

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

House Bill No. 7662



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

EXPLANATORY NOTE

The Philippines is among the world's mineral-rich countries, ranking fifth for gold, nickel, copper, and chromite deposits. Moreover, it is home to the largest copper-gold deposit in the world. There is an estimated \$840 billion worth of untapped mineral wealth in the country as of 2012, according to the Mines and Geosciences Bureau.

Considering such facts, Government must ensure that the exploitation of these valuable resources yield the greatest possible benefit in favor of the Filipino people. Stricter mining laws and regulations should be enforced in order to maximize profitability for this country's mining industry and prevent the illicit trade of our mineral resources that has, time and again, cost us a great deal of profit.

Caveat venditor. It is now time to strengthen R.A. No. 7942, otherwise known as The Philippine Mining Act of 1955 to include mandatory inspections of all raw mineral materials by the Mines and Geosciences Bureau to determine whether more valuable mineral elements are present in such materials. This is to ensure that we are not getting shortchanged in the conduct of mineral trade. Furthermore, this proposed measure also seeks to ensure that all raw mineral ores are processed domestically, with an end goal of increasing domestic revenue and encourage investments on the mineral processing sector.

It is the hope of this representation that this proposed measure will pave the way towards a more robust mining sector in the Philippines, providing more jobs and generating more profit that shall aid the continuous development of the country.

In view of the foregoing, immediate passage of this bill is earnestly sought.


GARY C. ALEJANO
Representative

Magdalo Parsa sa Pilipino Party-List

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AN ACT

PROVIDING FOR THE MANDATORY DOMESTIC PROCESSING OF ALL MINERAL ORES BEFORE EXPORTATION AND CERTIFICATION SHOWING PRESENCE OR LACK OF RARE EARTH ELEMENTS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7942 OTHERWISE KNOWN AS THE PHILIPPINE MINING ACT OF 1955 AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled,

SECTION 1. Section 3(y) of Republic Act No. 7942, otherwise known as the Philippine Mining Act of 1955 is hereby amended as follows:

(y) Mineral processing means the milling, beneficiation or upgrading of ores or minerals and rocks or by similar means to convert the same into marketable products, AND/OR THE PROCESS OF SEPARATING COMMERCIALY VALUABLE MINERALS FROM THEIR MINERAL ORES.

SEC. 2. Section 53 of Republic Act No. 7942, otherwise known as The Philippine Mining Act of 1995 is hereby amended to read as follows:

Section 53. Ore Transport Permit. A permit specifying the origin AND DESTINATION and quantity of non-processed mineral ores or minerals shall be required for their transport. Transport permits shall be issued by the mines regional director who has jurisdiction over the area where the ores were extracted. In the case of mineral ores or minerals being transported from the small-scale mining areas to custom mills or processing plants, the Provincial Mining Regulatory Board the concerned shall formulate their own policies to govern such transport of ores produced by small-scale miners. The absence of a permit shall be considered prima facie evidence of illegal mining and shall be sufficient cause for the Government to confiscate the ores or minerals being transported, the tools and equipment utilized, and the vehicle containing the same. Ore samples not exceeding two metric tons (2 m.t.) to be used exclusively for assay or pilot test purposes shall be exempted from such requirement.

1 **SEC. 3.** Section 55 of Republic Act No. 7942, otherwise known as The Philippine Mining
2 Act of 1955 is hereby amended to read as follows:

3
4 Section 55. Minerals Processing and Minerals Processing Permit. ANY MINERAL
5 ORES EXTRACTED UNDER THE PROVISIONS OF THIS ACT SHALL BE
6 PROCESSED WITHIN THE COUNTRY. NO PERSON GRANTED WITH
7 PERMIT FOR PURPOSES OF MINING OPERATION SHALL BE ALLOWED TO
8 EXPORT THE UNPROCESSED MINERAL ORES TO OTHER COUNTRY FOR
9 PURPOSES OF TRADING MINERAL PRODUCTS WITHOUT A CERTIFICATION
10 OF COMPLIANCE SHOWING PRESENCE OR LACK OF RARE EARTH
11 ELEMENTS OR OTHER VALUABLE MINERALS.

12
13 ANY PERSON EXPORTING THE UNPROCESSED MINERAL ORES
14 WITHOUT THE AFOREMENTIONED CERTIFICATE OF COMPLIANCE SHALL,
15 UPON CONVICTION, BE IMPRISONED FROM SIX (6) YEARS AND ONE (1)
16 DAY TO TWELVE (12) YEARS AND PAY THE FINE AMOUNTING TO TWICE
17 THE VALUE OF THE SEIZED MINERAL ORES. IN ADDITION, THE CARGO
18 CONTAINING THE UNPROCESSED MINERAL ORES SHALL BE
19 CONFISCATED IN FAVOR OF THE STATE. IN THE CASE OF
20 ASSOCIATIONS, PARTNERSHIPS, OR CORPORATIONS, THE PRESIDENT AND
21 EACH OF THE DIRECTORS IN SHALL BE RESPONSIBLE FOR THE ACTS
22 COMMITTED BY SUCH ASSOCIATION, PARTNERSHIP, OR CORPORATION.

23
24 No person shall engage in the processing of minerals without first securing a
25 minerals processing permit shall be for a period of five (5) years renewable for like
26 periods but not exceed to exceed a total term if twenty-five (25) years. In the case of
27 mineral ores or minerals produced by the small-scale miners, the processing thereof
28 as well as the licensing of their custom mills or processing plants shall continue to be
29 governed by the provisions of Republic Act No. 7076

30
31 **SEC. 4. *Implementing Rules and Regulations.***—The Secretary of the Department of
32 Environment and Natural Resources shall promulgate the necessary rules and regulations for the
33 effective implementation of this Act.

34
35 **SEC. 5. *Repealing Clause.***— All laws, decrees, orders, rules and regulations, or other
36 issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed.

37
38 **SEC. 6. *Separability Clause.***—Should any provision herein be declared unconstitutional,
39 the same shall not affect the validity of the other provisions of this Act.

40
41 **SEC. 7. *Effectivity.***—This Act shall take effect fifteen (15) days after its publication in the
42 Official Gazette in at least two (2) newspapers of general circulation.

Approved,

