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DENR

IN THE NEWS

COMP HITS DENR DECISION

Lopez: Closing erring mines protects Filipinos

BY JAMES GALVEZ

DESPITE admitting that she lacks the technical knowledge of the mining industry, Environment Secretary Regina Paz Lopez on Tuesday defended her controversial decision to close 23 mining operations and suspend five others, saying she did it "to protect the present and future generations."

In an interview on ANC's Headstart, Lopez stressed that she did not know the technicalities of mining and had to rely on "someone who has the common good in his heart," which happened to be former Mines and Geosciences Bureau Director Leo Jasareno.

"I'm having him as a consultant because I trust him ... my experience with him has been a man with unquestionable integrity," Lopez said, noting that Jasareno spent 38 years with the MGB.

"He's really, really clean. In fact, during his term, there have been more suspensions in the mining industry," she added.

The DENR chief was reacting to calls by mining companies affected by the DENR order to make public the basis of her directive to close and suspend them.

Dr. Carlos Arcilla, director of the University of the Philippines' National Institute of Geological Sciences, said he agrees with the DENR Secretary that irresponsible mining operations should be shut down.

Arcilla, however, said stake-

"We are in agreement that the irresponsible mines should be closed. No argument on that. That is the purpose of the audit—technical people checking whether the mines are fulfilling the obligations under law to protect the environment," Arcilla said.

Arcilla also pointed out Lopez has conflicts of interest as the DENR secretary, citing the case involving the oil leak at the West Tower condominium in Makati City that was caused by the First Philippine Industrial Corporation (FPIC), a company owned mostly by Lopez family.

The case is considered as one of the worst environmental disasters in the country, but Lopez has not done anything to comply with a Supreme Court order directing the DENR at that time to oversee the cleanup of the remaining pollutants in the groundwater and soil that affected the rest of the Barangay Bangkal, where West Tower is located, Arcilla noted.

The oil spill had forced the evacuation of all residents of West

and groundwater in Bangkal, Makati's most populous barangay, Arcilla said.

He noted the case was the basis for first Writ of Kalikasan issued by the Supreme Court.

"Secretary Lopez, already six months into her tenure as head of DENR, has not done anything to mitigate, publicize and lessen the suffering caused to the displaced people of West Tower and Bangkal," said Arcilla, who was hired as head consultant of the Makati City government to investigate the 2010 oil leak.

He added that "in contrast, she has been very vocal in her desire to close errant mining companies, but she has not shown concern for a definitive case of massive pollution caused by a company which is owned by her family, showing deliberate conflict of interest."

Arcilla noted that when Lopez announced the closure and suspension of mining operations, technical personnel of the MGB which conducted the mining audit were barred from attending her press briefing.

"The basis for the mine closures has not been made public, and they have not been given to the mines that are to be closed," Arcilla said. "This tells me that the main basis for mine closures is emotion, superficial impressions."

Reporters who asked for a copy of the MGB's recommendations during Lopez's press briefing last Thursday quoted Lopez as saying

consonant with my own observations of my going [to mining sites], why will I give it to you if I don't agree with it?"

When reporters insisted on getting a copy, Lopez was quoted as having said "I'm not going to show you ... because I don't want anything complicated, and I don't want to rock the boat. Just leave it already, I've made my decision and accept it. That's what you write about, don't try to make things complicated."

Lopez, however, believe that her action is "fair and within the law" and in line with the instructions of President Rodrigo Duterte.

"One hundred million percent. We followed the law. And in the Mining Law, it says that it should not endanger the present and future generations. That's in the law. Actually, the Philippine Constitution holds social justice," she said.

"If you have mining in the watershed, you are endangering the present and future generations. Exclamation point, encircle, highlight ... capitalize," the Cabinet official said.

Artemio Disini, chairman of the Chamber of Mines of the Philippines, said they are invoking their right-to-know under the freedom of information (FOI) to compel Lopez to produce more information regarding the closure and suspension order.

"We will file this week. It is being finalized and will be submitted to the DENR," Disini said.

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Lopez

The executive also said that several miners are ready to file cases in court if the DENR denies their request. Ronald Recidoro, vice president for Legal and Policy of the COMP, said that going to court would compel Lopez to finally produce the reports, which should have been given to them in the first place.

"If she refuses, clearly she's going against the Duterte administration's mandate on transparency," Recidoro said. "Every person accused of an offense must know

the precise details of the offense you are being charged with."

"It's a basic right and substantive. Right now, we don't know exactly what the nature of their violations is," he said.

Earlier, Arcilla said Lopez apparently had not considered the people, whose livelihoods and jobs would be affected by her supposedly arbitrary decision, pointing out those engineers and scientists who have spent years studying mining and other extractive industries, should be the ones relied upon in cleaning up the mess caused by irresponsible mining practices.

"Does this mean that the sufferings of the people who will

lose their jobs are not included in Secretary Lopez's definition of suffering?" Arcilla said.

"Those who claim they are the only people who can clean the environment and the only people who love the environment and this country, without adequate training are seriously misguided. They are even dangerous if they dictate policy. People who are ignorant and do not know they are ignorant and are self righteous are truly dangerous to society," he said.

In alleging that Lopez holds a clear bias against mining, Arcilla noted that in the case of the tailings spill of Philex Mining Corporation a few years ago, the DENR chief im-

mediately ordered the firm not only to clean up the spill but to pay a fine totaling more than P1.4 billion.

"This tailings spill, with serious environmental impacts, did not cause deaths, did not displace people from their homes, and the residual tailings are not anymore endangering lives and the environment," he said.

"In contrast, the Bangkal spill has displaced 100 families, many of whom have not yet returned to their homes after almost 6 years, and will continue to be threatened by the cancerous benzene pollution caused by the spill. But FPIC has not been fined even a single peso by DENR," he added.

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DENR ready to release audit recommendations

ENVIRONMENT secretary Regina Lopez said yesterday she can release the results of a mining audit that an industry group was seeking, responding to the group's announcement earlier it would file a freedom of information request on the matter.

"They can get whatever they want. No problem at all, just ask for it, go to the office," Environment and Natural Resources Secretary Regina Lopez told Reuters in a text message.

The Chamber of Mines of the Philippines said it would file the request on Tuesday to press the government to release the results of the mining audit done by the Mines and Geosciences Bureau, that led to an order to close over half of the country's mines.

Ronald Recidoro, COMP vice president, said in a briefing in Pasig the move will help the group determine its legal recourse especially since the affected miners are still clueless on the exact nature of their violations slapped by the DENR.

"We would like to see the specific findings for the 28 compa-

nies that were closed and suspended. We go to court, compel her to produce these reports but it's absurd that we, miners, have to go to the court to release the reports that should be given to us in the first place," Recidoro said.

COMP noted if the head of an agency fails to comply with a FOI request, parties can go to the ombudsman and the proper court.

Under the law, FOI covers all government offices under the executive branch but with few exceptions, especially on information covered by executive privilege; those relating to national security or international relations; those concerning law enforcement and protection of public and personal safety; those deemed confidential for the protection of the privacy and certain individuals such as minors, victims of crimes or the accused; prejudicial, premature disclosure; information from proceedings...

by reason of official capacity and are deemed as confidential, including those submitted or disclosed by entities to government agencies, tribunals and boards or officers, in relation to the performance of their functions or to inquire or investigation conducted by them in the exercise of their administrative, regulatory or quasi-judicial powers.

Meanwhile, Artemio Disini, COMP chairman, said the Office of the President has asked for more information on the closure order of more than half of the country's operating metallic mines.

"The sector is fighting for its life. They asked more information regarding the closure of the mining companies and we provided more information, which we submitted this morning (February 7). We decided to file FOI, requesting the DENR to provide all the information relative to the audit," Disini said during the briefing.

Regina Lopez, DENR secretary, said last week her basis for the closure of 23 mining firms are their operations inside 'functional watersheds' as majority of them allegedly caused river siltation and destroyed functional watersheds.

"The closure becomes final when the president says it is because usually they can appeal. If the president says it really shouldn't be, it really isn't, but it's much more difficult to address a closure than a suspension and my interest in the closure is that if it closes, I can use the rehab funds to heal the lands," Lopez had said.

She also pointed out that the decision to close the mines are not unified with the recommendation given by the MGB.

"MGB is recommendatory but I visited the people myself, I used my judgement. Whatever they did has no value because I made my decision as Cabinet secretary," noted Lopez.

She refused to publicize

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DENR ready to release audit
re commendations



"Miners" according to Ronald Recidoro, COMP vice president, "are still clueless on the exact nature of their violations" that convinced Environment Secretary Regina Lopez to order the closure of half of the members of the industry.

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Dominguez not challenging Lopez order

FINANCE Secretary Carlos Dominguez said "no one is questioning (at least not me)" the order of Environment Secretary Regina Lopez closing half of Philippine mines.

"It's not Secretary Lopez against me, it is not one against the other, it is all of us working together for the benefit of all those people who might experience difficulty," Dominguez said.

"Nobody is challenging her order, at least I am not; we are just saying what is going on", he said. Dominguez said the

government is trying to put together data on how the mine closures will impact on employment and local government revenues.

He said he is estimating the local government units will lose P653.64 million annually in taxes from the closed mines.

Dominguez during the induction of officers of the Economic Journalists' Association of the Philippines Monday night, said the local government units (LGUs) will bear the brunt of the revenue loss.

"It will be a loss for the national government but it will not be fatal" Dominguez said.

"But in some municipalities, that is the only real income they have," he added.

According to data provided by the DOF, the initial estimate on potential LGU revenue loss is P653.64 million, of which P441.92 million are from local sources such as local taxes, fees and charges, while the remaining P211.72 million are



Dominguez:
"It's not Secretary Lopez (photo) against me, it is all of us working together for the benefit of all those people who might experience difficulty".



