



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SEVENTEENTH (17th) CONGRESS
Third Regular Session

HOUSE BILL NO. 8695

Introduced by **Representative Jose Christopher Y. Belmonte**

EXPLANATORY NOTE

The proposed bill aims to address the unfortunate phenomenon of orphaned or abandoned mines brought about by inadequate legislation prior to the passage of the Mining Act of 1995. Abandoned mines pose environmental, health, safety and socio-economic problems for communities, the mining industry, and government, both local and national.

Over the last three decades, some twenty-two (22) large-scale mines have shut down prematurely for varying reasons. These include the following:

1. Acoje Mining Company, Inc. (AMCI) in Sta Cruz, Zambales (Chromite);
2. Barlo Mining Corporation (BMC) in Mabini, Pangasinan (Copper);
3. BatongBuhay Gold Mines Inc. in Pasil, Kalinga (Gold);
4. Antamok Mines (BC_BAGO) in Itogon, Benguet (Gold);
5. Benguet Consolidated Mining Corp. (BCMC) in Itogon, Benguet (Gold);
6. Benguet Corporation-Dizon Copper/Gold Mines (BCD) in San Marcelino, Zambales (Copper);
7. Masinloc Chromites Mined-Benguet Corporation (MCM-BC) in Masinloc, Zambales (Refractory Chromite);
8. Benguet Exploration Mine (BEM) in Tuba, Benguet (Gold);
9. Black Mountain Inc. (BMI) in Tuba, Benguet (Gold);
10. Filminera Resources Corporation (FRC) formerly Banahaw Mining and Development Corp. in Rosario and Bunawan, Agusan del Sur (Gold);

11. CDCP-Basay Mine (CDCP-Basay) in Basay, Negros (Copper);
12. Ino and Capayang Mines (ICM) in Mogpog, Marinduque (Copper);
13. Heritage Mining Corp. (Alamag Processing Group) on Llorente, Eastern Samar (Chemical Chromite);
14. Hixbar Gold Mining (HIXBAR) in Rapu-Rapu Island, Albay (Gold);
15. Romblon Marble Mining (RMM) in Romblon (Marble);
16. Palawan Quicksilver Mines (PQM) in Palawan (Mercury);
17. Philippine Iron Mines (PIM) in Jose Panganiban, Camarines Norte (Iron);
18. Philippine Pyrite Corporation (PPC) in Bagacay, Samar (Pyrite);
19. Silica Sand Mine (SSM) in Palawan (Silica);
20. Surigao Consolidated Mining Co., Inc. (SURICON) in Siana and mapawa, Surigao del Norte (Gold);
21. United Paragon Mining Corporation (UPMC) in Paracale, Camarines Norte (Gold); and,
22. Vulcan Mining Corporation (VMC) in Cordon, Isabela (Gold).

Due to the unplanned nature of their closure, these Mines were effectively abandoned by their operators and left unrehabilitated. Unfortunately, government regulators at the time lacked the law to enforce remediation measures. These regulations came only in 1996, when guidelines on mine rehabilitation and decommissioning were incorporated in the implementing rules and regulations of the Mining Act of 1995. Today, modern large-scale mines operate in accordance with "best practices" techniques, and government regulation has greatly improved in monitoring both exploration and mining activities, as well as regulating the final stages of decommissioning and mine closure.

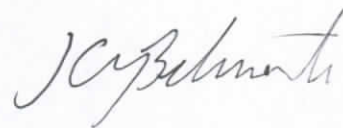
Left unrehabilitated, abandoned mine sites may degrade to form hazards to human and animal life in the form of accessible audits, shafts and workings, as well as associated pollution, such as acid drainage, from old workings and stockpiles. Visual degradation is an issue in some areas, even if the site is not actively eroding. In some places, ongoing erosion can affect land stability, as well as impact re-vegetation efforts and groundwater quality.

