as small squids.

The Philippines is rich with these whale-shark diets, according to scientists, explaining why they tend to feast in the country longer than in any other place in the region.

Over the past decades, however, the number of visiting *butanding*, even in Donsol, which has the highest concentration of these marine mammals, was observed to be decreasing.

According to Lim, whale sharks are important in maintaining a balanced marine ecosystem.

As they feed, whale sharks become an agent that controls the population of the food they eat; as they move,

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Philippines alarmed by IUCN's 'endangered'
listing of 'butanding'

they also leave behind feces that help fertilize the sea, allowing marine plants and other microorganisms to survive, completing the food chain.

The seasonal migration of these gentle giants made whale watching a popular tourist attraction in many areas, boosting the ecotourism industry that provides jobs and livelihood opportunities to people in coastal communities blessed by this natural phenomenon.

A report posted on the IUCN official web site revealed that the number of whale sharks, scientifically known as *Rhincodon typus*, the world's largest living fish, has more than halved over the last 75 years. This was attributed to fishing, which targets whale sharks, and accidental deaths caused by ship propellers.

The IUCN report recognized the conservation action in the Philippines, along with India and Japan, which ended large-scale fishing of whale sharks in the said countries. However, whale sharks continue to be fished in other locations, including southern China and Oman.

"Although conservation actions in India, the Philippines and Taiwan have ended large-scale fishing of whale sharks in these countries, they continue to be fished in other locations, including southern China and Oman. As whale sharks and tuna are often present together, they are frequently caught by fishers targeting tuna," the report said.

Lim said the IUCN's latest Red List assessment report will be more relevant, as the country plays host to the Conference of Parties 12 from October 22 to 28, 2017.

She said the Philippines can set the tone and reiterate the call for stronger cooperation among member-countries of the United Nations for the protection of migratory wild animals.

Lim said whale sharks are highly migratory species, hence its protection is not dependent on one particular country alone, but other countries within the range or the

migratory route of the species.

"This means there is a need for stronger cooperation to protect them," Lim told the BUSINESSMIRROR in an interview.

"On our part [the Philippines], we should ensure that whale sharks are allowed to move freely, to allow them to interact with other whale sharks and reproduce," she said.

She said there is a need to revisit practices that promote whale watching for ecotourism purposes.

"It is really a cause for concern knowing very well, like in the Philippines, we are not treating the *butanding*, the whale shark, in the way that we should," said Gloria Estenzo Ramos, vice president of Oceana Philippines, an international ocean-conservation advocacy group, citing as example the practice in Oslob, Cebu, wherein *butandings* are being "domesticated".

She said tourism authorities appear to allow tourists to feed the whale shark as part of the package.

"I am not surprised, however, because of the many factors that cause the fish and other marine species to vanish or decline in number. It is happening around the world, and also in the Philippines," she said.

She said the latest IUCN listing of *butanding* as endangered should serve as a wake-up call for authorities to ensure that all migratory species are taken care of.

"I know that the practice of feeding whale sharks was already reported to the Bureau of Fisheries, but there was no positive response from the Philippine government," she said.

According to Ramos, there should be a management framework that focuses on the protection of *butandings*, as well as other marine wildlife, like dolphins, sharks and marine turtles.

In Oslob, she said that because the whale sharks are now accustomed to being fed by tourists, they have been domesticated. There were also incidents that whale sharks are accidentally injured, as

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they tend to go after boats as tourists feed them.

"The local government should also look into this practice," Ramos he said.

She said there is a need for massive educational campaign on the need to protect the *butanding*. Civil society and academe should pitch the call for the urgent need to protect this threatened marine wildlife, Ramos said.

AA Yaptinchay, founder and director of Marine Wildlife Watch of the Philippines, meanwhile, expressed dismay that the global population of *butanding* is declining, despite the successful campaign in the Philippines.

He noted that the Philippines, which has started the campaign to protect *butanding* in 1998, was able to increase awareness about whale sharks after 18 years.