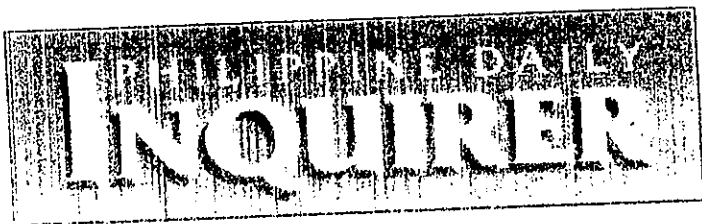
other shares from national tax.

Dominguez earlier directed local treasurers in areas hosting mining projects to assess the impact of the closure or suspension of 28 mine sites across the country.

Dominguez, in a statement, said he issued the directive because alongside the massive loss of jobs and its effect on the national economy, the Department of Environment and Natural Resources' (DENR) order might imperil the fiscal state of the affected LGUs.

He noted mining companies account for a hefty part of the tax revenues collected by local governments in municipalities hosting mine sites.

Preliminary data from the DOF's Bureau of Local Government Finance showed at least 10 municipalities and one city would be affected by the DENR order to close down 23 mine sites, while one city and four municipalities would be affected by the suspensions. - *Angela Celis*



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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Mines ruling to cost gov't P654M in taxes

By Ben O. de Vera
and Ronnel W. Domingo
@InquirerBiz

Foregone local and national tax revenues from communities hosting mines ordered shuttered by the Department of Environment and Natural Resources were estimated to reach P653.6 million a year, Finance Secretary Carlos G. Dominguez III said.

As for DENR Secretary Gina Lopez's "solution" of generating ecotourism jobs to compensate for job losses due to mine closures, Dominguez said this might not be viable as the country still lacked infrastructure to bolster tourism growth.

At the same time, large-scale nickel mines are carrying on with their operations despite verbal orders from Environment Secretary Gina Lopez that they

should shut down their projects even as the Chamber of Mines of the Philippines (COMP) looks to an interagency body to break the impasse.

The Philippine Nickel Industry Association (PNIA) said its members would continue operating since they have not received any written order for them to shut down.

"How can we act when there is no basis on which to act?"

PNIA president Clarence Pimentel Jr. said in an interview.

Pimentel said Lopez's announcement last week of new results from a mine audit lacked due process, particularly with the environment chief's refusal to make the results public.

During the induction of the Economic Journalists Association of the Philippines' officers for 2017 Monday night, Dominguez said

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that while the estimated foregone revenues might not hurt national coffers, these would impact on local government units. "In some municipalities, that's the only real income they have," the finance chief pointed out.

A preliminary report of the Department of Finance showed that a total of P441.92 million in local taxes, fees and charges might not be collected from the five mining firms ordered suspended and 23 others ordered closed.

Based on 2015 collections of LGUs hosting mining companies, the five firms to be sus-

pended could pay P272.24 million in taxes, while the 23 to be closed down could contribute P169.68 million. Part of the mining taxes remitted to the national government, meanwhile, could reach P211.72 million.

While Dominguez said he has yet to see the DENR's report, he clarified that their exchange of views was not a case of "Secretary Lopez against me."

"It is all of us working together for the benefit of all those people who might experience difficulty. Nobody is challenging her order—at least I am not; we are just saying, 'what is going on?'" Dominguez said. INQ

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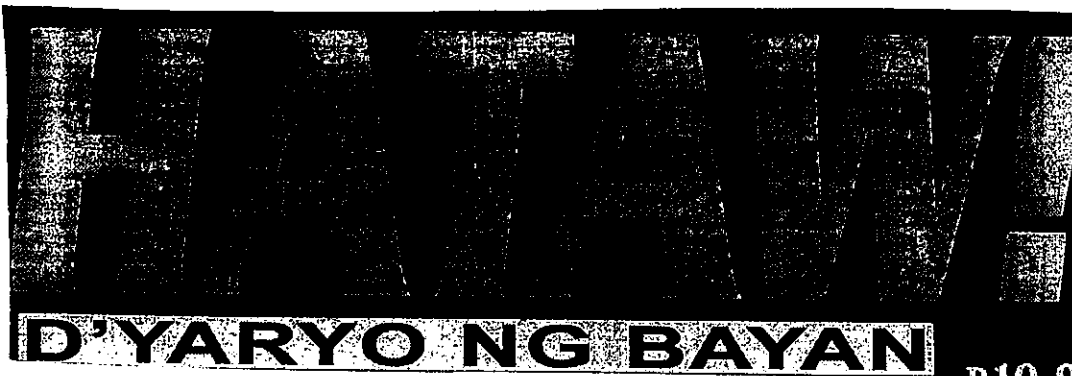
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PH 'unfit for mining,' says Gina Lopez

Environment and Natural Resources Secretary Regina Lopez will not reconsider her decision to shut down 23 of the country's 41 mines, saying the Philippines is "unfit for mining." Lopez last week ordered the mines permanently shut and suspended five others, shocking mineral producers that have vowed to overturn a ruling that they say will affect 1.2 million people. The 63-year-old minister defended her decision, convinced of mining's destructive nature. "Every time you put up an open pit and every time you put up a tailing pond you're putting our country at risk," Lopez told Reuters on Monday in an interview at her office in Manila. "It's really unfair. I'll be so blatant to say the Philippines is unfit for mining. Because we're an island ecosystem with biodiversity and endemism like no other." The Philippines is the world's top nickel ore supplier and Lopez has said that closed mines represent about half the country's output. (Reuters)



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*Sa ipinasarang
minahan*

Dumagat sa Bulacan natuwa sa DENR

TUMIGIL na sa operasyon ang isang malaking minahan sa Bulacan, kasunod ng utos mula sa Department of Environment and Natural Resources (DENR) para sa pagpapasara ng mga minahan sa bansa.

Ayon sa ulat, nagsimula nang hakutin ng Ore Asia Development and Mining Corporation, ang kanilang heavy equipments o sa Brgy. Camachin, Doña Remedios Trinidad (DRT), sa naturang lalawigan mula noong nakaraang Linggo.

Sa katunayan, ayon sa isang opisyal na ayaw magpabanggit ng pangalan, noon pang Setyembre ng nakaraang taon, tumigil na sila sa operasyon nang maghigpit ang DENR, simula nang maupo sa puwesto si Secretary Gina Lopez.

Kaugnay nito, pabor sa pagpapasara ng minahan ang ilang katutubong Dumagat sa DRT dahil anila, maraming sinira ang nasabing minahan sa kanilang lugar.

Ayon sa mga Dumagat, hindi tumupad ang Ore Asia na bayaran ang mga nasirang puno at gulay na nadaanan ng kalsadang papunta sa minahan, gayondin ang hindi pagtalima sa mga nauna nilang napagkasunduan.

Kasunod nito, nanawagan sa pamahalaan ang mga Dumagat na palitan ng binhi ng cacao ang mga puno at gulay na sinira ng nasabing minahan.

Nananawagan din sila na sana ay tumupad ang Ore Asia sa mga obligasyon sa mga katutubong



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Senate inquiry on DENR mine closures begins today

By PAOLO ROMERO

The Senate committee on labor and employment will start today its inquiry into the effects on industry workers of the Department of Environment and Natural Resources (DENR) order to close 23 mines.

Sen. Joel Villanueva, chairman of the committee, said the panel seeks to review the government's employment transition plan for the mine workers who will be displaced.

"The government has to make sure that we have a clear transition plan to support these workers and to make sure that the capacity building programs and trainings are provided to help them find new jobs," Villanueva said.

He also said there is a need to institutionalize the existing employment transition plan of the Department of Labor and Employment, which is the Integrated Livelihood and Emergency Employment Program.

The program provides assistance to workers displaced by or to be displaced as a result of natural or man-made disasters, including suspensions or closures of establishments.

Last Feb. 2, Environment Secretary Gina Lopez ordered the shutdown of 23 mines for allegedly causing destruction to the environment of local communities.

Mine owners warned that the DENR's closure order will affect 1.2 million workers in the industry but a Mines and Geosciences Bureau (MGB) latest report officially pegs a lower number at 219,000.

'DENR must aid mine workers'

Senate Minority Leader Ralph Recto said the DENR should use its P6.93-billion fund for its National Greening Program (NGP) this year to aid mine workers who will lose their jobs due to DENR's wholesale revocation of mining permits.

Launched in 2010, the NGP is an ambitious multi-year project to regreen denuded and despoiled forest lands, including coastal mangrove areas. It is being implemented through a variety of schemes, including the parceling out of reforestation contracts to NGOs, *lumads*, forest dwellers, local governments and environment groups. Contract cost per hectare was P23,778 in 2015 and P26,278 in 2016.

As shutdown of the mines loom, Recto urged Malacañang to form an inter-agency group that will seek "ways and means" to help affected workers.

Recto said a portion of the NGP should be earmarked for affected mine workers. "It can be part of a larger 'safety net' that will cushion the economic dislocation of

tens of thousands of workers in this sector," he said.

Recto also urged DENR to invite mine workers to participate in the NGP as "reforestation contractors and then retain them later as stewards of the places they have regreened."

Recto said NGP's spendable budget this year could be more than the P6.93 billion appropriated in the 2017 national budget, "as there could be leftovers, or unutilized allocations, from last year's budget of P8.16 billion."

'Investigate ex-DENR chief Paje'

Meanwhile, Surigao del Norte Rep. Robert Ace Barbers wants former environment secretary Ramon Paje to be investigated for allegedly allowing mining operations with impunity during the previous administration.

Barbers blamed Paje and former MGB chief Leo Jasareno.

"Both Paje and Jasareno were supposed to examine, issue permits, monitor and report mining activities. Violations do not happen overnight. Both of them have a lot of explaining to do," he said.

The environmental violations of mining firms, "if true, could be the result of years of neglect or tolerance of former DENR secretary Paje and the Jasareno-led MGB," he added.

