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IN THE NEWS

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

DENR cancels MPSAs to protect watersheds

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

SAYING it is her “gift of love” to the Filipino people on Valentine’s Day, Environment Secretary Regina Paz L. Lopez on Tuesday announced the cancellation of a total of 75 mineral production-sharing agreements (MPSAs) to protect the country’s watersheds.

75

The number of MPSAs
canceled by the DENR chief

Lopez also canceled the Financial and/or Technical Assistance Agreement (FTAA) of the Tampakan Gold-Copper Project purportedly to
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MPSAs...

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remove its threat to freshwater sources in South Cotabato.

In a news briefing in Quezon City, Lopez said the 75 MPSAs are for various mining projects that are not yet operating commercially and are within or near watersheds.

The cancellation of the MPSAs will effectively stop 37 mining projects in Mindanao, 11 in the Visayas and 27 in Luzon.

The MPSAs include that of big-ticket projects, such as Kingking Copper-Gold Project of Kingking Mining Corp. in Pantukan, Davao del Norte.

An MPSA is an agreement wherein the government shares in the production of the contractor, whether in kind or in value, as owner of the minerals. In return, the contractor shall provide the necessary financing, technology, management and personnel for the mining project.

On February 2 Lopez announced the closure of 23 operating mines and the suspension of five other mines. Of these mining operations, 15 are within watersheds.

While saying her policy declar-

ing watersheds as "off-limits" to destructive development activities is "non-negotiable", Lopez said show-cause orders would be issued to affected mining companies, giving them seven days to "contest" the decision. As DENR chief, Lopez maintained that protecting the country's watersheds, the source of the country's freshwater, is mandated by law—the Philippine Mining Act of 1995—and is enshrined in the Constitution.

Asked about the coverage of her policy and her definition of "functional watershed", Lopez said all watersheds would be strictly off-limits to destructive development projects, particularly mining.

She said these MPSAs should not have been awarded by the government to the mining companies, noting that it will severely affect watersheds.

"Water is life. If you destroy these watersheds, you destroy our source of life."

"It is my duty to protect the people who live there. Now and in the future. If you put at risk the water supply, you put at risk the quality of life of the people for gold, nickel," Lopez added.

The Philippines has 412 principal river basins in 119 proclaimed watersheds, according to the Water

Environment Partnership Asia. Watersheds can also refer to bodies of water such as rivers, streams, lakes, marshes.

Lopez said the cancellation of the MPSAs will prevent the potential adverse impact of mining on health and the environment, and will improve the quality of life of those living in areas where the mining projects are located.

The DENR chief said her decision to cancel the 75 MPSAs would not result in job losses. "These are nonoperating mines."

Lopez said closed mines would be transformed into ecotourism sites within 18 months to provide livelihood opportunities to those who lost their jobs.

The DENR also defended its decision not to close the mining operations of Philex Mining Corp. despite its operation of a mine near the Agno River. In 2012, the accidental leak from its broken tailings pond spilled mine waste into the Balog Creek and Agno River, and contaminated water in the San Roque Dam.

Energy Undersecretary Marlo Mendoza said Philex's tunnel mining operation does not require the scraping of topsoil or cutting of as many trees compared to open-pit mining.

"Philex is mining gold. Those

into gold use tunnels. It has very minimal disturbance on the surface of the forest," Mendoza said.

Lopez said she will work with the 12 mining companies that passed the audit and urge them to tap into their Social Development Management Program (SDMP) fund to help people in their surrounding communities.

Environment Undersecretary Philipp Camara said the DENR plans to create green jobs that are anchored on ecotourism and sustainable agriculture and organic farming in Dinagat and Surigao.

"Ecotourism gives high-quality jobs where the people can live with dignity, unlike mining. Alternative multiplies into agriculture such as organic agriculture, maintaining the biodiversity that will flow into health and wellness product from the biodiversity," Camara said.

"The most immediate thing to do is to revegetate [former mine] areas. We will generate 1,000 jobs that will pay as much as P7,000 a month, which matches the average monthly salary of a miner," he added. The DENR chief also said she is looking at the possibility of converting mineral-rich areas previously covered by MPSAs into Minahang Bayan for small-scale miners.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

DENR chief cancels 75 mining contracts

By LOUISE MAUREEN SIMEON
and RHODINA VILLANUEVA

Seventy-five more mining contracts have been cancelled in an intensified government crackdown on mines deemed destructive to watersheds.

The cancelled contracts – representing almost a third of the country's contracts for undeveloped mines – include the \$5.9-billion Tampakan gold and copper project in South Cotabato, potentially the country's biggest foreign investment and believed to be one of the largest gold prospects in the world.

Department of Environment and Natural resources (DENR) Secretary Regina Lopez said she had to order the cancellation of the contracts because they were all in watershed zones and could endanger the water supply. The latest canceled contracts cover projects still in the exploration stage or otherwise not yet in production.

The move turns up the heat in her battle with the mining sector after she ordered the closure of 23 of the country's 41 mines earlier this month on environmental grounds, causing an outcry among the industry and threats of legal action.

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"You kill the watershed, you kill life," Lopez said at a media briefing.

A long-time environmentalist, Lopez ordered the closure of the 23 mines on Feb. 2 for damaging watersheds and for siltation of coastal waters and farmlands. Five other mines were suspended.

The industry, represented by the Chamber of Mines of the Philippines (COMP), said the orders will affect 1.2 million people.

The contracts cancelled were mineral production sharing agreements (MPSA). Also affected by Lopez's latest move was the \$1.2-billion copper-gold project of Philex Mining Corp., one of the country's biggest miners, in Mindanao.

In a statement, Philex said none of the areas covered by its Silangan Mining MPSA is located in a proclaimed watershed forest reserve where mining is prohibited. "Silangan Mining is therefore confident that its MPSA is valid and can withstand any legal challenge," Philex said.

It added Silangan Mining secured its MPSA from the government "only after a thorough review process by all relevant government agencies and the endorsement of the host communities and local government units."

Tampakan, meanwhile, failed to take off after the province where it is located banned open-pit mining in 2010, prompting commodities giant Glencore Plc to quit the project in 2015.

"We're cancelling this as a gift of love to the people of Cotabato," Lopez said.

There are currently 311 MPSAs including those for the 41 operating mines, government data showed.

"They were given MPSAs but after evaluation, we want to cancel it. Their MPSAs were given before my time and they are in watershed areas, how can I say yes? We can never benefit from those," Lopez said

"It's the duty of the government to look after the people. We cannot say that their (investors) money is more important than the lives of the people," Lopez said.

"If they want to invest here and rape the country, then I prefer them to just go somewhere else, not here. We only want investments that will benefit us," she added.

Lopez also disputed the ability of the country's courts to halt her closure orders as affected miners prepare to take legal action.

"There is no TRO (temporary restraining order) that holds function in the case of environment enforcement," she said.

"We would have suffered the food basket of Mindanao for nothing? Is it worth it? It's not even an economic problem, it's a peace issue. No wonder Mindanao cannot achieve peace, it is being ravaged," the environment chief added.

The Tampakan project is an open pit mine the size of 700 football fields on top of agricultural lands.

As soon as she assumed the top DENR post, Lopez vowed to never allow Tampakan mine operations to proceed.

The DENR said the Department of Agrarian Reform has issued certificates of land ownership award (CLOA) to 3,000 families inhabiting the area where Tampakan's open pit mine is to be located.

Operator Sagittarius Mines Inc. (SMI) has secured a declaration of mining feasibility and is a few steps closer to full operations. The Tampakan mine development had been targeted for operations next year.

Tampakan is estimated to contain 2.94 billion tons of mineral resources - 15 million tons of copper and 18 million ounces of gold.

The prospective mine is projected to produce 375,000 tons of copper and 360,000 ounces of gold per year in the initial

mine-life of 17 years, with potential for mine-life extension.

The project site has an area of around 10,000 hectares covering Tampakan, South Cotabato, Columbio in Sultan Kudarat, Kiblawan in Davao del Sur and Malungon in Sarangani. The value of the mine's production is estimated at \$37 billion over a period of 20 years.

"DENR approved 37 MPSAs to do open pit mining in Mindanao. If mining is so good and done so well then why are the poorest areas there?" Lopez said.

In Davao region alone, MPSAs ordered cancelled were those of Alsons Development and Investment Co. Inc., King Eagle Exploration and Mining Corp., Dabawenyo Minerals Corp., Phil. Youbang Mining International Corp., Sinophil Mining and Trading Corp., Core Mining Corp., Ore-East Mining Co. Inc. and Napnapan Mineral Resources Inc.

Despite outrage and legal threats from the mining industry, Lopez appears unfazed.

"The mining companies have accused me of bias. And I admit, I do (have biases) and these are healthy biases, for social justice and the common good," she said.

Lopez has failed to get the nod of the Commission of Appointments (CA) but has been re-appointed by President Duterte.

"Mining money funds political campaigns and there are mining supporters in the Congress and Senate. I will not stop doing the right thing just to please the CA. Let the dice fall where it may," she said.

Absurd

COMP lawyer Ronald Recidoro said Lopez's latest action was "absurd" and ignored due process, given MPSAs were contracts between the government and the companies.

"You cannot just unilaterally cancel contracts, especially if there are no specific grounds," Recidoro said.

Mining law allowed operations in watersheds, he added, except those declared

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protected by the government. But Lopez said it was within her discretion "to decide on the resources of the country."

Top Philippine nickel ore producer Nickel Asia Corp. said it would pursue all legal remedies to overturn an order to close the operations of its unit Hinatuan Mining Corp.

Hinatuan was told that its operation has "impaired the functions of the watershed in the area," according to a copy of the closure order.

The decision to close or suspend existing mine operations followed a months-long audit of the mines, although a government team that reviewed the audit recommended only suspensions and fines.

President Duterte on Sunday said he would not stand in the way of Lopez's decision to shut several mines in Mindanao, the second time he has thrown his support behind the Cabinet official he appointed last June.

If Duterte upholds Lopez's actions, Recidoro said affected miners could seek relief with the Court of Appeals and "then the Supreme Court."

Meanwhile, a group called Philippine Business for Environment Stewardship (PBEST) has issued a statement criticizing Lopez for her "divisive" leadership.

"We live in one big ecosystem, where everything and everyone is interconnected. We need a type of governance that is inclusive, not just of the marginalized, but of all, including those perceived to be the ones destroying the environment," PBEST secretary general Ysan Castillo said.

He said the DENR should focus on more pressing environmental issues. "The DENR keeps on challenging just the legitimate large-scale miners, and not the thousands of illegal small-scale operations," Castillo said. "This is myopic, considering the host of other pressing environmental concerns that the country is facing."