"I think we are doing well in the Philippines. It is disappointing that even if we are successful in

our initiatives in the Philippines, to think that the whale shark is now in the P100 bill, which means our awareness campaign is successful, the population is still declining," he said.

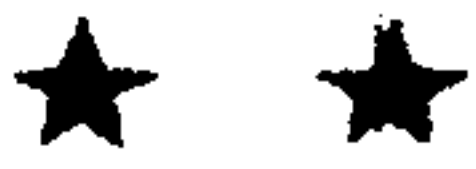
According to Yaptinchay, this is because of the fact that whale sharks are highly migratory.

"Even if we have protection in the Philippines, if they go beyond our borders, their population will be affected. We still don't know the population of whale sharks whether it is regional or global. Apparently, one of the threats to *butanding* is the fishery in China, which is very close to us. This means that the number of *butandings* visiting the Philippines will be affected," he said.

"We are not talking only of fisheries. There are many global problems, like pollution, climate change and ocean acidification, which affect not just whale sharks but all marine mammals," he said.

According to Yaptinchay, the declining population of *butandings* should pose a challenge to the Philippines to work harder

“It is really a cause for concern knowing very well, like in the Philippines, we are not treating the *butanding*, the whale shark, in the way that we should.”—RAMOS



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Tunay na reporma sa lupa, isinusulong

Naghain si Anakpawis Party-list Rep. Ariel Casilao ng panukalang batas sa Kamara na naglalayong maipatupad ang "genuine land reform program" upang matugunan ang apat na dekada nang problema sa bansa.

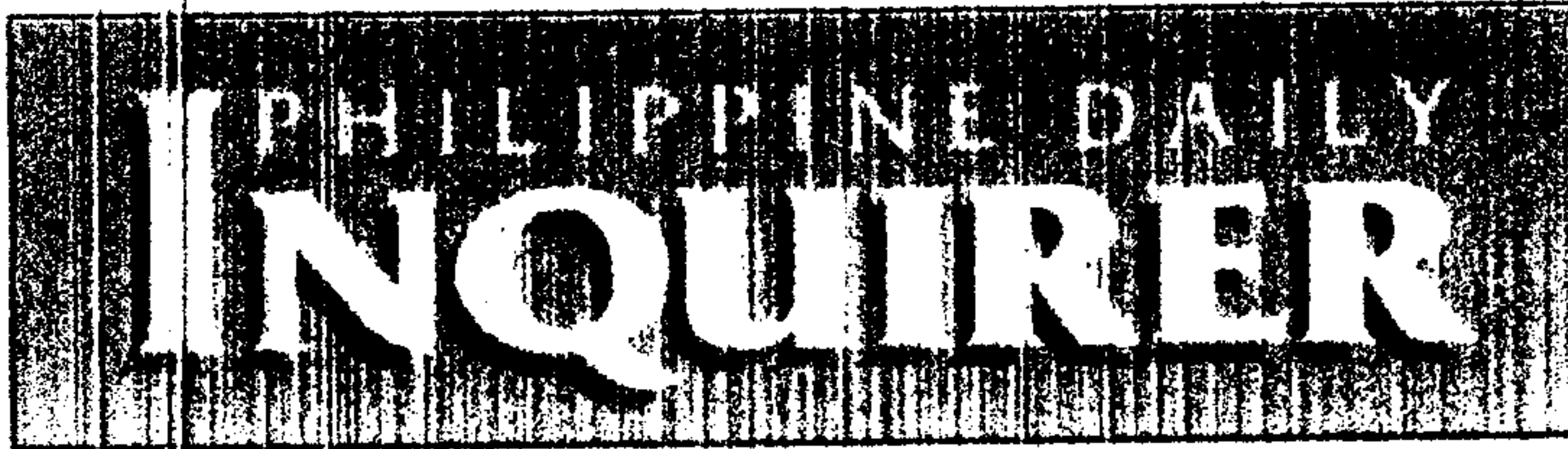
Sinabi ni Casilao na ang House Bill 555 o ang Genuine Agrarian Reform Bill (GARB) ay isang mabisang hakbang upang maresolba ang kawalan ng lupa ng mahihirap na magsasaka sa kanayunan.