Barbers also criticized Lopez for closing 23 mining



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Revenue loss from mine closures seen at P654 M

By MARY GRACE PADIN

The government stands to lose at least P653.64 million in revenues from the possible closure and suspension of 28 mining firms in the country, initial data from the Department of Finance (DOF) showed.

Finance Secretary Carlos Dominguez III said aside from employees, cities and municipalities hosting the mining sites to be shut down or suspended would lose their income as these firms pay large amounts of taxes to their localities.

"For the national (government) it's going to hurt that we're not going to get the mining revenue, but it's not going to be fatal. But in some municipalities, that's the only real income they have," Dominguez told reporters during the induction ceremony of the new officials of the Economic Journalists Association of the Philippines.

To recall, Environment Secretary Gina Lopez last week called for the closure of 23 mining operations and suspension of five others due to violations of environmental standards.

According to preliminary reports of the Bureau of Local Government Finance (BLGF), 10 municipalities and one city would be affected by the Department of Environment and Natural Resources' closure order on 23 mining companies, while one city and four municipalities would be affected by the suspensions.

Initial estimates of the DOF suggest the move of the DENR could result in at least P653.64 million in forgone revenues for the government.

"That's an initial number. We're still putting it all together," Dominguez clarified.

Of this value, P441.92 million are shares of the local government units, while P211.72 million are from mining taxes collected at the national level.

Further breaking down the share of LGUs, P272.24 million would come from those mining sites ordered for suspension, and P169.68 million are contributed by operations for closure.

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These figures are based on 2015 data from the local treasurers and the DOF, and excludes the real property tax shares of the provinces and barangays hosting the mining operations.

Meanwhile, Dominguez said the Mining Industry Coordinating Council, which he co-chairs, would study the basis of the decision and its impact to the economy.

The finance chief once again emphasized his concern for the number of people who will be directly and indirectly affected by the mining closures and suspension.

"My concern, and the concern of many members of the Cabinet are the people who might lose their jobs. Because frankly, most of these jobs are in locations where you cannot just go across the street and get another job," he said.

Dominguez said the Department of Social Welfare and Development is already working on a census of all the individuals directly and indirectly affected by the order, while the Departments of Labor and Employment, Trade and Industry and Public Works and Highways are already coming up with emergency programs to absorb the workers to be displaced by the DENR decision.

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Emergency jobs not enough for displaced workers in closed mines

By **MADELAINE B. MIRAFLOR**

The government admitted that it can't afford to provide emergency employment to all of the people who will lose their jobs once Environment Secretary Gina Lopez's mine closure and suspension orders are implemented.

Of the country's 41 metallic mines, 23 were asked to close down and five were suspended as the result of the nationwide audit that the Department of Environment and Natural Resources (DENR) has launched against the sector last year.

"The concern of many members of the cabinet is the people who might lose their jobs. Frankly, most of the people in these (mining) locations, they can't just go to the next street and have jobs," Dominguez said on the sidelines of 2017 Economic Journalist Association of the Philippines (EJAP) Induction of Officers held in Pasay.

"We might have emergency employment. DOLE (Department of Labor and Employment) has emergency job creations but they told me, it's kind of limited... limited in number of jobs, limited in number of time," he added.

Dominguez, however, noted that he is not against Lopez and her decisions.

"It's not one against the other. It's all of us working together. Nobody is challenging her order. At least I'm not. We are at the moment collecting the figures (on the possible effects of her order). DSWD (Department of Social Welfare and Development) is collecting the number of jobs involved. We have asked the treasurers to quantify the tax that will be lost by municipalities once the mining operations in their areas closed down. We are putting these numbers together," Dominguez noted.

The finance chief also said that like the miners, he is yet to see the mining audit reports, which Lopez declined to publicize.

"We are just in information gathering stage. We just want to know exactly which means to have been served a notice, what the terms of the 'cancellation'... I don't know. I haven't seen it. Apparently, the miners haven't seen it yet, too. We want to know also what the basis is

for these things," Dominguez said.

To have an access to the mining audit reports, Chamber of Mines of the Philippines (COMP), which is comprised of the country's biggest mining companies, is set to file a Freedom of Information (FOI) request to the DENR.

"The sector is fighting for its life," COMP Chairman Artemio Disini told reporters on Tuesday. "We decided to file FOI requesting the DENR to provide all the information relative to the audit."

"This week, it is being finalized and will be submitted to the DENR," he added.

COMP Vice President for Legal and Policy Ronald Recidoro said Lopez's refusal to disclose the mining audit reports, which was produced by the audit team also led by Mines and Geosciences Bureau (MGB), may compel them to take legal actions.

"We would like to see the specific findings for the 28 companies that were closed and suspended. We can go to court and compel her to produce these reports. But it's absurd that we, miners, have to go to the court to release the reports that should be given to us in the first place," Recidoro said.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

'P653m foregone with mines closure'

by Gabrielle H. Binaday
and Anna Leah E. Gonzales

The government stands to lose about P653 million revenues from the closure and suspension of some mining companies, the Finance department said Monday night.

Last week, the Department of the Environment and Natural Resources ordered the closure of 23 mining companies and the suspension of five others for violating environmental laws.

Of the total revenue losses, P441.92 million would come from the affected mining firms while the remaining P211.72 million represented taxes lost.

But Finance Secretary Carlos Dominguez said it is the local governments in areas where the mining companies operate that would be the hardest hit.

"The national government is going to hurt, but it's not going to be fatal. But in some municipalities, my guess, that is the only real income they have," Dominguez said Monday evening.

Dominguez, as the chairman of the inter-agency Mining Industry Coordinating Council (MICC), said there will be a fact-finding body on the recent mining results to know whether the laws are followed. *Next page*

'P653m...

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The Finance chief clarified that no Cabinet secretary is against the other on the issue.

"It's not Secretary Lopez against me, she is the vice chairman of the MICC, I am a member of the climate change cluster so it is not one against the other. It is all of us working together for the benefit of all those people who might experience difficulty. Nobody is challenging her order," Dominguez said.

"I'm not asking anybody to retreat. All I've said, is that my concern and the concern of many members of the Cabinet are the people who might lose their jobs, because frankly most of the jobs are not in locations where you can go across the street and get another job," Dominguez added.

Dominguez said the recommendation of Lopez to fully concentrate on eco-tourism as an alternative could be viable, but at some future date.

"Well I am sure that at some point in time it will be viable. How do you make eco-tourism if you cannot get them because there is no road, that there is no pier, that there is no airport, right? We have to build those infrastructure to make sure that it is a viable place to visit that people would like to visit the area. You know it is a question of timing and timing is the most important thing in the world," he said.

The Chamber of Mines of the Philippines on Tuesday wrote Dominguez and other economic managers to underline the impact of the mine closures and suspensions.

"We have already written to the secretary of Finance regarding the effects of the closure and suspension," said chamber chairman Artemio Disini.

Disini said the group's letter highlights the effects of the closures and suspension on the country's gross domestic product, min-

ing investments, tax revenues, and employment.

"The mining industry's contribution is more than the GDP indicator in the national accounts as often announced to the public," Disini said in the letter. In some regions, mining could contribute more than 20 percent to the regional output.

Disini also highlighted the loss of dollar earnings from mineral exports.

The central bank recorded \$4.04-billion receipts in 2014, and the contribution could have doubled if projects in the pipeline came on stream, Disini said.

Earlier, chamber said the closure and suspension orders would hurt the livelihood of 1.2 million people.

The group also said Lopez should immediately disclose the mining audit reports that were the bases for her closure orders, for the sake of transparency and fairness.

The Senate committee on labor, employment and human resources development was scheduled to conduct an inquiry into the government's transition plan for affected workers on Wednesday, Feb. 8.

"About 20,000 workers are to lose their jobs with the closure of 20 mines," said the panel chairman, Senator Joel Villanueva. "The government has to make sure that we have a clear transition plan to support these workers and to make sure that the capacity building programs and trainings are provided to help them find new jobs."

Surigao del Norte Rep. Robert Ace Barbers, meanwhile, assailed Lopez's decision to close 23 mining companies and to suspend five others, noting that these were practicing "legitimate and responsible mining operations."

He said Lopez could have been misled by her consultants and former DENR undersecretary and chief of the Mines and Geosciences Bureau, Leo Jasareno, who headed the audit team. **With Macon Ramos-Araneta and Maricel V. Cruz**

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

COMP: Mining industry now fighting for its life

BY JONATHAN L. MAYUGA

✉ @jonlmayuga

MINERS on Tuesday said it now came to the point that the industry is "fighting for its life" under the watch of Environment Secretary Regina Paz L. Lopez.

The mining industry's big players had given up on Lopez's alleged "bias" against mining, and is now appealing to President Duterte and the Mining Industry Coordinating Council (MICC) "to save the industry".

Art Disini, chairman of the Chamber of Mines of the Philippines (COMP), said they have written a letter sent to the members of MICC, which is cochaired by Finance Secretary Carlos G. Dominguez III, hoping to reverse what they described as "the arbitrary closure and suspension order affecting 28 of the 41 operating mines in the country".

According to Disini, COMP will also ask the Department of Environment and Natural Resources (DENR) to reveal the mining-audit result, invoking the Freedom of Information executive order signed by Duterte. COMP also reminded Lopez that, as a Cabinet official, she is obliged to adhere to the Duterte administration's policy of transparency in governance.

"It will be absurd for us [COMP] to have to go to the court to ask for records that are supposed to be provided to us by the government, in the first place," said Ronald Recidoro, vice president for policy and legal of COMP.

violations they have committed.

Besides, Recidoro said, the DENR's Administrative Order 2 Series of 2016, mandates transparency in governance.

According to Carlo Pimentel, president of the Philippine Nickel Industry Association, at this juncture, the mining industry is fighting not only for its life, but for the lives of its stakeholders, as well.

"What we would like is for the government to follow due process," he said.