PBEST convenor and president of think tank Stratbase-ADRI Dindo Manhit said the environment department

should unite stakeholders and not cause division.

"What we see here is a failure to transcend one's single-cause advocacy, and a regulator who is supposed to look after and unite all the stakeholders for the good of the environment," Manhit said.

"The sound management of the environment requires the involvement and cooperation of people and communities, not antagonism and animosity," Castillo said.

Manhit added that the DENR leadership should complement the Duterte administration's effort to improve the lives of the Filipino people.

"In order to fulfill this commitment, the President pushes for the country's industrialization, and mining cannot be taken away from that equation," Manhit stressed.

PBEST is a non-governmental organization advocating sustainable development through sound policies and collaboration among the government, private, academic and civil society sectors.

No official notice

In its statement, Philex said the MPSA of wholly owned subsidiary Silangan Mindanao Mining Co. Inc. was included in the list even if the firm has not, to date, received any cancellation order or any notice of cancellation from the DENR or any other government agency.

The Silangan project is a copper and gold project located in Surigao del Norte in Mindanao, with an expected investment opportunity of P40 billion, Philex said.

"Mindanao is an area where President Duterte has declared his fight against hunger, poverty and underdevelopment. It is expected that, starting 2020, the Silangan project will, for the first 10 years of operation, generate P170 billion of revenues, P31 billion in national and local taxes and at least 8,000 employment opportunities," it said.

Silangan Mining is also expected to spend P6 billion over the same period for social development and infrastructure.

Mindanao. "The project will promote the much-needed development in an area which, in the words of President Duterte, has long been neglected," it added.

Philex stressed it has a long-standing policy of strictly complying with all applicable laws and regulations, and especially those pertaining to social development, environmental protection and rehabilitation.

"While the DENR, as regulator, has the right, if not also the duty, to enforce faithfully all mining laws and to act against erring mining companies, it must do so within the bounds of the constitutionally-mandated due process procedure," Philex pointed out.

It added the "confusion and uncertainty" triggered by Lopez's pronouncements "has already resulted in significant economic harm" to Philex's public shareholders, including the Social Security System and its beneficiaries, through a sharp decline in its share price - approximately P6.5 billion loss in shareholder value in one day - and has endangered the Silangan project.

It also cited the erosion of investor confidence "in the midst of a worrisome regulatory landscape that appears to disregard due process and interprets applicable laws as it wishes."

Another Philex subsidiary, Philex Gold Philippines, Inc. (PGPI), has also been affected even if all its MPSAs were "validly issued" and the projects "not located in proclaimed watershed forest reserves."

Philex and its subsidiaries, according to the statement, "are willing partners of the government in protecting the environment, and in its fight against poverty and unemployment, and in upholding the rule of law and supporting due process."

It stressed it "continues to support President Duterte in his drive against illegal and irresponsible mining, and rally behind the President in promoting responsible and community-oriented mining."

- With Reuters. Catherine

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Tampakan loses environmental permit

DENR cancels 75 mining contracts

By **MADELAINE B. MIRAFLOR**

A total of 75 mining companies are now at risk of losing their Mineral Production Sharing Agreements (MPSA) it earlier got from the government, while the environmental permit of Southeast Asia's largest undeveloped copper-gold mining project, which is located in South Cotabato, has already been cancelled.

This, as the crusade of Environmental Secretary Gina Lopez against the destructive operations in the mining sector continues without letup.

Amid criticism on her recent decisions, which involves issuing closure and suspension orders to 28 mines, Lopez still proceeded to cancel more

mining contracts yesterday.

This time, she cancelled as much as 75 MPSAs as well as the Environmental Compliance Certificate (ECC) of the Tampakan copper-gold mining project.

MPSA are mineral agreement wherein government gets a share in the production of the mining company, whether in kind or in value, as owner of the minerals.

In return, the mining contractor shall provide the necessary financing, technology, management and personnel for the mining project.

Based on Mines and Geosciences Bureau (MGB), there are currently 311 existing MPSAs right now, of which only 96 are operational.

Some of the big mining firms that

may lose their MPSAs are: Kingking Mining Corp. (Davao del Norte), Alsons Development and Investment Co., Inc. (Compostela Valley), Silangan Mindanao Mining Co., Inc. (Surigao), Philex Gold Philippines, Inc. (Surigao and Zamboanga), Vulcan Industrial and Mining Corp. (Negros) and TVI Resources Development Phils. (Zamboanga).

Lopez said these companies will receive show cause orders from the Department of Environment and Natural Resources starting today (Wednesday) and will be given seven days to explain why they can keep their MPSAs.

"We don't want more MPSA (given to mining operations) near watershed," Lopez said in an interview with report-

ers. "The MPSAs that are to be cancelled are not yet operational. We are going to cancel it even before they start operating. No one will lose their jobs."

In Davao Region, other companies affected in the MPSA cancellation are King Eagle Exploration and Mining Corp., Dabawenyo Minerals Corp., Phil. Youbang Mining International Corp., Sinophil Mining and Trading Corp., Core Mining Corp., Ore-East Mining Co., Inc., and Napnapan Mineral Resources, Inc.

DENR is also cancelling MPSAs of some mining operations in Dinagat and Surigao, including Bright Green Resources Corp., Pacific Nickel Phils, Inc., Consolidated Ores. Phils., Inc., Phigold Metallic Ore, Inc., East Coast Mineral Resources Co., Inc., Kepha

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Mining Exploration Co., North Dinagat Mineral Resources Corp., and Rosario Consolidated Mining Co.

In Zamboanga, companies that are at risk of losing their MPSAs are Siennalyn Gold Mining Corp., Solid North Mineral Corp., Atro Mining-Vitali, Inc., 168 Ferrum Pacific Mining Corp., Geotechniques and Mines, Inc., Roldan Dalman, Peng Cheng Metallic Resources Corp., Maharlika Dragon Mining Corp., and Czarstone Mining Corp.

Five operations based in Zambales are likewise affected in the DENR's latest order, which includes Shangfil Mining and Trading Corp., San Juanico Resources Corp., Mineral Treasures Mining Corp., Mina Tierra Gracia, Inc., and Westchinamin Corp., while another one is from Negras, namely Selenga Mining Corp.

In Palawan, the DENR is cancelling the government's mining contracts with Central Palawan Mining and Industrial Corp., Palawan Star Mining Ventures, Inc., Pyramid Hill Mining and Industrial Corp., Macroasia Corp., Lebach Mining Corp., while in Abra, Jabra Corp. may lose two MPSAs.

Other companies to lose MPSAs are GRACO Isulan Mining Corp., South Davao Development Co., Inc., Hard Rock Mineral Trading, Inc., Crescent Mining and Development Corp., Itogon Suyoc Resources, Inc., Macawili Gold Mining and Development Company, Inc., Egerton Gold Philippines, Inc., Alumina Mining Philippines, Inc., Bauxite Resources, Inc., Nickelace, Inc., United Philippines and China Mining Corp., Industries

Development Corp., Indophil Resources Phils, Inc., Parvisgold, Inc., Plethora Mineral Corp., Pio Castillo, Asia Alstron Mining and Development Corp., Phil Alstron Mining Corp., Aglubang Mining Corp., Alagag Mining Corp., Altai Philippines Mining Corp.

Meanwhile, it was last year when the DENR began running after the \$5.9-billion Tampakan project for some environmental concerns. Now, Lopez officially cancelled the ECC of Sagittarius Mines, Inc. for the project, which could have been the largest foreign investment in the country.

Withdrawal of the ECC will prevent any company to continue its operations or its certain projects.

"We are putting at risk the food basket of Mindanao for something that we might not even get," Lopez said. "We are cancelling it as a gift of love for the people of Cotobato."

Asked of the possible foregone investments in the mining sector, Lopez said "if they (foreign investors) want to invest and rape the country, I prefer that they go away."

"They are going to invest here and then 82 percent of the net revenue goes to them and then 95 percent of that 82 percent goes out of the local economy, and then they create massive devastation here, then they should just go somewhere else," Lopez said.

For its part, Chamber of Mines of the Philippines (COMP), which comprised some of the country's biggest miners, said the cancellation of MPSAs only shows the utter lack of regard for due process by the DENR.

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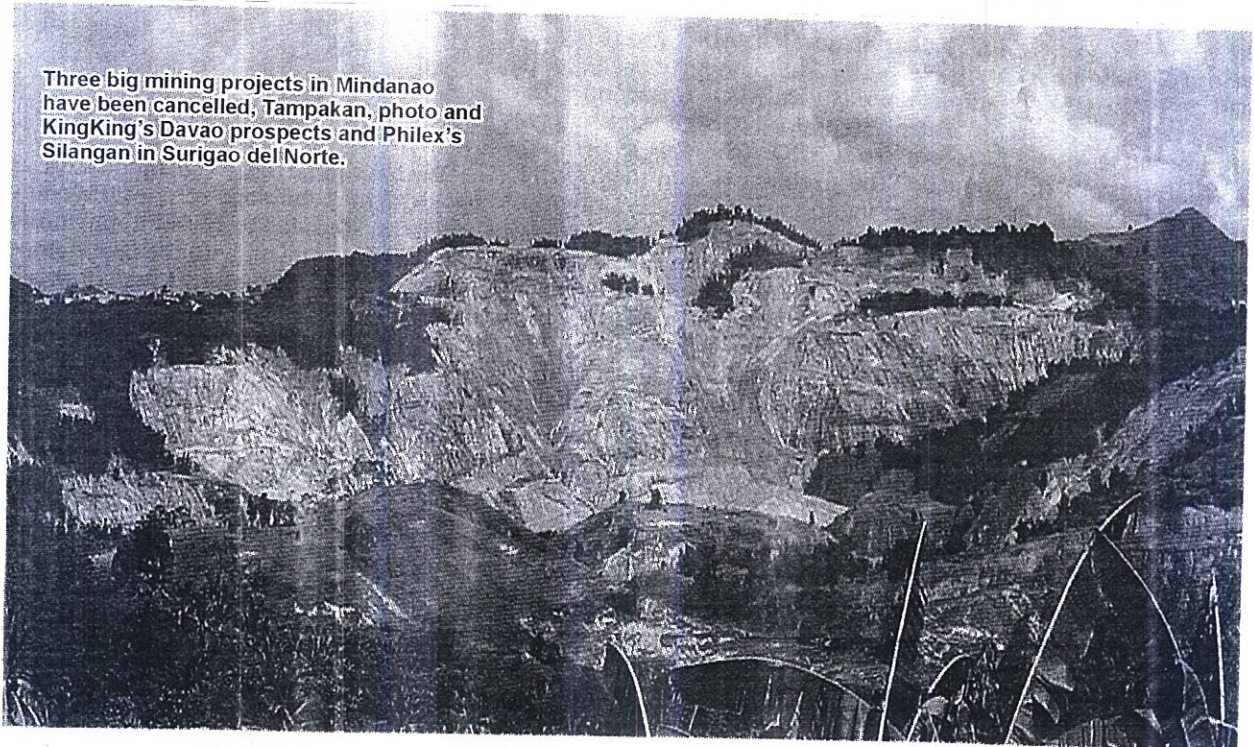
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\$10B PROJECTS FIZZLE OUT

DENR cancels 75 mining contracts

Three big mining projects in Mindanao have been cancelled, Tampakan, photo and KingKing's Davao prospects and Philex's Silangan in Surigao del Norte.