"The main goal of GARB is to distribute the agricultural lands to the farmers at no cost to the beneficiaries," ani Casilao.

Ayon sa kanya, ang patuloy na monopolya at pagkontrol ng ilang pamilyang panginoon sa mga lupain ay patunay na ang CARP (Comprehensive Agrarian Reform Program) ay isang huwad na batas para mabuwag ang land monopoly.

Bert de Guzman

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

UN tribunal upholds PH rights in sea dispute

By Estrella Torres

AN INTERNATIONAL arbitration court ruled yesterday that China had no historic title over the South China Sea and that it violated the sovereign rights of the Philippines with its actions in the strategic waterway.

"China had violated the Philippines' sovereign rights in its exclusive economic zone by interfering with Philippine fish-

ing and petroleum exploration, by constructing artificial islands and failing to prevent Chinese fishermen from fishing in the

zone," the UN-backed Permanent Court of Arbitration in The Hague said in a statement after handing down its ruling on the case brought by the Philippines against China in 2013.

(Full text of ruling at
<http://inq.news/FullTextPHVsChina>)

China claims almost all of the South China Sea, including waters within the exclu-
COURT/A18

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sive economic zones (EEZs) of the Philippines and three other Southeast Asian countries—Brunei, Malaysia and Vietnam—and Taiwan.

To bolster its sweeping claims, China has built artificial islands on at least seven reefs in the Spratly archipelago, topping some of them with airstrips capable of receiving large military aircraft.

No legal basis

Finding for the Philippines, on a number of issues, the arbitral court said there was no legal basis for China to claim historic rights to resources within its so-called nine-dash line, which demarcates Beijing's sweeping claims in the South China Sea.

The tribunal said that China's claims of historic rights to resources in the South China Sea were incompatible with and extinguished by the exclusive eco-

nomie zones provided for in the United Nations Convention on the Law of the Sea (Unclos), under which the Philippines brought the case.

It said China had interfered with traditional Philippine fishing rights at Panatag Shoal (Scarborough Shoal), located 210 kilometers from the coast of Zambales province, and had breached the Philippines' sovereign rights by exploring for oil and gas near Reed Bank (Reed Bank) in the Spratly archipelago.

Both Panatag Shoal and Reed Bank are within the Philippines 370-km EEZ, known locally as West Philippine Sea.

None of China's reefs and holdings in the Spratlys entitled it to an EEZ, the court ruled.

"Having found that none of the features claimed by China was capable of generating an exclusive economic zone, the tribunal found that it could—without delimiting a boundary—declare that certain sea areas within the exclusive

economic zone of the Philippines, because those areas are not overlapped by any possible entitlement of China," the court said.

The ruling also covered the contentious issue of the definition of maritime features in the South China Sea and entitlements of the coastal nations surrounding those features.