"Many mining companies received show-cause orders, even though, sometimes, the orders are opposed or against the audit findings and recommendation," he said.

COMP earlier questioned the basis of Lopez's actions and appealed to Dominguez to convene MICC to look into Lopez's "actuactions".

According to Disini, Dominguez had asked COMP to "enlighten" MICC over the potential economic impact of the closure and suspension orders handed down by Lopez on February 2. The order effectively closed 23 operating mines and suspended the operation of five other mines. The impact to nickel production alone would cause a 50-percent reduction in the country's annual output.

The Philippines is the single major exporter of nickel to China for nickel-raw materials for various steel products, such as stainless steel.

Horacio Ramos, a former director of the Mines and Geosciences Bureau, said the closure order should not be taken lightly. "The industry is now fighting for its life," Ramos said, who now works as a consultant to a mining company, adding that Lopez apparently failed to observe due process of law in closing and suspending mining operations.

"There should be an investigation, a report, and the company is allowed to contest the findings. Whatever

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'SECRET' MINE AUDIT SCORED

Assessment that reportedly lacked transparency
struck 'legitimate and responsible' mining firms

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

'SECRET' MINES AUDIT SCORED

By Ryan Ponce
Pacpaco

SURIGAO del Norte Rep. Robert Ace Barbers yesterday assailed Environment Secretary Gina Lopez for her decision to close 23 mining companies and suspend five others, saying the audit was purportedly made secretly and many of the firms affected by the ruling are legitimate and responsible in their operations.

Barbers, who chairs the House Committee on Dangerous Drugs, said Lopez could have been misled by one of her alleged consultants, former Department of Environment and Natural Resources (DENR) Undersecretary and Mines and Geosciences Bureau (MGB) head Leo Jasareno, who headed the audit team but was later on sacked by President Rodrigo "Rody" Duterte.



BARBERS

"When Secretary Lopez was appointed as DENR chief, she ordered the audit of all mining firms nationwide. Unfortunately, despite his dismissal, Jasareno was retained as the head of the audit team," Barbers said.

According to Barbers, the so-called environmental violations, if true, could be the result of years of alleged neglect or tolerance of former Environment

Secretary Ramon Paje and the Jasareno-led MGB.

"Both Paje and Jasareno were supposed to examine, issue permits, monitor and report mining activities. Violations do not happen overnight. Both of them have a lot of explaining to do," he said.

The lawmaker from Surigao del Norte said there was allegedly no transparency in the audit of mining firms and Lopez was "apparently fed highly-technical information that only Jasareno et al could understand and interpret."

Barbers, in a privilege speech, asked the DENR chief why she kept the audit report "a secret," adding that the legitimate and responsible mining firms would also want to know who conducted the audit, its parameters, how and when the audit was conducted, the participation of the audited firms, the results of the audit,

and Lopez's basis for the closure of the 23 mining firms and suspension of five others for alleged violations of environmental laws.

Ako Bicol Rep. Rodel Batocabe, president of the Party List Coalition (PLC), urged Congress to exercise its oversight powers to determine the bases of the order issued by Lopez, stressing the crackdown on the mining industry may affect the country's economy.

Surigao del Sur Rep. Prospero "Butch" Pichay had already sought a congressional investigation into the DENR ruling for being "illegal and arbitrary."

He also lamented that the decision of Lopez will result in billions of pesos in lost revenues yearly for the national government the displacement of at least 10,000 direct workers and 50,000 indirect workers from his district alone.

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Surigao del Norte Rep. Robert Ace Barbers

LOPEZ KEPT MINING AUDIT REPORT SECRET

SURIGAO del Norte Rep. Robert Ace Barbers yesterday assailed Environment Sec. Gina Lopez anew for keeping the audit report on mining firms a secret, resulting in her decision to close 23 firms and suspend five others.

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LOPEZ...

From Page 1

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Earlier, Surigao del Sur Rep. Prospero "Butch" Pichay had already sought a congressional investigation on the DENR ruling for supposedly violating environmental laws for being "illegal and arbitrary."

"He reiterated that the decision of Lopez will result to billions of pesos in lost revenues yearly

will be displaced.

Pichay accused Lopez of violating all pertinent laws about mining, including the Mineral Production Sharing Agreement (MPSA) that the mining firms signed with the government.

He insisted that under the MPSA, once an audit of the mining firm was decided, the government should inform the firm about the intention to audit and the firm is allowed to appoint an official to join the audit team.

After the audit, he said, the team would come up with a report and discuss the findings, including the supposed violations that were committed to allow the firms to "rectify" the violations.

Pichay also argued that mining firms are allowed to contest the findings that would

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A LIGHTED conveyor in Nickel Asia's processing plant



Mine closures worry nickel buyers

THE Environment department's decision to shutter and suspend more than three-fifths of the country's 41 metal mines, which account for half of the country's nickel supply, is rattling nickel buyers, especially in China and Japan, an industry official said.

"It worries trade partners... It's very difficult to see what will happen based on our relationships because I know the government is trying to push building a relationship with China and Japan," Philippine Nickel Industry Association President Clarence J. Pimentel, Jr. told *BusinessWorld* in a Tuesday interview in Pasig City.

"Something like this will be detrimental to our growth," he added.

Mr. Pimentel also noted that stakeholders of the country's top nickel supplier Nickel Asia Corp. have expressed concern over the matter at a recent meeting.

However, Nickel Asi Vice-President for Corporate Communications José Bayani D. Baylon said that the Hinatuan Mining Corp., one of those flagged for closure, only accounts for ground 15% of the company's nickel production.

Asked if the firm expects to make gains with competition eliminated, Mr. Baylon said: "The only benefit to us is if the world prices go up. But do we get new markets? No. Our supply [remains committed to existing] customers."

told the stock exchange on Tuesday that its subsidiary Platinum Group Metals Corp., also up for closure, has secured a contract to ship 1 million wet metric tons (WMT) to Golden Harbour International Pte Ltd., a subsidiary of Chinese steel company Tsingshan Group at a spot price for the 2017 mining season.

The country's second largest nickel-firm by output, GFNi said that the recent agreement puts the company's take-up to 3 million WMT, half of its target of 6 million WMT for this year.

GFNi said it still expects to sign "more supply contracts with its long-standing customers" in time for the mining season.

GFNi President Dante R. Bravo said that amid concerns stemming from the DENR pronouncement which are "natural" for investors, "we remain confident in [signing more orders]."

Mr. Bravo added that the company has not received any closure orders from the DENR, a delay which he said is "unusual" considering that Ms. Lopez's announcement that the notices have been sent to all concerned miners two days before the decision was made public on Feb. 2.

"[E]ven if they issue that order we believe its illegal so we can get relief. We are confident with our legal position," Mr. Bravo said in a phone interview on Tuesday.

PGMC, the firm's lone operating mine at present, accounts for 12% of the country's total nickel

GFNi added that it subsequently completed a feasibility study that determined total reserves to be at 35.4 million WMT or 23.07 DMT "taking into account the economic, legal and technical factors."

GFNi shares dropped 3.10% to close at P2.50 apiece on Tuesday.

Meanwhile, the Chamber of Mines of the Philippines (CoMP) said it will invoke the Freedom of Information provision to compel the Environment department to provide full copies of the audit reports.

"We will file this week. It is being finalized and will be submitted to the DENR (Department of Environment and Natural Resources)," said CoMP Chairman Artemio R. Disini in a press conference on Tuesday in Pasig City.

The chamber's request will be followed by requests for temporary restraining orders with regional trial courts pending a review of the DENR's findings.

"We'd like to see that actual report generated. Also we'd like to see the specific findings for each and every one of the 28 companies that were either suspend or closed by the secretary," lawyer Ronald S. Recidoro, vice-president for CoMP's Legal and Policy division, said yesterday.

"That is the basis for penalties... That's all we ask so that we can respond properly," Mr. Recidoro added.

"If she fails to [release the reports], the usual legal remedies

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DoF concerned by finances of LGUs hosting mines

THE Department of Finance (DoF) said that the revenue lost from the Environment department's decision to close some mines will have a significant impact on municipalities, as they heavily rely on taxes paid by those miners.

According to preliminary reports from the DoF, estimated revenue losses will amount to P441.92 million covering those local government units (LGUs) hosting the five suspended and 23 shut-

tered mining firms, based on 2015 figures.

"At the national [level], it's going to hurt that were not going to get the mining revenue, but it's not going to be fatal," Finance Secretary Carlos G. Dominguez III told reporters yesterday.

"In some municipalities, that's the only real income they have," he added.

The Bureau of Local Government Finance however has yet to release data

on the share of taxes paid by affected miners in their host municipalities' total collections.

Meanwhile, Mr. Dominguez said he is not challenging Department of Environment and Natural Resources (DENR) Secretary Regina Paz L. Lopez' decision to close down the mines. He described the DoF's position for the moment as "information-gathering" before it meets with the Mining Indus-

tries Coordinating Council (MICC) this week.

"I am not going to question her [decision] because I haven't seen the facts. I haven't seen the reports, the rationale," said Mr. Dominguez.

Mr. Dominguez has said previously that his main concern was those who will lose their jobs, as it is relatively difficult to find new jobs in the affected areas, especially, those located in remote towns.

"It is just as remote as you can get, people rely on these jobs. You cannot get a job elsewhere," he said.

According to the Chamber of Mines of the Philippines, (CoMP) around 1.2 million jobs will be lost following DENR's decision.

Mr. Dominguez added that the DoF will also assess the knock-on effects on other sectors such as the manufacturers of mining supplies. — **E.J.C. Tubayan**

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ALINGAWNGAW

ni ALVIN FELICIANO

NITONG mga nakaraang araw ay ilang minahan na umano'y lumalabag sa batas ang ipinasara ng Department of Environment and Natural Resources (DENR) dahil sa patuloy na paninira ng mga ito sa ating kalikasan.