BY JED MACAPAGAL

THE Department of Environment and Natural Resources (DENR) yesterday cancelled 75 mining contracts, 24 percent of the existing 311 contracts given by the government.

Of the 75 contracts cancelled, the biggest include the \$5.9-billion Tampakan project, Kingking Mining Corp.'s \$2 billion prospect in Davao del Norte and Philex Mining Corp.'s \$2 billion Silangan prospect in Surigao del Norte.

Environment secretary Regina Lopez said the 75 MPSAs (mineral production sharing agreements) (list on page A4) were all in watershed zones. Many of the cancelled contracts were in the exploration stage.

Also cancelled were projects not yet in production and Lopez said they will not be developed further.

"We need to protect the water resource of future generations," she said.

Earlier, DENR ordered the closure of more than half of the country's operating mines.

A long-time environmentalist, Lopez ordered the closure of 23 of the Philippines' 41 mines on February 2 for damaging watersheds and for siltation of coastal waters and farmlands. Another five mines were suspended, causing an outcry from the industry.

The contracts ordered canceled include the Tampakan project, the biggest stalled mining venture in the Philippines.

Lopez said companies whose contracts were cancelled will be given seven days to reply and air their sides.

"There is no loss of jobs here since we

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cancel them before they even start operating. If their reply does not give us any reason to mine inside watersheds they will be ultimately cancelled," she said.

Lopez added the MPSA cancellation orders were sent to involved firms yesterday (February 14) and will reach them the latest today (February 15).

"I will admit that the mining companies accused me of bias and I'll admit it. I think these biases for social justice and common good is healthy," Lopez stated.

Aside from the cancellation of 75 MPSAs, the DENR also finally cancelled Tampakan copper and gold mining prospect's environmental compliance certificate.

"We will not benefit from Tampakan project at all. We would have suffered the food basket of Mindanao for nothing? It's not even an economic problem, it's a peace issue.

No wonder Mindanao cannot achieve peace, it is being ravaged," Lopez said.

She reiterated government will only get a share from the project if the operators hit windfall profits but noted there is a very slim chance at this happening.

Lopez cited the dissenting opinion of Justice Antonio Carpio that based on 10 mining companies abroad, not one company realized windfall profit.

The \$5.9-billion Tampakan prospect is said to be one of the largest undeveloped mineral deposits in the Southeast Asia with estimated reserves of 15 million tons of contained copper and nearly 18 million ounces of gold. Total taxes and royalties government can gain from it over the 20-year life of the project is said to be at around P346 billion.

Meanwhile, the Chamber of Mines of the Philippines (COMP) questioned Lopez's

pronouncements to cancel the 75 MPSAs.

"It has now become a question of whether we still uphold the sanctity of contracts. It has now become a question of due process, and of fairness and justice that applies to all. We feel that the cancellation of these agreements does not rest on Ms. Lopez alone but must be collectively decided upon by the government as a whole considering the adverse impact it may have on the country," COMP said in a statement.

"More importantly, we feel that Ms. Lopez now has to answer to the Filipino people on all these that are fundamental in a society that follows the rule of law," it added.

President Rodrigo Duterte on Sunday said he would not stand in the way of Lopez's decision to shut several mines in southern Philippines, the second time he has thrown his support behind the minister he appointed last June.

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Mining takes new hit

Gina scraps 75 projects; solons tag latest order 'crazy, wreaking havoc'

By Christine F. Herrera, John Paolo Bencito and Rio N. Araja

LAWMAKERS on Tuesday branded as crazy the actions of Environment Secretary Gina Lopez, who ordered 27 more mining companies shuttered, thus "wreaking havoc" on the country's economy.

"Secretary Lopez does not know what she's doing. Her actions are crazy especially [closing] down these mining firms arbitrarily," said Kalinga Rep. Allen Jesse Mangaoang.

Mangaoang, along with Coop-Natcco Rep. Anthony Bravo filed House Resolution 756 to inquire into Lopez's actions that they said were wreaking havoc on the economy.

Cibac Rep. Sherwin Tugna also expressed alarm that due process was being undermined by Lopez's actions.

"While we believe we need to protect our environment, it is paramount also that we have to observe due process and be fair to all the mining stakeholders," Tugna said.

Tugna said while Cibac was fighting corruption in government, the party-list group was also concerned that the government was closing down businesses without laying down the basis for the closure.

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"The government should be fair in making these mining firms comply with our environmental laws. It cannot just close down any business without letting these firms know what violations they have committed. That is not just fair," Tugna told the Manila Standard in an interview.

Mangaoang echoed Tugna's statement and said most of these mining firms were compliant.

"Congress will not take this sitting down. There are laws that were enacted to ensure that the environment is protected but we will not allow these laws to be violated and misused at anybody's whim and caprices," Mangaoang said.

He said because the mining companies never received the findings of the Department of the Environment and Natural Resources audit, they did not know what their respective violations were.

Surigao del Sur Rep. Prospero Pichay Jr., whose district has seven mining firms that were ordered closed, said some 1.2 million people who depend on the industry would be hurt by Lopez's actions.

Buhay Rep. Lito Atienza said Lopez was doing a disservice to the country and supported a congressional investigation.

"This is insane when one of our secretaries is busy closing down businesses and we don't even know her basis for doing so. We want to find out what drove her to do that," said Atienza in a separate interview.

During the Kapihan sa Manila Hotel by the Plaridel Group, Mangaoang agreed that there was no basis for Lopez's actions.

"Gina Lopez says she flew by chopper and saw the mountains in Surigao were denuded and that when it rained, the seas become red. Of course, because the soil in these mountains is red and the mountains were denuded because no trees would grow in these areas because the soils are mineralized. When there are minerals, not one tree would grow. This is why these areas had been declared as mineral reservations. There are no watersheds in these areas because trees cannot grow. The Surigao mountains are rich in minerals, particularly nickel," Pichay said.

"Some sources revealed that the announcement of these closures and suspensions came on the heels of allegations that personal prejudices of her office mired the mining audit process and the choices of who or what company were to be closed and

"The apparent whimsical acts of closing and suspending these mining companies, if made arbitrarily and oppressively, constitute violation of substantive due process," they said.

Mangaoang and Bravo argued that the DENR should instead allow the mining firms affected by the order to rectify the supposed mistakes in their operations.

"Secretary Lopez decided to immediately close and suspend these mining companies instead of allowing them to institute corrective measures," the lawmakers said.

"The immediate closure and suspension were announced without giving these mining companies the opportunity to even respond to the alleged finding of irregularities and violations of various environmental laws by the DENR," they added.

Earlier, Surigao del Norte Rep. Robert Ace Barbers assailed Lopez for her decision, explaining the audit was purportedly made secret and many of the firms affected by the ruling were legitimate and observe responsible mining in their operations.

Barbers said Lopez could have been misled by one of her consultants, former Environment Undersecretary and chief of the Mines and Geosciences Bureau Leo Jasareno, who headed the audit team but was later on sacked by President Rodrigo Duterte.

"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.

Ako Bicol Rep. Rodel Batocabe, president of the Party List Coalition urged Congress to exercise its oversight powers to determine the basis of the order issued by Lopez, saying the crackdown on the mining industry could hurt the country's economy.

Pichay accused Lopez of violating all pertinent laws about mining, including the Mineral Production Sharing Agreement 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, in-

that were committed to allow the firms to rectify any violations.

Pichay also argued that mining firms are allowed to contest the findings that would lead to an "arbitration" that would give the firms one year to settle the issue with the government.

"We will soon find out what this brouhaha was all about. It is getting crazier each day when we would wake up to the news that more firms had been closed down without us knowing the reasons why these had been shut down," Mangaoang said.

Mangaoang said the congressional inquiry would be conducted jointly by the House committee on good government, chaired by Surigao del Sur Rep. Johnny Pimentel; and House committee on environment, chaired by Bayan Muna Rep. Carlos Isagani Zarate.

Mangaoang is vice chairman of the Zarate panel.

Malacanang on Tuesday said that it will look carefully into the violations of the 75 mining operations which Environment Secretary Regina Lopez ordered for closure.

"It will depend on the violation... and what the law is saying about the mining contracts," said the President's chief legal counsel, Salvador Panelo.

On Tuesday, Lopez ordered the cancellation of 75 mining contracts she claimed were all in watershed zones, with many in the exploration stage. They cover projects not yet in production.

Panelo, who sits at the Mining Industry Coordinating Council, said that the Palace and the Cabinet were trying to protect Lopez when they stopped her from immediately closing and suspending a number of mining firms.

In an interview with reporters, Panelo said that during a meeting with the Mining Industry Coordinating Council on Friday, he and Finance Secretary Carlos Dominguez tried making Lopez realize the importance of observing due process first before shutting down the mines.

"Initially they were arguing. The point of Sonny [Dominguez] was there should be due process. Gina meanwhile, said that there is already due process. So I told them, Secretary Gina, you have the right to regulate the law that you're citing. Let's impose certain conditions. One has to go to due process. Secretary Sonny just wants to protect you so that when the mining companies sue you, you're gonna win." Secretary Gina did not understand this initially but now she realizes that all of us were trying to protect her," Panelo said.

During the meeting, Panelo

Mining Act of 1995, such as its provision on the reasonable time for a mining company to correct its violation. Panelo said that the law was "silent" about it.

Lopez had earlier ordered the closure of 23 of the Philippines' 41 mines on Feb. 2 for damaging watersheds and for causing the siltation of coastal waters and farmlands. Another five mines were suspended, causing an outcry from the industry.

The Chamber of Mines of the Philippines on Tuesday slammed the cancellation of 75 mining agreements, saying it directly cast into doubt the sanctity of contracts.

"We feel that the cancellation of these agreements does not rest on Ms. Lopez alone but must be collectively decided upon by the government as a whole considering the adverse impact it may have on the country," the chamber said in a statement.

"More importantly, we feel that Ms. Lopez now has to answer to the Filipino people on all these that are fundamental in a society that follows the rule of law."