The greatest challenge for government is funding rehabilitation efforts. The objective is to put a stable funding mechanism in place that can address the many issues posed by orphaned or abandoned mines. While tapping existing revenue streams generated by mining or creating a fund through a new levy on mining production are the most viable options, this bill also seeks to introduce the concept of Public-Private Partnership in the rehabilitation of abandoned mines. Effective partnerships will assist in dealing with the difficult issues posed by abandoned mine sites, including pollution/contamination, land ownership, liability issues,

overlapping jurisdictions, and long-term management considerations. Public-Private Partnerships can facilitate the design of cleanup and rehabilitation strategies that address the foregoing concerns.

Interestingly, for all the perceived dangers posed by abandoned mines, people living in the vicinity of these mines still favor their reopening. After all, these mines had provided employment for residents of the host communities when they were in operation, as well as for those in nearby areas. Mining companies were seen as stable sources of income compared to farming and fishing, which were among the more common means of livelihood of towns that also had mining sites.

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

A handwritten signature in cursive script, reading "J. C. Belmonte". The signature is written in dark ink and is positioned in the lower right quadrant of the page.



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SEVENTEENTH (17th) CONGRESS
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8695
HOUSE BILL NO. _____

Introduced by **Representative Jose Christopher Y. Belmonte**

AN ACT

**PROVIDING FOR THE REHABILITATION OF ORPHANED OR ABANDONED
MINES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7942,
OTHERWISE KNOWN AS THE "PHILIPPINE MINING ACT OF 1995"**

1 *Be it enacted by the Senate and the House of Representatives of the Republic of the*
2 *Philippines in Congress assembled:*

3
4 Section 1. Chapter 1 Section 3 of Republic Act No. 7942, otherwise known as the
5 Philippine Mining Act of 1995, us hereby amended as follows:

6
7 "SECTION 3. *Definition of Terms.* – As used in and for purposes of this Act, the
8 following terms, whether in singular or plural, shall mean:

9
10 (a) *Abandoned Mine* refers to a mine covered by a mining lease contract or any
11 of the mineral agreements defined under this Act, which is closed without
12 proper decommissioning or has not been in actual operation for a
13 reasonable period of time, and whose mining contractor cannot be found

or for which the mining contractor is unable or unwilling to carry out rehabilitation and/or remediation works.

(b) *Ancestral lands* xxx xxx xxx.

(c) *Block or meridional block* xxx xxx xxx.

(d) *Bureau* xxx xxx xxx.

(e) *Carrying capacity* xxx xxx xxx.

(f) *Contiguous zone* xxx xxx xxx.

(g) *Contract area* xxx xxx xxx.

(h) *Contractor* xxx xxx xxx.

(i) *Co-production agreement (CA)* xxx xxx xxx.

(j) *Decommissioning* refers to the activity or process that begins after cessation of prospecting activities or mineral production, including metallurgical plant production. It involved, among other, the removal of unwanted infrastructure, making excavations and waste repositories safe and stable and surface rehabilitation with a view to negate or minimize any adverse environmental impacts remaining after cessation of mineral production. It includes the after-care or maintenance that may be needed.

(k) *Department* xxx xxx xxx.

(l) *Development* xxx xxx xxx.

(m) *Director* xxx xxx xxx.

(n) *Ecological profile or eco-profile* xxx xxx xxx.

(o) *Environmental Compliance Certificate (ECC)* xxx xxx xxx.

(p) *Environmental Impact Statement (EIS)* xxx xxx xxx.

(q) *Exclusive economic zone* xxx xxx xxx.

(r) *Existing mining/quarrying right* xxx xxx xxx.

(s) *Exploration* xxx xxx xxx.

(t) *Financial or technical assistance agreement* xxx xxx xxx.

(u) *Force majeure* xxx xxx xxx.

(v) *Foreign-owned corporation* xxx xxx xxx.

(w) *Government* xxx xxx xxx.

(x) *Gross output* xxx xxx xxx.