Magandang hakbang ang ginawang ito ni DENR Secretary Gina Lopez upang maprotektahan ang ating kalikasan na patuloy na sinasamantala ng ilang negosyante na walang ibang inintindi kundi ang magkamal ng malaking salapi sa pagmimina.

Sa pamamagitan din nito ay magdadawalang-isip na

ang mga may-ari ng minahan na lumabag sa batas dahil alam nila na posibleng matanggalan sila ng permit sa pagmimina kapag hindi sila sumunod sa umiiral na batas.

Isang paraan din ito upang tuluyang maprotektahan ang ating kalikasan dahil ang pangangalaga sa kapaligiran ay isang paraan din upang mapangalagaan ang buhay ng mamamayan na labis na naapektuhan sa pagkasira ng mga ibinigay sa atin ng Diyos.

Alam naman natin na malaki ang nagiging epekto sa mga tao ang tuluyang pagka-

sira ng kalikasan dahil sa tulwing may dumarating na bagyo ay sila ang labis na naapektuhan, lalo na kapag may malakas na pag-ulan ang dumadalaw sa ating bansa.

Ilang buhay na ang nawala dahil sa matinding pagbaha at napakaraming halaga na rin ng mga ari-arian at pananim ang nasyang na sinira ng bagyo dahil sa tuluyang pagkasira ng kalikasan dahil sa maling paraan ng pagmimina.

Dahil kasi sa pagkakalbo ng ating mga kabundukan ay wala nang pumipigil sa tubig ulan na nagmumula sa mga bundok kaya mabilis na bu-

maha sa mga kapatagan na nagreresulta sa matinding pinsala sa kanilang kabuhatan.

Hindi rin pinaligtas ng DENR ang mga negosyante sa Laguna Lake na nagmamay-ari ng mga fishpen dahil nitong nakalipas na mga araw ay ipinabuwag ni Secretary Lopez ang mga ito upang malayang makapangisda ang mga mahihirap nating kababayan na umaasa sa lawa.

Sa ating pagkakatatanda ay panahon pa ni dating Pangulong Ferdinand Marcos nang magsimula ang mga negosyanteng ito sa pananamantala sa Laguna Lake at dahil sa kanilang paglalagay ng naglalaking fishpen sa lawa ay la-

bis na naapektuhan ang mga maliliit na mangingisda.

Dahil sa ginawang ito ni Secretary Lopez base na rin sa direktiba ni Pangulong Rodrigo Duterte ay muling mabibigyan ng pagkakataon ang mga maliit na mangingisda na makinabang nang maayos at malaya sa Laguna Lake.

Sabi nga ni Lopez, patuloy ang kanilang gagawing pagbabantay sa ating kalikasan upang mabigyan ito ng proteksyon at maiwasan ang tuluyang pagkasira at hindi rin nito sasantuhin ang mga negosyanteng lalabag sa batas na umiiral na nagbibigay ng proteksyon sa ating kapaligiran.

DUTERTE AT DENR MAGKATUWANG SA PANGANGALAGA NG KALIKASAN

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Report Card

NI ATTY. ERNEST MACEDA

E-mail: ernest.maceda@macedalaw.com



SuperwoMine

ANG latest na Superwoman sa pamunuan ni Pres. Rodrigo Duterte ay walang iba kundi si DENR Secretary Gina Lopez. Binulabog ni Sec. Lopez ang industriya ng minahan nang inanunsyo ang pagpasara ng aabot sa 23 ng mga higitang mining company sa bansa at ang suspensyon ng limang iba pa.

Kung inakala ng mga mining firm na madadaan sa pakiusap o i-dribble na lang ang hakbang ng kalihim, nasupaipal sila. May nag-ingay pa na hindi sinunod ni Sec. Lopez ang rekomendasyon ng Mining and Geosciences Bureau (MGB) na nag-imbestiga sa mga kompanya. Hindi raw closure ang rekomendado ng MGB kundi pawang mga fine lamang.

Ang balik ni Sec. Lopez ay ganito: Weno? Ano pa man ang findings ng MGB, sa huli ay purely recommendatory lang ito. Ang Kalihim pa rin ang magdedesisyon.

At tama naman si Sec. Lopez. Ang 15 sa mga pinasara niya ay nakapuwesto sa watershed areas. Apektado ang kalikasan, nalalason ang mga tubig. Kawawa ang mga komunidad. Kitang-kita ito sa mga aerial photo na kinunan mismo ng Kalihim sa kanyang paglipad sa mga mina. Kulay pula na ang tubig dahil sa mine tailings. Lalo ring lumalala ang siltation sa ilalim ng ilog dahil sa mineral particles.

Nasa 1.21% lang ang ibinabayad sa pamahalaan bilang royalty sa kinikita ng buong industriya. Ang kontribusyon naman nito sa total employment sa bansa ay 0.06% lang.

Ok din si Sec. Lopez. Nagmatigas laban sa pressure ng mga higante subalit mayroon din itong pakunswela bilang kapalit sa mga maapektuhan ng pagpapasara. Sa ganda ng mga lokasyon ng mga mina ay maari itong madevelop bilang eco-tourism area at kikitang lalo ang mga taga-roon. Magpapanukala rin ang DENR ng mga alternative jobs para hindi mahirapan ang mga mawawalan.

(Sundan sa pahina 5)

REPORT CARD... Mula pahina 4

Ganitong kamay na bakal ang kailangan para mabawi natin ang kalikasan mula sa mga nag-sasalaula para sa sariling interes. Mabuti at sagot din ni President Digong si Sec. Lopez nang hindi na magkaideya ang mga kompanya na rumesbak kung kani-kanino pa.

NGAYON

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE



Digong tutol sa closure ng minahan

NABABAHALA ang "alter ego" ni Presidente Digong Duterte na si Finance Secretary Carlos Dominguez III. Aniya, maraming tao sa mga mining communities ang mawawalan ng trabaho at magdurusa ang koleksiyon ng buwis ng gobyerno sa desisyon ni Environment Secretary Gina Lopez na ipasara ang may dalawampu't- limang minahan.

Malamang daw na babagsak ang mga mining communities at maaapektuhan ang pagtatayo ng imprastruktura at pagkakaloob ng mga serbisyong panlipunan sa mamamayan.

Tinatayang aabot sa 1.2 milyong katao ang mawawa-

lan ng trabaho, ani Dominguez. Sa Surigao lang ay may isang kompanya na nag-eempleyo ng 10,000 katao. Dahil dito, pupulungin ni Dominguez ang Mineral Industry Coordination Committee na binubuo ng iba't ibang departamento ng pamahalaan at pinamumunuan nilang dalawa ni Secretary Lopez.

Ani Dominguez, ibig niyang malaman kung ang Department of Social Welfare ay may contingency measure para ibsan ang epekto ng closure na ito sa mga mawawalan ng trabaho. Aalamin din kung ang Department of Public Works and Highways ay mahahataw pa nila ang mga proyekto sa apektadong lugar. Ganoon din ang Department of Trade and Industry at ang Department of Labor and Employment. Mayroon ba silang mga emergency program para naman hindi maramdaman ang epekto ng pagsasara ng mga minahan?

Babala ni Dominguez, ang pagpapasara sa mga minahan ay magbubunga ng pagbaba ng gross domestic product. Ayon naman sa Philippine Nickel Industry Association (PNAI), kahit pumasa ang lahat ng kanilang miyembro sa audit ng Department of Environment and

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AKSYON NGAYON... Mula pahina 4

Natural Resources ay ipinasara o sinuspinde pa rin ang mga ito.

Anang PNAI, mabibinbin ang ipinatutupad ng asosasyon na mga panlipunang programa

sa mga host community. Ilan sa mga programang ito ay pangkabuhayan, pangkalusugan, at pang-edukasyon na laan para sa mga residente ng mga naturang komunidad.

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FNI mining operations continue; no DENR closure order received

By JAMES A. LOYOLA

Global Ferronickel Holdings, Inc. (FNI) said operations of its subsidiary Platinum Group Metals Corporation (PGMC) "are not in violation of any laws, rules, or regulations, and the allegations against the company have no factual basis."

In a disclosure to the Philippine Stock Exchange, the firm said it has also not received any official communication from the Department of Environment and Natural Resources (DENR) over alleged environmental violations and its proposed closure.

"PGMC operations will continue as usual, pursuant to our Mineral Production Sharing Agreement," the firm said noting that PGMC passed the Mine Audit that was conducted by a multi-sectoral team in August, 2016.

It added that, "the Mine Audit Report, released by Sec. Gina Lopez herself on October 21, 2016, recommended the continuation of PGMC operations and gave the company high ratings for environmental compliance and management and community development."

FNI said "the alleged 'clo-

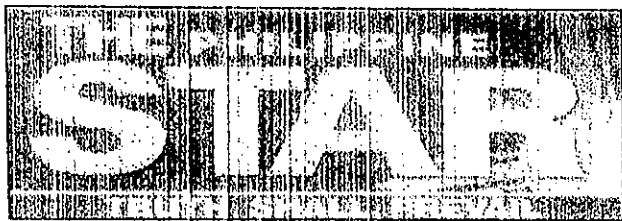
sure order' against PGMC due to the alleged 'siltation of coastal waters and mining in a watershed,' is a surprising contradiction of the findings and the recommendations of the Mine Audit Report."

The firm said the attribution of the coastal water siltation to PGMC's operations has no basis since it has in place a host of erosion and sediment control structures which the Mine Audit Team found to be adequate and appropriate.

"As documented by the environmental baseline study, coastal siltation predates PGMC's operations. The study was accepted by DENR as part of the original permitting process," FNI said.

According to the study, coastal siltation is attributable to forest denudation and burning in the upland by fuel wood gatherers. Erosion, gullyng, and landslides followed, bringing sediment to the coast.

"The discoloration of the coastal waters in Brgys. Urbiztondo, Taganito and Hayanggabon of Surigao del Norte is due to the limonite eroded from the lateritic areas in the upland," said FNI.