On Tuesday, Lopez issued a show-cause order to 27 operators in Luzon, 11 operators in the Visayas and 37 others in the Visayas, compelling them to explain why their permits should not be cancelled for their operations inside the watersheds.

"You kill the watershed, you kill life. You kill the river, you kill agriculture, you kill the drinking water," she said.

Her effort was a "gift of love on Valentine's Day to the Filipino public," she added. **With Anna Leah E. Gonzales**

DENR chief cancels mining contracts of 75 companies

ENVIRONMENT Secretary Regina Lopez on Tuesday cancelled the mineral production sharing agreements (MPSA) of 75 mining companies operating in watershed areas.

Lopez said that show cause orders, her Valentine's gift to the Filipino people, were given to 37 mines in Mindanao, 27 in Luzon and 11 in the Visayas.

"Water is life. There should be no

mining in watershed areas," she stressed. "What happens when you adversely affect a watershed? You dry up the resource," she added.

Lopez said that many of those served

show cause orders were in the exploration stage while the others have yet to start production.

"Mining in watersheds is absolutely

►CancelsA2

■ CANCELS FROM A1

DENR chief cancels

non-negotiable," she said.

Among the key projects facing cancellation were Philex Mining Corp's Silangan project, Toronto-listed St. Augustine Gold and Copper Ltd.'s King-king copper-gold project in Mindanao, and Intex Resources Inc. in Mindoro Oriental.

Meanwhile, Lopez said that she is also cancelling the Financial Technical Assistance Agreement (FTAA) for the \$5.9 billion Tampakan copper-gold project in South Cotabato province.

"We're canceling this as a gift of love to the people of Cotabato," Lopez, who had expressed her opposition to open pit mining, said.

Lopez has admitted that she lacks the technical knowledge of the mining industry and continues to elude questions on the bases of her decisions.

The Environment secretary earlier issued an order shutting down more than half of the country's operating mines.

In the Philippines, there are two forms of mining contracts entered into with the government - MPSA and FTAA.

The law allows those with MPSA to undertake mineral development activities while those with FTAA do large-scale mineral development projects.

There are about 331 mining companies granted MPSA. Of these, 41 are already operational. Only five miners are operating under FTAA.

The Chamber of Mines of the Philippines scored Lopez anew for her unilateral decision and disregard of due process in the cancellation of MPSAs.

"The recent announcement of DENR secretary-designate Regina Paz Lopez cancelling the Mineral Production Sharing Agreements of 75 projects, including several that are yet to start, and the Tampakan Environmental Compliance Certificate, is no longer a question of whether you are pro or anti-mining," COMP said in a statement.

COMP said that upholding the sanctity of contracts is a requisite to the democratic process that must be uphold.

"This act impinges on our right to due process and runs against good governance," the Chamber said. "The MPSAs were entered into by government and us as mere contractors in the development of these mineral lands."

COMP maintained that the decision to cancel these agreements does not rest on Lopez alone since it should be decided by the President and the Cabinet.

JAMES KONSTANTIN GALVEZ

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Tampakan loses environmental permit **DENR cancels 75 mining contracts**

By **MADELAINE B. MIRAFLOR**

A total of 75 mining companies are now at risk of losing their Mineral Production Sharing Agreements (MPSA) it earlier got from the government, while the environmental permit of Southeast Asia's largest undeveloped copper-gold mining project, which is located in South Cotabato, has already been cancelled.

This, as the crusade of Environmental Secretary Gina Lopez against the destructive operations in the mining sector continues without letup.

Amid criticism on her recent decisions, which involves issuing closure and suspension orders to 28 mines, Lopez still proceeded to cancel more

mining contracts yesterday.

This time, she cancelled as much as 75 MPSAs as well as the Environmental Compliance Certificate (ECC) of the Tampakan copper-gold mining project.

MPSA are mineral agreement wherein government gets a share in the production of the mining company, whether in kind or in value, as owner of the minerals.

In return, the mining contractor shall provide the necessary financing, technology, management and personnel for the mining project.

Based on Mines and Geosciences Bureau (MGB), there are currently 311 existing MPSAs right now, of which only 96 are operational.

Some of the big mining firms that

may lose their MPSAs are: Kingking Mining Corp. (Davao del Norte), Alsons Development and Investment Co., Inc. (Compostela Valley), Silangan Mindanao Mining Co., Inc. (Surigao), Philex Gold Philippines, Inc. (Surigao and Zamboanga), Vulcan Industrial and Mining Corp. (Negros) and TVI Resources Development Phils. (Zamboanga).

Lopez said these companies will receive show cause orders from the Department of Environment and Natural Resources starting today (Wednesday) and will be given seven days to explain why they can keep their MPSAs.

"We don't want more MPSA (given to mining operations) near watershed," Lopez said in an interview with report-

ers. "The MPSAs that are to be cancelled are not yet operational. We are going to cancel it even before they start operating. No one will lose their jobs."

In Davao Region, other companies affected in the MPSA cancellation are King Eagle Exploration and Mining Corp., Dabawenyo Minerals Corp., Phil. Youbang Mining International Corp., Sinophil Mining and Trading Corp., Core Mining Corp., Ore-East Mining Co., Inc., and Napnapan Mineral Resources, Inc.

DENR is also cancelling MPSAs of some mining operations in Dinagat and Surigao, including Bright Green Resources Corp., Pacific Nickel Phils, Inc., Consolidated Ores. Phils., Inc., Phigold Metallic Ore, Inc., East Coast Mineral Resources Co., Inc., Kepha

►B-5

VALENTINE'S DAY MAS GINA KILLS 75 MI

STORY BY RONNEL W. DOMINGO

Environment Secretary Gina Lopez cancels 75 mining contracts a
people, drawing protests and threats of legal action from



OPERATIONS SUSPENDED Environment Secretary Gina Lopez has ordered the suspension of operations in this mining area of Lepa

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"GINA KILLS 75 MINES"

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NO DEAL "You kill watersheds, you kill life," Environment Secretary Regina Lopez says as she announces the cancellation of 75 mining contracts on Tuesday. —LYN RILLON

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"GINA KILLS 75 MINES"

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Gina scraps 75 mine contracts

FROM A1

By Ronnel W. Domingo
@ronwdomingoINQ

For Environment Secretary Gina Lopez, it was a "gift of love" to the Filipino people on Valentine's Day. But for the mining industry, it was a Valentine's Day massacre.

Lopez on Tuesday ordered the cancellation of 75 mining contracts, stepping up her campaign to stop extraction of resources in sensitive areas after earlier shutting more than half of the Philippines' operating mines.

The contracts—known as mineral production sharing agreements, or MPSAs—are all in watershed zones, with many in the exploration stage.

They cover projects not yet in production and the latest action by Lopez suggests she will not allow them to be developed further.

"You kill watersheds, you kill life," Lopez told a news briefing.

"In this country, all open-pit mining operations are being done in a watershed," she said. "This should never be allowed."

Sanctity of contracts

The Chamber of Mines of the Philippines (COMP) said in a statement that with Lopez's unilateral action, the controversy was "no longer a question of whether a handful of companies really violated environmental laws" but "whether we still uphold the sanctity of contracts."

Suggesting the affected miners were preparing to take legal action, COMP said the matter had "now become a question of due process" and "fairness and justice that applies to all."

Lawyer Ronald Recidoro from COMP said Lopez's latest action was "absurd" and ignored due process given MPSAs were contracts between the government and the mining companies.

"You cannot just unilaterally cancel contracts, especially if there are no specific grounds," Recidoro said.

Mining law allowed operations in watersheds, except those declared protected by the government, he added.

The American Chamber of Commerce of the Philippines called the cancellation of the mining contracts "irresponsible."

"We do not understand why these permits—which are only to explore but not to produce—are harming watersheds. Responsible government agencies reviewed the permits, and there are dispute resolution provisions that should be followed," John D. Forbes, senior adviser to the chamber, said in a text message to the Inquirer.

"Cancellation without due process is as irresponsible as operating a mine without following environmental rules and laws," he said.

The Philippine Chamber of Commerce and Industry agreed. "There should be due process for the mining firms," its president, George T. Barcelon, said in a phone interview.

But Lopez said it was within her discretion "to decide on the resources of the country."

Duterte ally

The canceled contracts include the \$2-billion Kingking gold and copper project in Davao del Norte province, the holder of which is the group of former Sen. Manuel Villar, an ally of President Duterte.

Five of the scrapped contracts involve the Philex group led by Manny V. Pangilinan, who figured in a verbal tussle with Lopez when she spoke against mining during an industry forum in 2012.

A longtime environmentalist, Lopez ordered the closure of 23 of the Philippines' 41 mines on Feb. 2 for allegedly damaging watersheds and for siltation of coastal waters and farmlands.

Another five mines were suspended, causing an outcry from the industry.

Protesting Lopez's action, COMP on Monday filed its opposition to her nomination in the Commission on Appointments.

COMP said Lopez's orders would affect 1.2 million people.

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Legal action

The industry plans to appeal Lopez's orders to President Duterte, although some miners facing a shutdown of their operations have threatened legal action, with some miners saying on Tuesday they had received a formal closure order from the DENR.

Top Philippine nickel ore producer Nickel Asia Corp. said it would "pursue all legal remedies to overturn [the] order because of due process violations and the absence of any basis" that would warrant a suspension or closure of operations of its unit Hinatuan Mining Corp.

Hinatuan was told that its operation had "impaired the functions of the watershed in the area," according to a copy of the closure order.

Lopez said on Tuesday that courts could not halt her orders.

"There is no TRO (temporary restraining order) that holds function in the case of environment enforcement," she said.

"You can't have a TRO. We are protecting the environment and you can't stop us from protecting the environment," she added.

The contracts she ordered canceled on Tuesday include the \$5.9-billion Tampakan copper-gold project in South Cotabato province, the biggest stalled mining venture in the

IN THE KNOW

A mineral production sharing agreement (MPSA) is one of three types of mineral agreements that the government grants to a contractor for the right to mine within, but not title over, a contract area.

Under the MPSA, the government shares in the production of the contractor, whether in kind or in value, as owner of the minerals.

In return, the contractor provides the financing, technology, management and personnel for the mining project.

The other types of contracts are the coproduction agreement, where the government provides inputs to the mining operations other than the mineral resources, and the joint venture agreement, where the government and the contractor organize a joint venture company, with both parties having equity shares.

A Filipino citizen of legal age and with a capacity to contract is qualified to apply for a contract as an individual.

Corporations, partnerships, associations or cooperatives, organized or authorized for the purpose of engaging in mining, are also qualified provided they are duly registered and 60 percent Filipino-owned. —INQUIRER RESEARCH

Sources: mgb.gov.ph

Philippines.