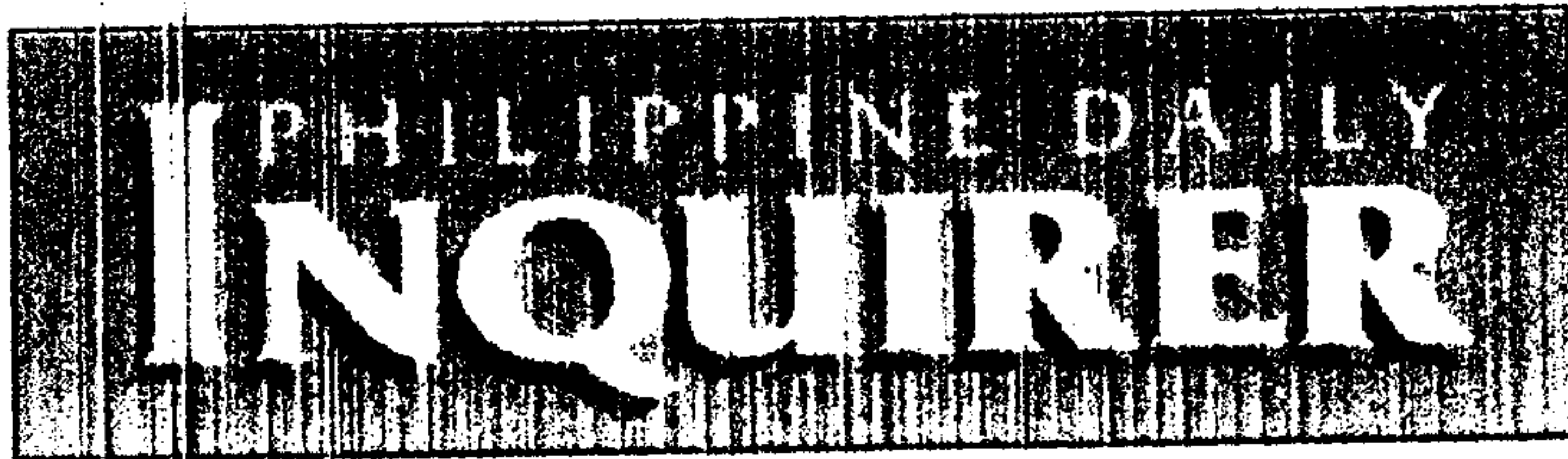
"Features that are above water at high tide generate an entitlement to at least [22.2 km] territorial sea, whereas features that are submerged at high tide do not," the tribunal said.

Militarization hit

The tribunal declared "unlawful" China's military buildup and activities in the Spratlys, saying parts of the archipelago are within the Philippines' EEZ.

It also considered the effect on the marine environment of China's land reclamation and artificial island building in the Spratlys and found that China had caused severe harm to coral

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UN TRIBUNAL UPHOLDS PH RIGHTS IN SEA DISPUTE

reefs and violated its obligation to preserve and protect fragile ecosystems and the habitat of depleted, threatened or endangered species.

It also found that Chinese authorities were aware that Chinese fishermen have harvested endangered sea turtles, coral and giant sea clams on a substantial scale in the South China Sea, using methods that inflict severe damage on the coral reef environment, and had not fulfilled their obligations to stop the fishermen's activities.

The tribunal found that it lacked jurisdiction to consider the implications of a standoff between Philippine Marines and Chinese Coast Guard vessels at Ayungin Shoal (Second Thomas Shoal), holding that this dispute involved military activities and was therefore excluded from compulsory settlement.

But it ruled that China's large-scale land reclamation and artificial island building in

the Spratlys was incompatible with the obligations on a state during dispute resolution proceedings, in so far as China has inflicted irreparable harm to the marine environment, built a large artificial island in the Philippines' EEZ, and destroyed evidence of the natural condition of features in the South China Sea that formed part of the dispute.

China has always rejected charges that its activities in the South China Sea have harmed the environment.

The judges acknowledged China's refusal to participate in the proceedings, but said they sought to take account of China's position on the basis of its statements and diplomatic correspondence.

First legal challenge

The ruling is significant as it is the first time that a legal challenge has been brought in the dispute, which covers some of the world's most promising oil

and gas fields and vital fishing grounds.

"This award represents a devastating legal blow to China's jurisdictional claims in the South China Sea," Ian Storey of Singapore's ISEA Yusof Ishak Institute told Reuters.

"China will respond with fury, certainly in terms of rhetoric and possibly through more aggressive actions at sea," he said.

The Philippine case hinged on the legal status of reefs, rocks and artificial islands in the South China Sea.

Manila's 15-point case asked the tribunal to rule on the validity of China's nine-dash line claim and demanded its right to explore resources within its EEZ be respected.