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Commonsense

By MARICHU A. VILLANUEVA

P-Noy haunted
now by his past

Doing away with his prepared draft speech as he always does, President Rodrigo Duterte casually mentioned in the course of extemporaneous remarks last Monday about a private message he received from controversial TV/movie actress Kris Aquino. Straying from the subject matter of his address before the country's biggest taxpayers, President Duterte disclosed the actress purportedly sent him recently a text message asking him not to send to prison her only brother, former President Benigno "Noy" Aquino III.



According to President Duterte, Kris apparently alluded to his previous pronouncements about his plans on how to put a just closure to the January 2015 Mamasapano massacre. As then commander-in-chief, P-Noy deployed the Special Action Force (SAF) troopers to capture internationally wanted bomber-terrorists, but 44 of them were killed in the course of their operation.

Before the same audience, President Duterte announced he would no longer pursue his earlier plans to set up a special commission to re-open investigation into the Mamasapano massacre. The President added he would just wait for the Ombudsman to complete its probe into this case where P-Noy, along with his co-accused, were facing charges filed against them.

As of this writing though, Kris who is equally articulate and at times tactless like President Duterte, has not issued any response to the public disclosure of her private message to the Chief Executive. Surely, this is yet another action by Kris without the imprimatur of her brother.

The chivalrous President Duterte gave though his public assurances to Kris he is not one to send her brother to prison just because his predecessor happens to belong "to the other side of the political fence." While the public assurance is well-meaning, it is the court, not the President, that can send somebody to jail. Only dictators can do that.

There is what we call due process as enshrined in our country's 1987 Constitution.

Incidentally, the country quietly observed the 30th anniversary of the ratification of the Philippine Constitution last Feb. 2. It was the late icon of democracy, President Corazon Aquino, whose Constitution is now the subject of the renewed Charter change attempts, including the

The International Center for the Settlement of Investment Disputes (ICSID) reportedly ruled in favor of the Belgian dredging firm Baggerwerken Decloedt En Zoon (BDZ) which elevated their case to this United Nations commercial arbitration body. The BDZ brought their case against the Philippine government after the former President scuttled their P18-billion contract to dredge the Laguna Lake in November 2010, or a few months after the Aquino administration took office at Malacanang. The ICSID ordered the Philippine government to pay P800 million plus interest to BDZ for all the losses incurred by the firm for the project's cancellation.

Sought by The STAR for his side, Mr. Aquino who has yet to get a copy of the ICSID ruling noted the Belgian firm was the same one that dredged the Pasig River before his tenure as president. Further, he cited, the Department of Science and Technology (DOST) determined that at most, only 40 percent of the project was done and the allocation had all been used.

The Laguna Lake Development Authority (LLDA) which entered into contract with the BDZ has yet to issue its rejoinder to the ICSID ruling. The LLDA is a government-owned and controlled corporation under the Department of Environment and Natural Resources (DENR).

It was former presidential spokesman and ex-ambassador of the Philippines to Greece Rigoberto Tiglao who first reported the issuance of the ICSID ruling. Tiglao, who now writes a regular column at *The Manila Times*, rhetorically asked in his Feb. 1 column: "Why should we taxpayers pay the cost of Aquino's hubris and idiocy?"

Tiglao though noted Mr. Aquino did not issue any written order to officially inform the Philippine government's cancellation of the BDZ contract with the LLDA. Tiglao recalled it was scuttled in actual practice only through Finance Secretary Cesar Purisima's refusal to sign the documents accepting the Belgian government's P7 billion grant to fund the project.

Tiglao blamed the scrapping of the BDZ contract to what he described as P-Noy's "irrational, apoplectic bias" that everything his predecessor did or planned was graft-riddled.

By the way, Tiglao also once served as press secretary of former President Gloria Macapagal-Arroyo.

Going through our own files of stories on this case, there was a speech made by the ex-Finance chief on Jan. 30, 2012 before the Management Association of the Philippines where he justified the cancellation of the dredging project. The following excerpts from his speech explains why P-Noy scrapped the contract:

"The Laguna Lake project, I heard President Aquino say: 'There were a lot of good projects in the previous administration.' But you know, there were some such as the Daang Hari that were already started and we did continue with it. But the Laguna Lake, a dredging project for P18 billion and based on studies, what they will dredge will be back in three years because we have not addressed the source of the siltation, which is the deforestation of the Marikina river watershed and the human settlements are delayed. For the sake of accelerating expenditure, President Aquino could've signed that. But you would have wasted P18 billion of your money."

Purisima's successor, Finance Secretary Carlos Dominguez III was quoted saying the Duterte administration may

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

PINANGUNAHAN ng Department of Social Welfare and Development (DSWD) ang pagbubukas ng ASEAN Socio-Cultural Community (ASCC) Pillar sa Marquee Mall sa Angeles City, Pampanga bilang bahagi ng pagiging punong-abala o host ng the Association of South East Asian Nations o ASEAN ngayong taon.

Ang National Water Resources Board ay nakilahok sa nasabing aktibidad dahil ang Department of Environment and Natural Resources (DENR), na siyang mother agency nito ay kabilang sa mga ahensya na tutulong sa ilalim ng ASCC pillar.

Ang halaging ito ay isa sa tatlong ASEAN community councils na siyang mamamahala sa pangangalaga sa mga tao, sa kanilang kultura at likas na yaman ng pagkukunan, para sa pagpapatuloy ng pag-unlad sa maayos at makataong ASEAN. Ang iba pang dalawang haligi ay ang seguridad na pampulitika at pang-ekonomiya.

Sa nakaraang kaganapan, si Ambassador Marciano Paynor Jr., ASEAN 2017 Philippines Director-General for Operations, ang nanguna sa pagbibigay-kahalagahan upang malaman ng nakarami kung ano ang ASEAN. Binanggit niya na ang ibang tao sa ibang ASEAN countries ay may malawak na kaalaman tungkol sa ano ang pamayanan. Samantalang kaunti lamang sa mga Pilipino ang nakakaalam kung ano ang ASEAN. Kaya ayon sa kanya na papanahon na

ANG INYONG
LINGKOD

DR. HILDA C. ONG

NWRB DUMALO SA PAGBUBUKAS NG ASEAN SOCIO-CULTURAL COMMUNITY (ASCC) PILLAR

upang turuan ang ating mga mamamayan, higit sa lahat umpisahan natin sa mga ka-

bataan ang paglililaw kung ano ang ASEAN.

Ayon kay DSWD Secre-

tary Judy Taguiwalo at bilang ASCC leader, ipinaliwanag niya ang tatlong pillar strategies na nakahanay sa tema ng ASEAN 2017, "Partnering for Change, Engaging the World".

Kabilang sa mga ito ay ang "promotion and protection of the rights of migrant workers and vulnerable sectors; appreciation of cultural heritage and strengthening of the ASEAN cultural identity; intensifying access to health-care and improved nutrition; and promotion of the role of civil service as catalyst for achieving ASEAN Vision 2025."

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

PHL to pay P800M for Laguna Lake project scrapped by Aquino admin

BY MARVYN N. BENANING

Correspondent

THE International Center for the Settlement of Investment Disputes (ICSID) has ordered the Philippine government to pay P800 million to Baggerwerken Decloedt En Zoon (BDC) for scrapping the P18.7-billion Laguna Lake Rehabilitation Project (LLRP) in 2011.

ICSID issued the award on January 23, 2017, six years after former President Benigno S. Aquino III junked the deal that was twice declared by then-Justice Secretary Leila M. de Lima as "legal and binding".

Former Justice Secretary Alberto Agra also issued a legal opinion affirming the validity of the contract entered into between BDC and the Arroyo administration through the Department of Environment and Natural Resources (DENR.)

The BDC project was originally crafted to dredge the 94,900-hectare Laguna de Bay and deepen its average depth of 2.5 meters, and called for the creation of navigational channels in the waterway, which has Class C water quality deemed to be inappropriate for human consumption.

The Laguna de Bay cannot be a source of water for purification, since its average depth is 2.5 meters, well below the global standard of a minimum of 2.8 meters depth for harvesting water for purification.

A Belgian company, BDC had designed the project under the official development assistance (ODA) scheme of Brussels and supported by then-Belgian King Albert, but former President Aquino did not accede to the plea of the king to salvage the project, calling it as a project that calls for merely transferring the silt from one

Belgian executives calculated the P18.7-billion LLRP could be paid in nine years, if the Laguna de Bay is dredged, its water-holding capacity expanded, and measures are implemented to improve the quality of water flowing from 100 rivers and creeks from the Sierra Madre, Quezon, Rizal, Cavite and Laguna, with the revenues coming from Manila Water Co. Inc. and Maynilad Water Services Inc.

ICSID took jurisdiction of the case, which was covered by an investment treaty among the Philippines, Belgium and Luxembourg signed in 1998, and invoked the applicable rules of the ICSID convention and arbitration rules on October 11, 2011.

The ICSID tribunal was constituted on February 29, 2012, with Pierre Tercier of Switzerland appointed by the parties as president, Stanimir A. Alexandrov of Bulgaria as arbitrator named by BDC and J. Christopher Thomas of Canada, who was named

arbitrator by the respondent, the Philippine government.

Allen & Overy of Hong Kong represented BDC as counsel, while the Office of the Solicitor General of the Philippines, retired Supreme Court Associate Justice Florentino P. Feliciano and the law firm White & Case of Washington also took the cudgels for the Aquino administration.

The tribunal decided in favor of BDC, with Tercier concurring and Alexandrov issuing a separate opinion.

ICSID said the tribunal was constituted in accordance with Article 37(2)(a) of the ICSID Convention and started its proceedings by compelling the parties to

BDC filed its memorial on the merits on June 25, 2012, with the Philippine government responding with a memorial of its own on October 17, 2012, along with a memorial on jurisdiction, including counter-claims and the filing of cost hearing briefs, the tribunal declared the proceedings closed on November 28, 2016, based on ICSID Arbitration Rule 38(1).