"The contract here covers four provinces—South Cotabato, Sarangani, Sultan Kudarat and Davao del Sur—and six rivers and the food basket of Mindanao," Lopez said.

"We're canceling this as a gift of love to the people of Cotabato," Lopez said.

7 days to comment

The mining companies that would receive cancellation orders would have seven days to comment and "show why we shouldn't cancel their MPSAs," she said.

Four of the five Philex contracts canceled on Tuesday were assigned to Philex Gold Philippines Inc. and involved projects in Surigao del Norte, Surigao del Sur, Zamboanga del Norte and Negros Occidental provinces.

The fifth MPSA was assigned to Silangan Mindanao Mining Co. Inc. in Surigao del Norte, where Philex hopes to develop a \$2-billion copper-gold project that would replace the group's biggest revenue source—Philex Mining Corp.'s Padcal mine in Benguet province, whose production life is expected to expire in 2022.

The decision to close or suspend existing mine operations followed a monthslong audit of the mines, although a government team that reviewed the audit recommended only suspensions and fines.

—WITH REPORTS FROM JAYMEE T. GAMIL, BEN O. DE VERA, ROY STEPHEN C. CANIVEL AND REUTERS INQ

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Government steps up mine crackdown

THE ENVIRONMENT DEPARTMENT yesterday turned up the heat on the country's miners, announcing this time the cancellation of permits for 75 undeveloped mines nationwide.

In a press conference at the Department of Environment and Natural Resources (DENR) headquarters in Quezon City, Secretary Regina Paz L. Lopez said the government was cancelling mineral production sharing agreements (MPSA) of 37 projects in Mindanao, 11 in the Visayas and 27 in Luzon for being located in watersheds.

The latest 75 contracts, involving projects in exploration stage or otherwise not yet in production, are all in watershed zones and would threaten water supply if they were to proceed, according to Ms. Lopez, who told reporters: "You kill the watershed, you kill life."

Mining,
from SI/1

met the stringent requirements of the law. I would like to know on what basis the cancellations were made," Mr. Wallace said.

"Unless the cancellations can be fully explained and justified with good reason — and quickly — it sends a very negative signal on doing business in mining in the Philippines."

Guenter Taus, president of European Chamber of Commerce of the Philippines, said via text that "[s]anctity of contracts has long been an issue and will probably surface here again," while John D. Forbes, senior adviser of the American Chamber of Commerce of the Philippines, Inc. said separately: "We do not understand why these permits — which are only to explore but not to produce — are harming watersheds."

George T. Barcelon, president of the Philippine Chamber of Commerce and Industry (PCCI), said by phone last weekend that the country's biggest business organization held a press conference last Friday in order "to help out those aggrieved... to say their piece," referring to owners of 23 metal mines that were identified for closure last Feb. 2 and five others that were then tagged for suspension.

"[W]e haven't come across an issue as concerning the mining [crackdown]," Mr. Barcelon said.

"We just want to make sure that government agencies... play by the rules... when it comes to... either suspending or... having companies pay fines or whatnot."

Yesterday's move follows the department's Feb. 2 announcement that it was cancelling the permits of 23 of the country's 41 operational metal mines and suspending those of five others for various infractions. Fifteen of those cancelled then, Mr. Lopez has said, were operating in watersheds.

Four listed firms — Benguet Corp.; Lepanto Mining Consolidated Corp.; Marcventures Holdings, Inc. and Nickel Asia Corp. — said in separate disclosures yesterday that they have finally received the department's order of cancellation or suspension.

Marcventures said it "shall file the necessary legal action to prevent implementation of the said order" affecting unit Marcventures Mining and Development Corp. while Nickel Asia said it was consulting its external lawyers on behalf of Hinatuan Mining

Crackdown, SI/9

At the same time, Mr. Barcelon is concerned that similar controversies may hit other industries.

"We hope that there will be less of this because we are now promoting the country for foreign investment, and this is something that any foreign investor will be worried if he sees something like that," the PCCI chief explained.

"So we hope that this issue can be clarified and in the future there will be no issues like this that will occur."

Heeding miners' plea for intervention, Finance Secretary Carlos G. Dominguez III last Thursday convened the Mining Industry Coordination Council, which he co-chairs with Environment Sec. Regina Paz L. Lopez and which resolved to ensure due process is observed in reviewing affected mining companies' appeals against sanctions, launch "a multi-stakeholder review" of each case and meet regularly from now on — "maybe once in two months" — to monitor the process.

After the Environment department yesterday announced the cancellation of agreements of even more projects, however, PCCI's Mr. Barcelon said in a telephone interview that the situation "looks serious that it warrants the President to take immediate action".

Jesus L. Arranza, chairman of the Federation of Philippine Industries, shared this sentiment, saying in a separate phone interview: "Why was it (agreements) given by the previous administrations if there is a law that prohibits their permits?"

"In a way, it is... showing... *urong-sulong* (regulatory vacillation)," Mr. Arranza noted.

"What protection will investors have if that will be the system?" he asked.

"[I]nvestors are after stability in decisions; *eh kung hindi stable ang decisions* (if decisions are not stable), who will still believe in us, have faith in us and trust us?" he warned.

"If we allow actions of irregularity, there will be no stability in the country."

"Due process," Guillermo M. Luz, National Competition Council's private sector co-chairman, said in a mobile phone message on Monday, will dictate whether concerns will spill over to the wider business community.

"[I] [d]on't think this will affect (the Philippines' global competitiveness) rankings as long as we stick to due process," Mr. Luz said.

The Philippines climbed to 99th place out of 190 economies in the World Bank-International Finance Corp. *Doing Business 2017* report that was published in October last year from 103rd out of 189 countries and territories previously.

Among the 10 indicators tracked for this annual competitiveness index, the Philippines fared poorly in "enforcing contracts", rising in rank to 136th from 140th previously even as it retained a score of 49.24 on a scale of 0-100, where 100 marks the best performance.

Daily Tribune

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Wednesday, February 15, 2017

DAILY TRIBUNE
News

Palace: Dominguez only protects DENR chief from legal retaliation

By Ted Tuvera

Malacañang's decision to put brakes on Department of Environment and Natural Resources (DENR) Secretary Gina Lopez's crackdown on "irresponsible" mining operations is meant to protect her from possible legal retaliation from big firms.

Chief Presidential Legal Counsel Salvador Panelo, in a chance interview at the Palace yesterday, said that during the Mining Industry Coordinating Council (MICC) meeting last week wherein co-chairmen Lopez and Finance Secretary Carlos Dominguez reportedly had a heated exchange of arguments, it was accordingly

clear that everybody wants to save the DENR chief from legal hurdles once her order to shutdown or suspend about 28 mining firms will be contested.

"Secretary Dominguez wants to protect (Lopez) so that when the mining companies sue her, you're gonna win. Sonny Dominguez is very protective for her," Panelo said.

"Secretary Gina doesn't initially understand his move. But now she realizes that all of us were trying to protect her," he added.

Among those hit by Lopez's campaign is the Tampakan mine operations — that encompass the provinces of South Cotabato, Sarangani, Sultan Kudarat and Davao del Sur — which turns out

to be a project initiated by the Sagittarius Mining Inc. (SMI), a firm partly owned by Dominguez.

Lopez reported that the total size of the open mining pit in Tampakan which is a deposit of large copper and gold ore body is equivalent to 700 football fields.

SMI is geared to spend \$5.9 billion to dig into one of Southeast Asia's largest virgin natural resources that could supply some 11.6 million tons of copper and 14.6 million ounces of gold.

The Department of Finance (DoF) earlier had accused Lopez of barring members of the Mines and Geosciences Bureau team that conducted the mines audit and the panel that reviewed its findings

from having their voices heard in the decision-making process, thus skipping due process.

"Members of the Cabinet have expressed their full support behind President Duterte's decision to observe due process before implementing a directive of the (DENR) to shut down or suspend 28 mining sites across the country," the DoF said in a statement.

The DoF added that the DENR decision "triggered outrage in communities hosting mining sites, as some 195,000 direct and indirect workers and their families, or a total of some 1.2 million people, would be adversely affected by the closure and suspensions of the mine sites."

Lopez slams door on \$5.9B Tampakan

THE Department of Environment and Natural Resources yesterday closed the door on what should have been the biggest mining project in the Philippines, the \$5.9 billion Tampakan copper gold project in South Cotabato.

The Tampakan mineral production sharing agreement (MPSA) was cancelled.

Tampakan failed to take off after the province where it is located

See LOPEZ ► Page A4

LOPEZ

banned open-pit mining in 2010, prompting commodities giant Glencore Plc to quit the project in 2015.

Sagittarius Mines Inc. is developing the Tampakan project for its shareholders by virtue of a financial technical assistance agreement issued by the government in

1995.

Sagittarius is a subsidiary of the Alcantara Group. Its chief executive officer and president is Paul Dominguez, brother of the Finance Secretary.

"We're canceling this as a gift of love to the people of Cotabato," Lopez said.

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PUBLIC AFFAIRS OFFICE NEWS CLIPPINGS

Marcventures, 5 mayors sign 6M tree planting program

MARCVENTURES Mining and Development Corporation (MMDC) have signed a memorandum of agreement (MOA) with the mayors of Carrascal, Cantilan, Madrid, Carmen and Lanuza all in Surigao del Sur to plant six million trees where MMDC mining operations are located.

MMDC had submitted a tree planting program for three million trees in February 2015 pursuant to a Department of Environment and Natural Resources (DENR) instruction arising out of its operations. All issues were finally resolved by Sec. Gina Lopez in a letter of approval in January 2017. /Page 14

MARCVENTURES...

From Page 1

The additional three million trees is part of the regular replanting related to mining activities.

The regional DENR has already submitted an inventory of 1.5 million seedlings from various individuals in the five municipalities which will provide a livelihood source.

According to MMDC Vice Chairman Isidro Alcantara, the MOA signatories hope to plant not only endemic species but also cash crops like coffee and cacao so that the livelihood component of the program will be recurring and could provide sustained yearly income to the affected people in the area. "I thank Secretary Lopez for issuing the approval which Marcventures has been expecting for two years since we gave it to the DENR. In only a month, Marcventures was able to start implementation," Alcantara added.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

MINES GROUP BUCKS LOPEZ CONFIRMATION

NEWS

COMP bucks Lopez confirmation by CA

THE Chamber of Mines of the Philippines yesterday said it has come to the conclusion that it will not ever come to a productive and rational dialogue with Department of Environment and Natural Resources (DENR) secretary-designate Regina Paz Lopez.

It made the statement after filing its opposition to the confirmation of Environment Secretary Gina Lopez by the Commission on Appointments.