The court has no power of enforcement, but the Philippine victory could spur the other claimants in the South China Sea to bring similar cases against China. *With reports from Reuters and AFP*

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NO BASIS FOR CHINA'S SEA CLAIM

IT'S OURS



HIGHLIGHTS OF RULING

- **No legal basis for China to claim historic rights to a 'nine-dash line'**
- **Panganiban (Mischief) Reef, Ayungin (Second Thomas) Shoal and Recto (Reed) Bank form part of the Philippines' exclusive economic zone and continental shelf**
- **Panatag (Scarborough Shoal) is a common traditional fishing ground; no country can prevent others from fishing in the area; China violated traditional fishing rights of the Philippines by preventing Filipinos from fishing in the shoal**
- **China violated the Philippines' sovereign rights by constructing artificial islands, interfering with Filipinos' fishing and oil exploration, and failing to prevent Chinese from fishing in the Philippine EEZ**
- **China's island reclamation aggravated the dispute during arbitration and inflicted irreparable harm on the marine environment**

But the court ruled last year that it had jurisdiction over the case.

Declaring that Beijing's so-called "nine-dash line" historic claim over nearly all of the South China Sea has "no legal basis," the tribunal also ruled that China violated Philippine sovereign rights by constructing artificial islands and interfering with Filipino fishing activities.

China's island reclamation also aggravated the maritime dispute and caused irreparable harm to the marine environment, the tribunal ruled.

"The tribunal concluded that there was no legal basis for China to claim historic rights within the sea areas falling within the 'nine-dash line'," The Hague-based Permanent Court of Arbitration said in a

statement.

Manila – which had lodged the suit against Beijing in 2013 – welcomed the ruling, with Foreign Affairs Secretary Perfecto Yasay Jr. saying the decision “upholds international law, particularly the 1982 UNCLOS.”

"In the meantime, we call on all those concerned to exercise restraint and sobriety," he said.

China reacted furiously, saying it "does not accept and does not recognize" the decision. Beijing had refused to participate in the case, saying the tribunal had "no jurisdiction" over the issue.

Beijing claims most of the South China Sea, even waters approaching neighboring countries, as its sovereign territory, basing its arguments on Chinese maps dating back

to the 1940s marked with a so-called nine-dash line.

But in its hard-hitting ruling, the PCA said Beijing "had no historic rights to resources in the waters of the South China Sea" and that "such rights were extinguished to the extent they were incompatible with the exclusive economic zones provided for in the Convention," referring to UNCLOS.

While "bad faith is not presumed" under the fundamental principle of international law, UNLOS provides that "award... shall be complied with by the parties to the dispute," it said.

"China had violated the Philippines' sovereign rights in the exclusive economic zone by interfering with Philippine fishing and petroleum exploration, by constructing artificial islands and failing to prevent Chinese fishermen from fishing in the zone," the PCA said.

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Small scale miners call for gov't help

SMALL-scale miners are asking the government for help for them to have access to acceptable mining methodologies free of the use of mercury.

The Philippine National Coalition for Artisanal and Small Scale Mining is also asking for reforms in taxing to prevent black market trading.

Gil Indino, the coalition's vice president for Mindanao said there are at present 40 provinces where small scale miners look for gold. Indino estimated that two million people directly and indirectly get livelihood from small scale mining.

Indino said small scale mining produced 526.68 kilograms of gold in 2014 representing three per cent of total gold produced.

The group is calling for government's attention on the sector's issues including poverty, human rights, legalization, amendment of mining laws as well as occupational health and environmental impact.

The Department of Environment and Natural Resources has ordered an audit of all mining operations in the country. Results will be released next month.

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MANILA CALLS RULING A 'MILESTONE DECISION'

Tribunal rejects China's South China Sea claims

THE HAGUE, the Netherlands—An international tribunal ruled unanimously on Tuesday that there is no legal basis for China's "nine-dash line" claiming rights to much of the South China Sea.

The panel of legal experts in The Hague said any historic rights to resources that China may have had were wiped out if they are incompatible with exclusive economic zones established under a United Nations treaty.

The Philippines, which brought the arbitration case against China, welcomed the ruling. Philippine Foreign Secretary Perfecto R. Yasay Jr. called it a "milestone decision" and pledged to pursue

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“The Philippines strongly affirms its respect for this milestone decision as an important contribution to ongoing efforts in addressing disputes in the South China Sea.”—YASAY

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a peaceful resolution of its territorial disputes with China. "The Philippines strongly affirms its respect for this milestone decision as an important contribution to ongoing efforts in addressing disputes in the South China Sea," he said.