On January 23, 2017, the tribunal agreed with BDC, and said the 150-year-old Belgian dredging company was the aggrieved party.

BDC was compelled to sue the Aquino administration before ICSID in April 2011 for breaching its contract after all its efforts to push the project with Finance Secretary Cesar V. Purisima and President Aquino failed.

The company sought at least P6 billion in damages from the Aquino administration.

BDC officials said Aquino was wrong in tagging the project as "graft-ridden" and Sen. Franklin M. Drilon described dredging projects as a source of corruption during a year when Iloilo, his home province, had six dredging projects supported by state funds.

Sen. Loren B. Legarda also described the dredging project as contributing to flooding, which floored BDC, its engineers and hydrologists.

The Aquino administration then did not explain to the Belgian government why the LLRP was scuttled despite the Belgian counterpart's plea to let the project proceed.

In 2010 Dimitry Dutilleul, BDC's North Asia manager, explained that under the 850-day LLRP, there was little chance for fishermen and settlers to be evicted from the lake region, since the principal concern of the project was to deepen the lake and allow boats to navigate from Laguna to Rizal and the National Capital Region and vice versa.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Baklasan sa Laguna de Bay, tuloy

Patuloy ang pagbawas ng mga tauhan ng gobyerno sa mga fish pen sa Laguna de Bay.

Sa pamamagitan ng Department of Environment and Natural Resources (DENR) at ng Laguna Lake Development Authority (LLDA) muling itinuloy ang pagtatanggal sa mga ilegal at inabandonang istraktura sa lawa.

Una dito, Noong Enero 12, sa pamamagitan ng isang liham ay inutusan na ng LLDA ang mga fish pen operators na gibain na ang kanilang mga istraktura.

Bagama't marami ang tumututol dito walang nagawa ang mga operators kundi sundin ang kautusan.

Samantala, nagkakaisa naman ang dalawang grupo ng mga mangingisda sa Laguna de Bay na hindi dapat ubusin ang mga fish pen dito.

"No to zero fish pen, bagama't naagawan kami ng teritoryo ng mga naglalakihang fishpen, mahalaga rin ang naririyang sila dahil ito ang naging

breeding ground ng mga isda. Kung aalisin lahat ang mga fish cages o mga fish pen baka maubos na rin ang isda sa lawa" Ayon kay Aurelio Santiago, ang representative ng mga maliliit na mangingisda sa Laguna de Bay na umano ay may 22 libo na miyembro.

Ganito rin ang pahalagang ni Gelacio Flores, ang representative naman ng mga fish pen operators.

"Pumapayag naman kami na baklasin ang mga fish cages dahil overcrowded na nga ang lawa, pero hindi dapat lahat at biglaan, unahin muna ang mga illegal fish cages, wika ni Flores.

"Hindi lahat ng mga may-ari ng fish cages dito ay milyonaryo tulad ng sinasabi nila, marami sa amin dito ay tigkokonting mga nasasakop sa lawa kaya dapat pag-aralan muna nila ito. Aanhin ang ganda ng lawa kung magugutom naman ang mga tao" dagdag pa ni Flores.

(Ronilo Dagos)

World

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE



DAVAO: DAVAO CITY

Endangered Mangkono logs seized

MANGKONO logs worth about P380,000, misdeclared as food items, were confiscated on Feb. 5 by the Bureau of Customs (BoC) at the Port of Davao. In a BoC statement, Customs District Collector Jamail A. Marohomsalic reported that the container van was opened by BoC in the presence of representatives from the Philippine Drug Enforcement Agency and Philippine Coast Guard following a tip-off that it contains illegal drugs. Mr. Marohomsalic said the logs did not have an export permit from the Department of Environment and Natural Resources. Mangkono trees, the native Philippine iron wood, is categorized endangered in the International Union for Conservation of Nature Red list for 2014. Cutting of the tree is prohibited under a national law. The shipment was addressed to a consignee in Japan identified as Sanyo Tsushu Co. Ltd. while the shipper was Transmodal International, Inc.

BUSINESSWORLD GRAPHICS: ERKA CAPILI INCIONG

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BusinessMirror

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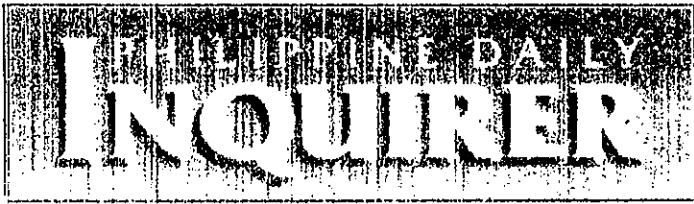
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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE



SOLID-WASTE RECYCLING

Sen. Cynthia A. Villar tours booths showcasing products from recycled waste during the Environment Summit and Ecological Waste Management Exhibition, in line with the Department of Environment and Natural Resources's celebration of Zero Waste Month and 17th anniversary of the Ecological Solid Waste Management Act of 2000. The senator has been advocating various ways to reduce, reuse and recycle solid waste, or the so-called 3Rs. Through Sipag, Villar has been actively implementing her own environmental programs using waste as raw materials. Also in photo is Eligio Ildefonso, secretariat executive director of the National Solid Waste Management Commission. PNA PHOTO COURTESY OFFICE OF SEN. CYNTHIA VILLAR



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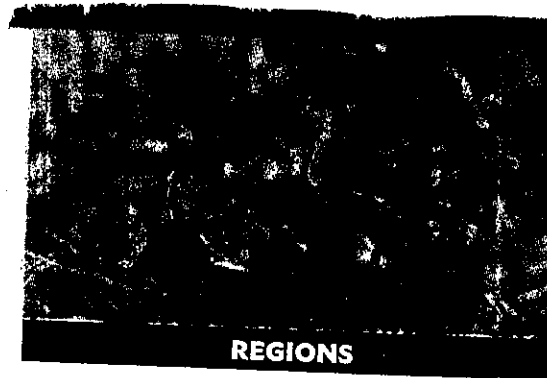
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REGIONS

Fewer migratory birds in Mindoro

Fewer migratory birds are now being seen in the 8,125-hectare Naujan Lake National Park in Naujan town in Oriental Mindoro province, according to the Asian Waterbird Census. From 10,821 birds in 2016, only 6,932 from 36 species were recorded during the survey last month. The reason behind the decline of the bird population was not clear. —STORY BY MADONNA VIROLA

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

FEWER BIRDS SEEN IN MINDORO LAKE

Fewer migratory birds visited the Naujan Lake National Park in Naujan town in Oriental Mindoro province last month, a recent bird census showed.

From 10,821 birds recorded in 2016, only 6,932 from 36 species were recorded during the survey held last month by the NLNP-Asian Waterbird Census (AWC) team.

"The cause of this decline is not yet clear but it could be due to several factors, including the unfavorable weather conditions over the past weeks," Don Geoff Tabaranza, project development and resource manager of the Mindoro Biodiversity Conservation Foundation Inc. (MBCFI), said in an email to the Inquirer.

Tabaranza said water level during the survey on Jan. 20 was high, inundating marshes and agricultural fields.

Tufted ducks (*Aythya fuligula*) comprised the biggest population of migratory birds in the lake, representing 70 percent of the total count during the survey, according to a report of the survey team composed. This was followed by whiskered terns (*Chlidonias hy-*



brida), at 20 percent.

The team was composed of park rangers, technical personnel of the Department of Environment and Natural Resources in Mimaropa (Mindoro, Marinduque, Romblon and Palawan) region, MBCFI biologists and volunteer students.

An evaluation by the International Union for the Conservation of Nature classifies tufted ducks and whiskered terns as being of "least concern," due

to these species' large range and population sizes, and stable or fluctuating population trend.

The global organization Wetlands International, on its website, said thousands of volunteers across Asia and Australasia (a region of Oceania comprising Australia, New Zealand, New Guinea and neighboring islands in the Pacific Ocean) visit wetlands in their country and count water birds every January.

The AWC, it said, was initiated in 1987 in the Indian subcontinent and grew rapidly to cover Asia (from Afghanistan to Japan), Southeast Asia and Australasia.

Tabaranza urged local officials to protect the 8,125-hectare Naujan Lake through monitoring by the Bantay Lawa (lake watch) to curb illegal activities in the lake and its surrounding areas.

"We also encourage residents around the lake to practice sustainable agriculture and proper waste management to reduce pollution from agricultural and domestic wastes," he said. —MADONNA T. VIOLA INQ

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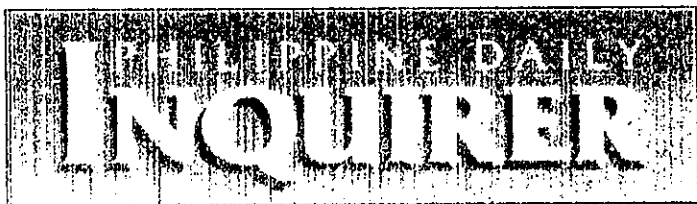
STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Fewer birds seen in Mindoro Lake

PROTECTING WETLANDS



The Naujan Lake National Park in Naujan town in Oriental Mindoro province hosts different species of endemic and migratory birds like the wandering whistling duck (above) and the Philippine swamphen (below). —PHOTOS BY DON GEOFF TABARANZA/CONTRIBUTOR



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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

NATURE AS SOLUTION TO 'RIVER ISSUES'

Lately, our lawmakers have been proposing different measures to increase government funds—one is thinking of taxing beauty products; another is calling for more vigilance against pilferages and leakages in the Bureau of Customs and the Bureau of Internal Revenue.

May I add one other suggestion: Let's save on public works projects. Let's look into the appropriateness of a project or of spending for it.