"In the 42 years of the Chamber of Mines, it has always committed to maintaining an active working relationship with government," COMP said. "We have always worked with the DENR secretary appointed by every President even as we had issues and disagreements. We always threshed them out with the Secretary in a cordial, professional and fair manner and based on the rule of law," the Chamber stressed.

The rest of the COMP statement follows:

"We respected the decision of President Rodrigo Duterte and did not voice any opposition to her appointment. We expected that she would heed the directives of the President to be fair and to follow the rule of law.

"We have repeatedly tried to work with the secretary-designate, however, it is clear that after 8 long months, the secretary-designate is unwilling to work with us. And as we have feared, her recent actions have been influenced by her prejudices.

"It is with regret and sadness that we have filed our opposition to the confirmation of Regina Paz Lopez as DENR secretary. This is the first and only time that the Chamber of Mines of the Philippines has had to resort to this action.

"We beg President Duterte, the Commission on Appointments, and the Filipino people to understand our position and action opposing Regina Paz Lopez's confirmation."



LOPEZ

ON MPSA CANCELLATIONS

COMP deplored the cancellation of contracts on 75 projects:

"The recent announcement of Department of Environment and Natural Resources secretary-designate Regina Paz Lopez unilaterally cancelling the Mineral Production Sharing Agreements on 75 projects — most of which are yet to start development, and the Tampakan Environmental Compliance Certificate — is no longer a question of whether a handful of companies really violated environmental laws; it is no longer about Freedom of Information and whether we are going to be furnished a copy of the full audit results; nor about whether we are for open pit mining or not; or whether you are pro or anti-mining.

"It has now become a question of whether we still uphold the sanctity of contracts.

"It has now become a question of due process.

"And of fairness and justice that applies to all.

"We feel that the cancellation of these agreements does not rest on Ms. Lopez alone but must be collectively decided upon by the government as a whole considering the adverse impact it may have on the country.

"More importantly, we feel that Ms. Lopez now has to answer to the Filipino people on all these that are fundamental in a society that follows the rule of law."

THREAT OF CATASTROPHIC FAILURE

MASS EVACUATION AS RAIN STRAINS TALLEST US DAM

OROVILLE—Almost 200,000 people were under evacuation orders in northern California on Monday after a threat of catastrophic failure at the tallest dam in the United States.

Officials said the danger had subsided for the moment as water levels at the Oroville Dam, 120 kilometers north of San Francisco, had eased. But people were still being told to stay away.

Several weeks of heavy rain filled the 235-meter-high dam to capacity.

The threat comes not from the dam itself, which the California Department of Water Resources said was not in danger of collapse, but an emergency spillway that channels excess water.

A giant hole opened in the dam's main spillway last week, forcing the authorities to activate the emergency overflow

channel on Saturday for the first time.

But it began eroding, threatening a rupture that would have sent water surging toward the valley below, media reported.

The authorities released 100,000 cubic feet of water per second from the main spillway, bringing down the level of the reservoir on Sunday, the Sacramento Bee newspaper said, quoting the water department.

The paper reported that advocacy groups had warned in 2005 that the spillway posed a danger in the event of major flooding and had recommended to the federal government that it be reinforced.

Helicopters readied overnight to drop rocks into eroded areas in the emergency spillway ahead of rain forecast for Wednesday and Thursday that



A damaged spillway with eroded hillside is seen in this aerial photo of the Oroville Dam in Oroville, California, on Feb. 11.—REUTERS

could fill the reservoir again.

The California National Guard said on Facebook that it had alerted its 23,000 members to be ready to deploy.

Water from the dam flows down the Feather River that

runs through Oroville, a city of about 20,000 people.

The Oroville Dam has been in use since 1968. Less famous than America's iconic Hoover Dam near Las Vegas, Oroville is still the tallest.—AFP

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

PUNCHLINE

Clean up or close down erring miners – DU30



By **FRED LOBO**

CLEAN up or close down, President Duterte told erring mining firms in various parts of the country.

Here comes the Punisher's ultimatum for bad miners: Clean your act or pack up!

Seeing mining-ravaged areas in Surigao del Norte, Duterte expressed support for the closure of several mining firms by the Department of Environment and Natural Resources (DENR).

I support the closure because I see evil, DU30 said.

The President cited the "positive" effects of mining, especially in communities where they operate, such as jobs and taxes.

But if they do not shape up, I would shut down their operations to protect the environment, he warned.

The President said he saw the environmental damage caused by some open pit mines in Surigao, describing the large man-made holes as soda bottle caps.

"If (Environment Secretary) Gina (Lopez) will really close down mining operations, I can't do anything

because as I saw it earlier going here – Surigao –...they are like Coca-Cola brown bottle caps," DU30 said.

"You cannot reverse the damage they caused, I think I might close all of them," the President threatened.

Damage can easily be seen by human eyes.

The mining industry generates an income of P70 billion but he would not allow such operations if they continue to destroy the environment, the President said.

The government can always find other alternative livelihood for affected residents, he said.

Duterte disclosed plans to return to Surigao and help local officials promote other livelihood opportunities such as in rubber and coffee industries.

Other possible sources of income include Chinese businesses that would like to enter PH.

The President directed Department of Trade and Industry (DTI) Secretary Ramon Lopez to draw up an employment program for displaced mining workers.

Additional funds would supplement

the income of those to be displaced by mining closures.

Duterte warned mining firms against bribing officials to secure concessions for their businesses.

I would not allow such kind of corruption during my term, he stressed.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

PAGBABAGO

Environmental justice: The PH mining industry

By **DR. FLORANGEL ROSARIO BRAID**

PRO-ENVIRONMENT activists hailed President Duterte's support for Environment Secretary Gina Lopez's order to close 23 mining corporations that had violated environmental laws. The basis of the DENR ruling on the closure of these 23 mining firm (out of a total of 41 firm) was that they were operating in functional watersheds. They shall not be operating unless they appeal the decision which would become final when the President says it is. Water is important, Lopez says, and the green economy can actually create more jobs.

The 23 firms include One Asia Mining and Development Corp. in Bulacan, the Benguet Corporation, the country's oldest mining company, the Benguet Corporation's Nickel Mines, Inc., the Diversified Metals Corporation in Zambales, the Eraman Minerals, three mining companies in Homonhon, six firms in Dinagat Islands, and seven other firms in Surigao del Norte. In addition, five corporations were also suspended.

Lopez blamed the previous government and the DENR for not helping the communities affected by the mining operations.

After the Surigao del Norte earthquake with a magnitude of 6.7 tremor that left 6 people dead and about a hundred injured, the President said that the mines would remain closed unless they are able to restore what they have destroyed. As expected,

there was considerable protest from the Chamber of Mines of the Philippines (COMP). Department of Finance Carlos Dominguez worries over the impact of mine closure on jobs which could affect 12 million people according to the Mining Industry Coordinating Council (MICC). The Philippine mining industry says the mine closure was "illegal and unfair."

In Surigao alone, one mining corporation employs 10,000 people. The chair of COMP fears that the closure would have great impact on basic services and livelihood programs. Losses from mine closures are seen at P77 billion annually.

World nickel prices surged and doubled after the mine closures, which indicate the impact of the decision on the nickel industry. This was so because the nickel mines that were closed account for half of the world's nickel output. However, experts also note that the economy would grow even without the mining industry which today contributes less than 1% to the overall economy.

A Policy Brief entitled: "Is There a Future for Mining in the Philippines" prepared by the Ateneo School of Government in 2011 cites findings by noted economists, among others, former NEDA Secretaries Cielito Habito and Arsenio Balasican. It states that while it is neither for nor against mining, it raises questions on critical issues such as the following: What is the nature of mining? Does it generate conflict? Does it benefit indigenous and local communities? What are the real costs and risks?

What is responsible mining as applied in the country? What are the operational conditions to be met to conduct responsible mining? What are the necessary actions and measures to ensure responsible mining? What is the future of the mining industry?

It cites findings of Balisacan which showed that poverty among individuals engaged in mining continued to increase, compared to workers in other sectors, and that the mining sector showed a high deprivation in health and education compared to other industries. Other question on social costs include: "How do decision makers account for changes in a people's way of life, their health and well-being, their personal and property rights, erosion of their cultural values brought about by the sudden wealth of individuals and communities? These are crucial questions as over half of the mining sites in the country are found in socially vulnerable areas such as Mindanao. There are security risks, and the costs of making operations secure are high. Sand mining in coastal communities has destroyed fisherfolks livelihood and marine habitats. Likewise, there are many unknown social impacts as well as risks.

It is then important to examine this current conflict by weighing the cost-benefits of the mining industry – to balance its contribution to the economy and its costs on people and the environment. Which indeed, is the essence of Environmental Justice.

My email, Florangel.braid@gmail.com



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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Is responsible mining feasible?



EDGARDO J. ANGARA

NOW that Malacañang has put on hold the recent closure and suspension orders over 28 mines across the Philippines, the time should be used to pause and think—especially on the question whether responsible mining is actually feasible.

The Philippines is blessed being one among the countries in this planet with abundant mineral deposits. We are considered among the top mining countries in the world—third in gold, fourth in copper, fifth in nickel and sixth in chromite—not to mention our immense nonmetallic deposits like marble. The estimate is there is roughly \$840 billion—or P41.9 trillion—worth of mineral deposits that have yet to be tapped. The Chamber of Mines of the Philippines estimates that some 9 million hectares of the country's 30 million land area have high-mineral potential, yet only 2 percent of this—180,000 hectares—are covered by contracts or formal mining permits.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

Is responsible mining feasible?



Edgardo J. Angara

Continued from A1

MINING'S bad side, however, is equally well-documented. Entire mountains in Palawan, Samar and the Caraga region get bulldozed and exported, while the country—especially the LGUs where the mines can be found—gets very minimal benefit. Many times, local communities are left environmentally damaged, and residents suffer various ailments and chronic illnesses in the wake of unscrupulous mining operations.

Properly harnessed, developed and processed, our minerals can help finance our bridges, roads, schools and hospitals, as well as a

host of social services. Utilizing a fraction of our deposits could already spur immense countryside growth not just in mining, but in

ancillary industries, as well. But leaving the industry unregulated and its fiscal regime grossly lopsided against the national government and local communities, mining could just end up becoming a bane, rather than a boon, for the country.

Technology and global best practices may provide solutions and help us save our treasures. In 2012 the Congressional Commission on Science & Technology and Engineering, which I chaired, pushed for the creation of innovation clusters for responsible mining—tripartite partnerships among mining companies, universities and government agencies in research and development (R&D) and technology transfer.