How Beijing responds to the ruling in the case filed by US ally the Philippines could chart the course of global power relations in an increasingly dangerous hot spot. It comes as the US has ramped up its military presence in the region and could seek to marshal world opinion to pressure Beijing into complying with the verdict. A new Philippine leader who appears friendlier to Beijing could also influence the aftermath of the ruling.

China drafted its so-called nine-dash line to demarcate its claims to virtually the entire South China Sea. Manila brought the case because China's claims infringe upon its own 200-mile exclusive economic zone.

The dispute centers on waters through which an estimated \$5 trillion in global trade passes through each year and are home to rich fishing stocks, and a potential wealth of oil, gas and other resources.

China, which boycotted the case, summoned its demobilized sailors and officers for training drills in exercises that apparently started just days ago.

The *People's Liberation Army Daily* newspaper said on social media late Monday that Chinese navy reserves have been called up to perform "functional tasks." The post followed online rumors that reservists in central Chinese provinces were called up for an unspecified mission from July 10 to 22.

In the Philippines more than 100 left-wing activists marched to the Chinese Consulate in metropolitan Manila, yelling, "Philippine territory is ours, China get out." They called their campaign to push China out of the South China Sea "CHexit" or "China exit now."

Vietnam, meanwhile, accused Chinese

vessels of sinking a Vietnamese fishing boat in disputed waters. Nguyen Thanh Hung, a local fisheries executive in the central province of Quang Ngai, said two Chinese vessels chased and sank the Vietnamese boat around midday on Saturday, as it was fishing near the Paracel islands. The five fishermen were rescued by another trawler around seven hours later.

China has argued that the tribunal has no jurisdiction and says it won't accept the ruling. It has insisted that bilateral talks between Beijing and other claimants is the only way to address the dispute.

Findings of the tribunal are binding on the parties, including China. But the court—without police or military forces or a system of sanctions at its disposal—can't enforce its ruling, so its potential impact remains unclear.

Rule of law

PRESIDENT Duterte convened a Cabinet meeting on Tuesday night following the

arbitration court's ruling to discuss the possible scenarios in trying to enforce it.

Presidential Spokesman Ernesto C. Abella said the security cluster of the Cabinet will study the arbitration ruling before Mr. Duterte issues a statement regarding the territorial dispute in the South China Sea.

"Everything will be subject to a discussion. Everything will have to be subject to a discussion. After all, it's going to be a lengthy decision and there will be a number of details that need to be properly threshed out before any decision is made publicly," Abella said in a news conference ahead of the promulgation of the verdict.

Outgoing Senate President Frank M. Drilon welcomed the ruling, saying it "puts clarity to the claims of both the Philippines and China in the West Philippines Sea."

Drilon also noted that the Philippines has stated it will comply with the ruling and expects China, as a party to the United Nations Convention on the Law of the Sea, to also comply.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Tribunal rejects China's South China Sea claims

"I call on other nations to respect the ruling and help maintain the rule of law," he said. "We hope that the decision puts to rest any tension, mend strained relations and restore goodwill among countries in the region."

Sen. Francis N. Pangilinan also lauded the tribunal's decision, saying fishermen can now fish "without fear" in the West Philippine Sea.

"The decision of the Permanent Court of Arbitration can serve as a reboot in the stalled China-Philippines diplomatic relations," Pangilinan said, noting "it gives the Philippines a more equal footing in the inevitable bilateral talks with China, who should not lose face."

"I suggest we remind China of the centuries' old people-to-people interactions between our nations, and of the similar historical indignities we faced as colonies of foreign powers," he added.

Pangilinan said bilateral talks should ensure two things: that the corals and the maritime ecology in the South China Sea are not destroyed and that Filipino fishermen are able to fish in their traditional fishing grounds without fear.