For example: Currently under construction is the massive riverbank revetment project along Marikina River, just below Tumana Bridge in Barangay Tumana, extending to Barangay Malanday and Barangay Tañong. Steel sheets, drilled along the banks to prevent soil erosion, are being complemented by large-scale cementing of the slopes of the riverbanks (both sides).

Called River Improve-

ment: Construction of Bank/Slope Protection, this is a project of Department of Public Works and Highways- Unified Project Management Office-Flood Control Management Cluster. The portion of the project below Tumana Bridge, contracted to Towking Construction, has already cost P345 million. The one in Malanday, which has been jointly contracted to E.M. Cuerpo Inc. and MSB Vitug Construction, costs P233 million.

The DPWH would be spending much, much less if it had resorted to planting the riverbanks with different bamboo species, which would cost only a fraction of the huge allotments. This is what the Villar Foundation did at the Las Piñas-Zapote River.

To prevent river overflow, siltation and soil erosion, Villar Foundation settled on a most practicable solution: coco nets with bamboos planted on its

eyelets. The 20-km length of the river is now planted to 10,000 bamboo culms and practically transformed into a "bambosetum," or a bamboo garden planted to around 40 bamboo species, the *Dendrocalamus asper* (giant bamboo) and *Bambusa blumeana* (*kawayan tinik*) among them leading the count.

That project does the following: 1) addresses flooding/soil erosion (a one-hectare bamboo grove can hold 4,000 tons of water; the roots of a bamboo plant can hold four cubic meters of soil); 2) helps minimize the impact of global warming (a bamboo plant sequesters CO₂ eight times better than trees; 3) contributes to achieving an inclusive economy (bamboos are used as raw materials for the *parol* livelihood project of informal settlers living near the river); 4) boosts biodiversity (with a wide variety of bamboo species, the bambosetum will

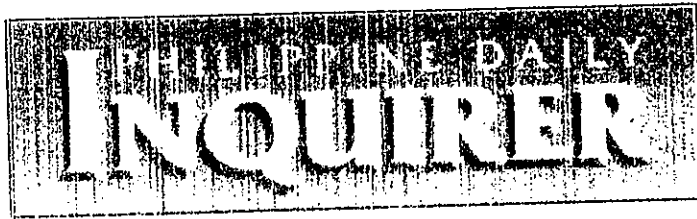
eventually harbor more life forms, resulting in a better, more wholesome environment); 5) provides a solution cheaper than "ripraps" and concrete dikes—the cheapest solution, in fact, and very doable.

The flooding problem in Marikina is mainly due to the denudation of the Marikina Watershed. There simply is nothing much to hold the rain, that's why Marikina River overflows.

Call it coincidence: Mark Villar, the son of the founders of Villar Foundation, now sits as the public works secretary. I hope he takes a look at all river rehabilitation/revetment projects of the DPWH.

Time to use nature as the best and cheapest solution to "river issues."

CHESTER C. CHANG,
Barangay Tañong, Marikina City



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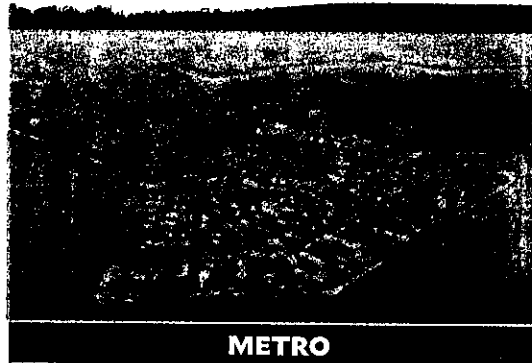
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METRO

Erap OKs third reclamation project

Manila Mayor Joseph Estrada has approved another multibillion-peso reclamation project in Manila Bay, his third since he was elected in 2013. Proponents of the "city-within-the-city" project, Philippine Reclamation Authority and UAA Kinming Development Corp., will develop a 407.42-hectare mixed-use commercial and tourism center. —STORY BY AIE BALAGTAS SEE

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Erap OKs 3rd reclamation project

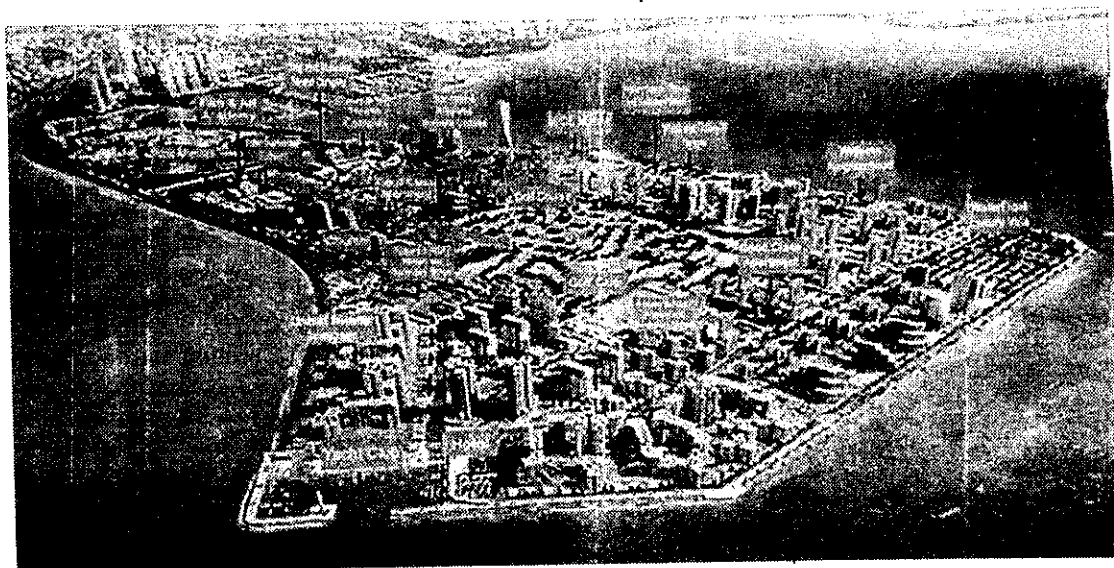
Aie Balagtas See
BalagtasSeeINQ

Manila Mayor Joseph Estrada has approved another multibillion-peso reclamation project in the city's section of Manila Bay, the third to get the green light since the former President came to the city's chief executive office in 2013.

City Hall said the latest project would develop a 407.42-hectare mixed-use commercial and tourism center, as envisioned in a memorandum of agreement (MOA) signed on Monday with the Philippine Reclamation Authority (PRA) and UAA Kinming Development Corp.

Like in the past two projects, Estrada said the new development would generate much-needed jobs and revenues for the city and its residents.

"This reclamation project



The future "city within a city," as envisioned in this artist's presentation, is touted as the country's most advanced reclamation project.—PHOTO COURTESY OF MANILA CITY GOVERNMENT

will be a symbol of our mission and vision of creating a city that is prepared for a future of economic prosperity and social equity," the mayor said in a state-

ment on Tuesday.

Touted as the biggest and most advanced reclamation project on Manila Bay, it would host skyscrapers, business cen-

ters, shopping malls, sports and recreational facilities, and educational institutions, the statement added.

This "city within a city" will

also have its own water taxi service to ferry tourists around and up to SM Mall of Asia on the other side of the bay.

The MOA was signed two months after Estrada and the PRA approved another project, the P7-billion expansion of Manila North Harbor, which would require the reclamation of another 50 hectares.

In 2013, during his first term as mayor, Estrada also upheld

the development of a project known as Solar City, which was approved during the time of his predecessor, Mayor Alfredo Lim.

Environmental advocates then expressed opposition to the 148-hectare project which will be built between the Philippine Navy Headquarters and Manila Bay Yacht Club.

The construction of Solar City and the expansion of North Harbor will begin this year, according to one of Estrada's aides. INQ

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

PH fears China will build island on Panatag Shoal

The Philippines expects China to try to build on the Scarborough Shoal, the country's Defense Secretary Delfin Lorenzana said on Tuesday, a move he said would be "unacceptable" in the flash-point waterway.

In an interview with Agence France Presse, Lorenzana said he believed China would eventually reclaim the shoal, which sits just 230 kilometers from mainland Luzon.

Beijing has already built a number of islets and reefs in the South China Sea, installing military facilities on several of them.

Analysts say that similar in-

stallations on Scarborough Shoal, also known as the Panatag Shoal, could give China effective military control over the disputed waterway, something the United States had said it was not prepared to accept.

"They encroached," Lorenzana said of a 2012 confrontation that saw Philippine vessels displaced. "They occupied three islands there, plus they are trying to get Scarborough. So, to us, that is unacceptable."

"If we allow them, they will build. That's very, very disturbing. Very much (more) disturbing than Fiery Cross because this is

so close to us," Lorenzana added, referring to one of the Philippine-claimed reefs China had built on.

Because of its position, another military outpost on Scarborough Shoal is seen as the last major physical step required to secure control of the sea.

An outpost on the shoal would also put Chinese fighter jets and missiles within easy striking distance of US forces stationed in the Philippines.

The shoal also commands the northeast exit of the sea, so a Chinese military outpost there could stop other countries' navies from using the vital stretch of waters.

A UN-backed tribunal in a case brought by the Philippines under then President Benigno Aquino III ruled last year that the so-called "nine-dash-line," which underpins Beijing's claim to most of the South China Sea, had no legal basis.

But his successor, President Duterte, has courted Beijing and backed away from his country's close relationship with the United States.

Lorenzana said Chinese island-reclamation efforts were meant to control the South China Sea.

"That could be their strategy

to counter any superpower that would encroach on the South China Sea because they believe South China Sea is like their lake," he added.

The administration of new US President Donald Trump has indicated it will push back against any Chinese attempt to solidify control of the sea.

During confirmation hearings, Secretary of State Rex Tillerson said the United States would block Chinese access to the islands, although analysts had pointed out that this would require a military blockade, an act of war.—AFP