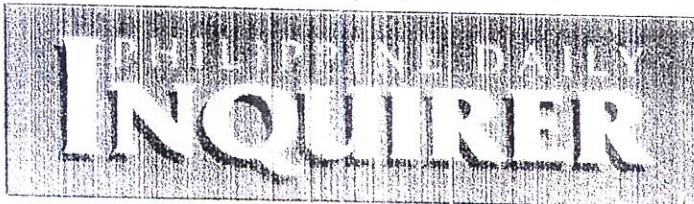
Through these clusters, responsible mining companies could tap local universities and communities to conduct biodiversity inventories, water-quality tests and social-

impact assessments of their operations. With the help of the government, they could usher in the transfer of the world's top mining technologies that are also environmentally safe.

Such collaboration could help create a deep talent pool for high-value jobs in science and technology for mining and its associated skills in refining and logistics, while ensuring that the industry is not only environmentally sustainable but socially acceptable, as well.

In 2012 *Time* magazine ran an article saying that the Philippines, with the previous administration's moratorium on new mining permits, could set the standards of extractive industries across the globe. Better R&D and technology transfer would make that happen. It didn't.

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

CONFIRMATION HEARING

CHAMBER OF MINES FILES OPPOSITION TO LOPEZ'S APPOINTMENT

(Editor's Note: The following is the full text of the statement filed by the Chamber of Mines of the Philippines in the Commission on Appointments (CA) on Monday opposing the confirmation of the appointment of Regina Lopez as secretary of environment and natural resources.)

The Chamber of Mines of the Philippines has come to the conclusion that it will not ever come to a productive and rational dialogue with Department of Environment and Natural Resources (DENR) Secretary-Designate Regina Paz Lopez.

In the 42 years of the Chamber of Mines, it has always committed to maintaining an

active working relationship with the government. We have always worked with the DENR secretary appointed by every President even as we have issues and disagreements. We have always threshed them out with the secretary in a cordial, professional and fair manner and based on the rule of law.

We respected the decision of President Rodrigo Duterte and did not voice any opposition to the appointment of Lopez. We expected that she would heed the directives of the President to be fair and to follow the rule of law.

We have repeatedly tried to work with the secretary-designate.

However, it is clear that after eight long months, the secretary-designate is unwilling to work with us. And as we have feared, her recent actions have been influenced by her prejudices.

It is with regret and sadness that we have filed our opposition to the confirmation of Regina Paz Lopez as DENR secretary. This is the first and only time that the Chamber of Mines of the Philippines has had to resort to this action.

We beg President Duterte, the Commission on Appointments, and the Filipino people to understand our position and action opposing Regina Paz Lopez's confirmation.

STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

DENR CLOSURE ORDER

MINING FIRMS CALL FOR FULL DISCLOSURE OF AUDIT RESULTS

By Ronnel W. Domingo
@ronwdomingoINQ

Large mining companies on Tuesday pressed their demand that the government fully disclose the results of an audit of their operations that Environment Secretary Regina Lopez used as basis for her order to shut 23 mines and suspend five others.

Four of the big miners received Lopez's closure order on Tuesday.

Marcventures Holdings Inc., Benguet Corp. and Nickel Asia Corp. informed the Philippine Stock Exchange that their subsidiaries had received the closure orders, which also meant the cancellation of their mineral production sharing agreement (MPSA).

These subsidiaries are Marcventures Mining and Development Corp. (MMDC), Benguet Corp., Nickel Mines Inc. and Hinatuan Mining Corp. (HMC).

Nickel Asia said it would

pursue all legal remedies to overturn the order "because of due process violations and the absence of any basis that would warrant a suspension of HMC's Taganaan operations, much less the cancellation of its MPSA."

Marcventures said that until the matter was given due course and resolved based on the merits, MMDC expected to continue operation and conduct business as usual.

Likewise, Lepanto Consolidated Mining Co. received the suspension order. The gold producer said it would file an appeal with the Office of the President.

All four publicly listed companies are members of the Chamber of Mines of the Philippines (COMP), which on Tuesday said the receipt of notices of the MPSA cancellations in the late afternoon of Feb. 12 "only shows the utter lack of regard for due process by (DENR) Secretary-Designate Regina Paz Lopez."

Lopez announced her order

for closure of 23 mines and suspension of five others on Feb. 2.

"That Regina Lopez only issued the notices two weeks after her press conference and after subjecting the mining firms to publicity by trial also shows her lack of competence and knowledge to be DENR secretary," COMP said.

"That she chose to publicly compromise these companies before having to dialogue with the mining companies is unprofessional and irresponsible, causing much anxiety among our stakeholders, employees, their families and our mining communities," the group added.

The industry group reiterated its demand that the government fully disclose the results of the audit of their operations.

It said its members received "a mere summation stating 'passed' or 'failed.'"

"Again, let us abide by due process and rule of law," the group said. INQ

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

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 pagpapasara ng aabot sa limang iba pa.

Ang mga higitang mining company sa bansa at ang mga inakala ng mga mining firm na madadaan sa pakusap o cribble na lang ang hakbang ng kalihim, nasupalpal sila. May nag-ingay pa na hindi sinunod ni Sec. Lopez ang rekomendasyon ng Mining and Geosciences Bureau (MGB) na nag-imbetiga 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 presure ng mga higitang subalit mayroon din itong pakunsuwelo 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 tagaroon. 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. Mabuli at sagot din ni President Digong si Sec. Lopez nang hindi na magkaideya ang mga kompanya na rumesbak kung kani-kanino pa.

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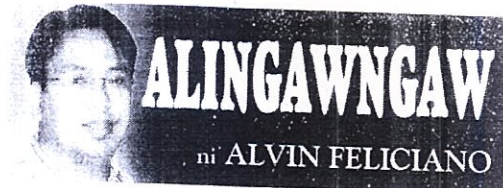
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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE



ALINGAWNGAW

ni ALVIN FELICIANO

NITONG mga nakaraang araw ay ilang minahan na umiiral sa lumalabag sa batas ang ibinasa ng Department of Environment and Natural Resources (DENR) dahil sa panibugso paninira ng mga kalikasan.

Ang pangangalaga ng kalikasan ay isang paraan din upang mapangalagaan ang buhay ng mamamayan na labis na naapektuhan sa pagkasira ng mga ibinigay sa ating ng Diyos.

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

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

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 ating ng Diyos.

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

DUTERTE AT DENR MAGKATUWANG SA PANGANGALAGA NG KALIKASAN

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

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

Dahil kasi sa pagkakaibang 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 nagmay-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 pagkakatanda 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 naglata-kihing fishpen sa iawa ay ka-

bis na naapektuhan ang mga maliit 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 umiral na nagbibigay ng proteksyon sa ating kapaligiran.

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4 firms to contest closure orders

FOUR mining companies -Nickel Asia Corp., Marcventures Mining and Development Corp., Benguet Corp. and Lepanto Consolidated Mining co. will contest the closure order of the Department of Environment and Natural Resources.

The four companies reported yesterday they have finally received the closure orders and each one questioned the lack

See 4 FIRMS > Page A4

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4 FIRMS

of due process and authority of the department to unilaterally cancel mineral production sharing agreements (MPSAs).

Nickel Asia Corp. (NAC) said it will contest the cancellation of the MPSA of subsidiary Hinatuan Mining Corp. The other three operating subsidiaries of NAC, namely Rio Tuba Nickel Mining Corp., Taganito Mining Corp. and Cagdianao Mining Corp., were not included in the list of mining operations

recommended for suspension or closure. Marcventures Mining said the DENR said it strongly objects to the DENR findings it has impaired the functions of the watershed and that it failed to plant 3 million seedlings as ordered.

Meanwhile, Benguet Corp. said "it is confident that the baseless order will be overturned".

Likewise, Lepanto Consolidated Mining Co. said it will file with the Office of the President to stay the execution of the DENR order.

Malaya

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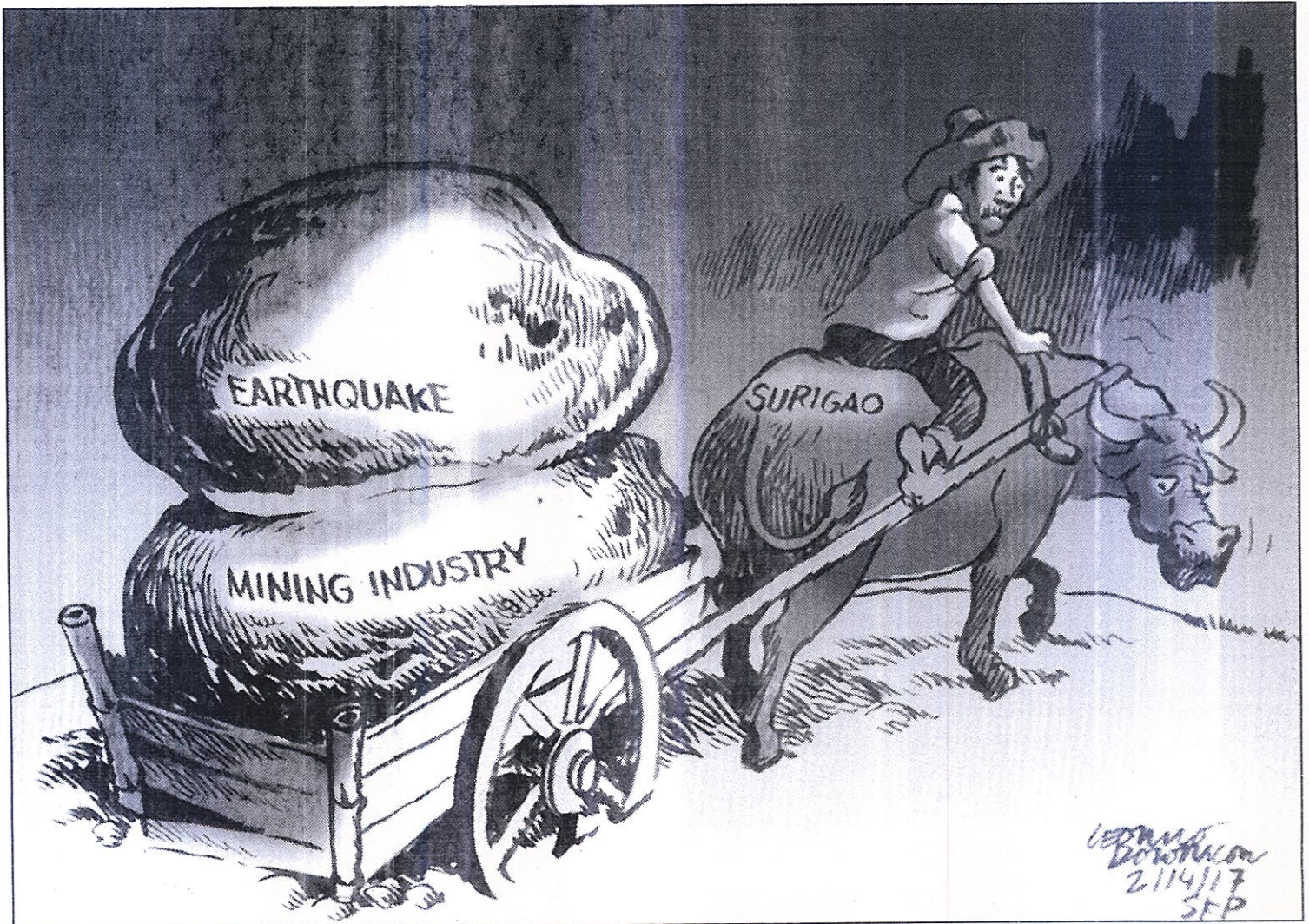
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Business Insight

OPINION

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PUBLIC AFFAIRS OFFICE NEWS CLIPPINGS

COMP OPPOSES LOPEZ CONFIRMATION

THE Chamber of Mines of the Philippines (COMP), in a statement yesterday, bared that it has come to the conclusion it will not ever come to a productive and rational dialogue with Department of Environment and Natural Resources (DENR) secretary-designate Regina Paz Lopez. /Page 6

COMP...