Sen. Paolo Benigno Aquino IV congratulated the Philippine delegation that worked on the case, saying, "It is not easy to face off with a country that is bigger and more powerful."

But, law expert and Kabayan Rep. Harry Roque warned that the Philippine government should be ready to face the economic impact of the tribunal's ruling against China.

"China may implement economic or trade reprisal as result of foreign policy differences. However, trade reprisal is prohibited by the WTO [World Trade Organization]," Roque told the BUSINESSMIRROR.

"Trade could be used as an instrument of foreign policy. When China prohibited the entry of bananas from the Philippines, the government should have gone to the WTO," he added.

In 2012 China blocked the entry of Philippines bananas supposedly due to crop diseases amid the Scarborough Shoal standoff.

"We should strengthen our position and go to WTO or UN General Assembly in case the decision will result in trade reprisal," he added.

In a separate statement, Party-list Rep. Carlos Isagani Zarate of Bayan Muna said the favorable ruling "strengthens and solidifies the Philippine position in future bilateral talks with China, especially now that their expansionist nine-dash line theory is declared without legal, historical and moral basis." Zarate also called on the international community to step in and pressure China to "deescalate" the situation in the West Philippine Sea and should stop militarizing the area.

"China has already reclaimed at least seven of our reefs, such as the Panganiban [Mischief], Mabini [Johnson South], Gavin [Gaven], Calderon [Carteron], Hughes [Kennan], Malvar [Eldad] and Kagitingan [Fiery Cross] Reefs," he said. *AP, with reports from Butch Fernandez, David Cagahastian and Jovee Marie N. dela Cruz*

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Miners group wants results of previous audit

BY JED MACAPAGAL

THE Chamber of Mines of the Philippines (COMP) said the Department of Environment and Natural Resources' (DENR) order for an audit of all operating mines and a moratorium on new mining projects should be stopped until after the government shows the result of the previous audit ordered by the Aquino administration.

COMP executive vice president Nelia Halcon yesterday said Executive Order No. 79 signed by former president Aquino already ordered a moratorium on new mining projects and also called for a review of the performance of existing mining operations and a continuation of the cleansing of non-moving mining rights holders.

"After six years of review, it is now incumbent upon the MGB to report the results to the new (DENR) secretary before another comprehensive review is undertaken. A continuing moratorium on new mining projects only breeds more confusion and uncertainty particularly on capital-intensive

and risky mining business," she explained.

Halcon said that "the mining sector had submitted its inputs to the Duterte administration's 10-point economic agenda stressing the implementation of responsible mining is crucial in driving investments in rural areas".

"Since 2010, the Mines and Geosciences Bureau (MGB) has been undertaking an assessment of all mining permits and agreements... in a bid to purge the system of non-moving mining applications," Halcon added.

Earlier, COMP said the government must focus on the mining industry where various mining projects with capital investments worth over \$23 billion are expected to be operational until 2019.

COMP recently reported that four other members received the required International Organization for Standardization (ISO) 14001 certification, a proof that companies observe environment-friendly mining practices.

The group said LNL Archipelago Minerals Inc., CTP Construction & Mining Corp., Platinum Group Metals Corp. and PhilsagaMinig

Corp. are now ISO certified, bringing the total to 17 COMP members with the certification.

Four members of the group are currently in the process of securing ISO certification, namely-Berong Nickel Corp., Apex Mining Co. Inc., TVI Resource Devt. Inc. and Pacific Nickel Phil. Inc.

The ISO 14001 certification was earlier required by the MGB to all metallic mines with a deadline that expired last May 1. All mining firms that failed to secure this will not get ore transport permit and will be prohibited to export minerals abroad.

Aside from the 42 operational metallic mines, the 54 non-metallic mines are now also required to secure the said certification for them to continue operating until next year.

"Even if the company is ISO certified, if they are endangering or having adverse effects on the lives of the communities their operations is still at stake. I don't just want a technical audit. I want an environmental and social audit. It's the right thing to do," Regina Lopez, DENR secretary, said earlier.