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In the 42 years of the Chamber of Mines, it has always committed to maintaining an active working relationship with government. We have always worked with the DENR secretary appointed by every president even as we had issues and disagreements. We always threshed them out with the secretary in a cordial, professional and fair manner and based on the rule of law, the COMP statement said.

"We respected the decision of President Rodrigo Duterte and did not voice any opposition to her appointment. We expected that she would heed the directives of the President to be fair and to follow the rule of law.

"We have repeatedly tried to work with the secretary-designate, however, it is clear that after 8 long months, the

secretary-designate is unwilling to work with us. And as we have feared, her recent actions have been influenced by her prejudices.

"It is with regret and sadness that we have filed our opposition to the confirmation of Regina Paz Lopez as DENR secretary. This is the first and only time that the Chamber of Mines of the Philippines has had to resort to this action.

"We beg President Duterte, the Commission on Appointments, and the Filipino people to understand our position and action opposing Regina Paz Lopez's confirmation."

COMP on MPSA cancellation

In another COMP statement, it questioned Ms. Lopez's unilateral cancellation of the Mineral Production Sharing Agreements of 75 projects -- most of which are yet to start development, and the Tapanan Environmental

Compliance Certificate.

The COMP said: "It is no longer a question of whether a handful of companies really violated environmental laws; it is no longer about Freedom of Information and whether we are going to be furnished a copy of the full audit results; nor about whether we are for open pit mining or not; or whether you are pro or anti-mining.

"It has now become a question of due process. And of fairness and justice that applies to all.

"We feel that the cancellation of these agreements does not rest on Ms. Lopez alone but must be collectively decided upon by the government as a whole considering the adverse impact it may have on the country.

"Most importantly, we feel that Ms. Lopez now has to answer to the Filipino people on all these that are fundamental in a society that follows the rule of rule."

Daily Tribune

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STRATEGIC COMMUNICATION AND INITIATIVES SERVICE

PAL, mining company respond to Surigao

As victims of 6.7 magnitude quake in Surigao del Norte continue to air their horrible ordeals, several firms have sent their assistance to victims ahead of the aid provided by the national government.

The companies are led by mining firms that operate in the nearby Surigao del Sur and the affected province.

There are more than three dozen mining firms operating in the region, one of which is the Platinum Group Metals Corp., one of the mining firms under the Global Ferronickel Holdings Corp.

Dante Bravo, the president of PGMC, said less than 12 hours after the quake, they immediately dispatched dozens of trucks of potable water as water lines from the water district of the province were among those damaged by the powerful quake.

"We have deployed our response teams and tanker trucks to bring emergency bulk water supply and distribute life-saving essentials such as safe drinking water and food to around 7,000 families," the mining president told the *Daily Tribune*.

PGMC is one of the two listed mining firms operating in Surigao del Norte. The other one is Nickel Asia, one of the biggest nickel ore producers in the world. Bravo said PGMC is also supporting the rebuilding efforts of at least 50 vulnerable families whose homes were severely damaged.

"We will continue to work

closely with the government at the local level to ensure timely and targeted support is provided to the people of Surigao at this time of need," he added.

In a related development, Philippine Airlines (PAL) is also extending its reach to quake victims in the province.

Cielo Villaluna, PAL spokesperson, said they will provide aircraft free of gasoline to all organizations that are sending material assistance to victims.

"PAL has activated its humanitarian cargo grant which allows donors to load their cargo on our flights free of charge on space availability basis," she explained.

The airline will start free airlift of critical supplies and relief goods for victims of the Surigao earthquake through Butuan City airport. The airport in Surigao del Norte is impassable to aircraft.

PAL will fly donations to Butuan for transport by land to Surigao City through accredited government agencies, SEC-registered foundations, NGOs, non-profitable, charitable, civic and religious organizations.

It will prioritize urgently needed goods such as ready-to-eat nutritious food, water purification tablets and equipment, mats and blankets which are not readily sourced at affected areas.

As of press time, quake fatalities have risen to eight.

Ed Velasco

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DENR probes illegal wooden keels in Negros Oriental

DUMAGUETE CITY (PNA) — The Department of Environment and Natural Resources (DENR) in Negros Oriental is investigating the illegal manufacture of wooden keels for a supposed government project in Tayasan, Negros Oriental.

Viernov Grefalde, OIC Provincial Environment and Natural Resources Officer (PENRO), said in an interview last Monday, that an administrative hearing will be conducted this Thursday or Friday to determine who shall be held liable for the violations.

Grefalde said personnel of the Community Environment and Natural Resources Office (CENRO) in Ayungon town, led by Forest Ranger Mateo Emperado, with the assistance of the Tayasan police, had seized 38 wood keels made of lauan and almaciga dur-

ing massive operations in the evening of Feb. 10.

The wooden keels were seized in the coastal barangays of Matuog, Sta. Cruz, Lutay and Poblacion, all in Tayasan town in northern Negros Oriental.

A wood keel is used as stern in the making of bancas, and the seized keels were believed to be illegally sourced, said CENRO-Ayungon chief Aniceto Aquino.

Aquino said they still do not have names of those who shall be held liable for the illegal manufacture of the wooden keels.

The wooden keels are now impounded and under the custody of the Office of the CENRO-Ayungon pending further investigation.

Grefalde also said he has received information the wooden keels are part

of a livelihood program of another government agency for marginalized fishermen.

The said government agency was not named pending investigation.

But no one has appeared to claim ownership of the wood keels, said Grefalde.

Grefalde said any claimant will be charged accordingly because it is illegal to cut forest trees such as lauan and almaciga.

DENR Executive Order No. 23 bans the cutting of trees in natural forests, Grefalde said.

CENRO-Ayungon chief Aniceto Aquino said the administrative hearing will determine the alleged supplier of the wooden keels as well the verification of the alleged carpenters or makers of the same.



Small fishermen will regain access to their traditional fishing ground in Laguna de Bay once the government clears the lake of fish pens and other structures. —LYN RILLON

No letup in fish pen demolition

Owners given until March 31 to harvest stock, remove structures in Laguna de Bay

By Maricar Cinco
@maricarcincoINQ

LOS BAÑOS, LAGUNA—A government team on Tuesday demolished two fish pens covering a total area of 70 hectares in Laguna de Bay as a new deadline for operators to harvest their stock and remove their structures from the lake looms.

Joined by more than 100 volunteers from civic and church groups, the National Anti-Environmental Crime Task Force dismantled a 51.49-ha fish pen owned by Seven Eleven Fishing Corp. and a 25-ha fish pen of Habagat Multipurpose Cooperative, both in Binangonan town in Rizal province.

Jaime Medina, general manager of the Laguna Lake Development

Habagat's pen was built early this month despite the suspension of construction of new structures in the lake.

In December, the LLDA and the Department of Environment and Natural Resources issued the moratorium following a directive from President Duterte to reduce the area occupied by commercial fish pens.

The agency has set March 31 as the new deadline for fish pen operators to harvest their stock.

Asked if this refers only to illegal and delinquent operators, Medina said, "As far as we're concerned, no one was issued a clearance [to operate a fish pen] anymore."

The LLDA, in January, did not renew the permits of more

than 100 operators who did not issue new licenses to fish pen operators.

He said operators were encouraged to demolish their structures as materials like *anahaw* leaves, bamboo poles, and fish nets recovered from the operation would be considered "sequestered."

Interviewed by telephone from the lake on Tuesday, Medina said the government came up with a "different system" to make the clearing operations cost-efficient.

The government, he said, used to spend around P650,000 to demolish a 50-ha pen, hiring people on a daily rate.

Aware that a demolition may take months to finish, Medina said the LLDA contracted fishermen who would

demolish the pens on a (per

sale) basis or half the price of what the agency used to spend.

He said this system gave fishermen another source of income.

Commercial fish pen operators have opposed the government's moratorium. They said the government ban would harm the country's food security by killing the industry that supplies 200,000 metric tons of *bangus* (milkfish) and tilapia annually.

But Medina said the demolition team would leave behind smaller structures or those covering 200 square meters or less owned by local fishermen.

"We are now in a paradigm shift (where) big fish pens will be gone and those left are fish traps of the smaller fishermen," he said.

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Lopez sacks 2 DENR chiefs in C. Luzon

By MANNY GALVEZ

CABANATUAN CITY – Environment Secretary Gina Lopez has relieved two environment provincial chiefs and put four lower officials on floating status.

Joselito Blanco and Raul Urmamac, provincial environment and natural resources officers of Aurora and Bataan, respectively, have been relieved from their posts.

Blanco was replaced by Nicomedes Claudio, community environment and natural resources officer based in Casiguran, Aurora.

Urmamac was replaced by Raymond Rivera, a community environment and natural resources officer based in Masinloc, Zambales.

Placed on floating

status were community environment and natural resources officers Jimmy Aberin of Dingalan; Gerundio Fernandez of Muñoz, Nueva Ecija; Meliton Vicente of Baliuag, Bulacan, and Laurino Macadangdang of Tarlac.

Central Luzon director Francisco Milla of the Department of Environment and Natural Resources (DENR) confirmed the relief of Blanco and Urmamac.

Milla said he is not aware of the reasons behind the relief of the two officials, noting it was the decision of a group formed by Lopez.

A DENR official claimed the relief was due to *feng shui*.

Lopez is said to be a believer in Chinese geomancy.