1	(y) <i>Indigenous cultural community</i>	xxx	xxx	xxx.
2	(z) <i>Joint Venture Agreement</i>	xxx	xxx	xxx.
3	(aa) <i>Mineral processing</i>	xxx	xxx	xxx.
4	(bb) <i>Mine Rehabilitation</i>	refers to the process used to repair the impacts of		
5		mining on the environment. The long-term objectives of rehabilitation can		
6		vary from simply converting an area to a safe and stable condition to		
7		restoring the pre-mining conditions as closely as possible with all the		
8		area's environmental values intact and establishing a land use capability		
9		that is functional and proximate to the land use prior to the disturbance of		
10		the mine area.		
11	(cc) <i>Mine wastes and tailings</i>	xxx	xxx	xxx.
12	(dd) <i>Minerals</i>	xxx	xxx	xxx.
13	(ee) <i>Mineral agreement</i>	xxx	xxx	xxx.
14	(ff) <i>Mineral land</i>	xxx	xxx	xxx.
15	(gg) <i>Mineral resource</i>	xxx	xxx	xxx.
16	(hh) <i>Mining area</i>	xxx	xxx	xxx.
17	(ii) <i>Mining Operation</i>	xxx	xxx	xxx.
18	(jj) <i>Nongovernmental Organization</i>	xxx	xxx	xxx.
19	(kk) <i>Net assets</i>	xxx	xxx	xxx.
20	(ll) <i>Offshore</i>	xxx	xxx	xxx.
21	(mm) <i>Onshore</i>	xxx	xxx	xxx.
22	(nn) <i>Ore</i>	xxx	xxx	xxx.
23	(oo) <i>Permittee</i>	xxx	xxx	xxx.
24	(pp) <i>Pollution control and infrastructure devices</i>	xxx	xxx	xxx.
25	(qq) <i>President</i>	xxx	xxx	xxx.
26	(rr) <i>Private land</i>	xxx	xxx	xxx.
27	(ss) <i>Public land</i>	xxx	xxx	xxx.
28	(tt) <i>Qualified person</i>	xxx	xxx	xxx.
29	(uu) <i>Quarrying</i>	xxx	xxx	xxx.
30	(vv) <i>Quarry permit</i>	xxx	xxx	xxx.
31	(ww) <i>Quarry resources</i>	xxx	xxx	xxx.

(xx) *Regional Director* xxx xxx xxx.

(yy) *Regional Office* xxx xxx xxx.

(zz) *Remining* refers to maximizing and recovering the remaining minerals from the rejects or wastes of abandoned or decommissioned mines or mining operations;

(aaa) *Secretary* xxx xxx xxx.

(bbb) *Special allowance* xxx xxx xxx.

(ccc) *Utilization* xxx xxx xxx."

Section 2. Chapter XI Section 63 of Republic Act No. 7942, otherwise known as the Philippine Mining Act of 1995, is hereby amended as follows:

"Sec. 63. *Mines Safety and Environmental Protection.* All contractors and permittees shall strictly comply with all the mines safety rules and regulations as may be promulgated by the Secretary concerning the safe and sanitary upkeep of the mining operations and achieve waste-free and efficient mine development [Personnel of the Department involved in the implementation of mines safety, health and environmental rules and regulations shall be covered under Republic Act No. 7305.] SUBJECT BUT NOT LIMITED, TO THE FOLLOWING RULES:

(a) *TAILINGS IMPOUNDMENT.* A CONTRACTOR MUST, AS FAR AS PRACTICABLE, BUILD ITS TAILINGS IMPOUNDMENT FACILITY AWAY FROM CRITICAL WATERSHED DRAINAGE AREAS AND ENSURE THAT THE IMPOUNDMENT FACILITY WILL NOT ENDANGER CRITICAL WATERSHED AREAS OR LOW LYING VALLEYS IN THE EVENT OF EXTRAORDINARY CLIMATE OR WEATHER CONDITIONS. TAILING IMPOUNDMENTS AND DAMS MUST MEET INTERNATIONAL STANDARDS FOR LARGE DAMS AT ALL TIMES, AND TAKE

1 INTO CONSIDERATION THE FOLLOWING KEY SITE
2 SELECTION PARAMETERS:

- 3 (1) THE STORAGE CAPACITY REQUIRED OF THE FACILITY;
- 4 (2) THE SITE AVAILABILITY, GEOTECHNICAL AND
5 GEOLOGICAL CONDITIONS, THE HYDROLOGY OF THE
6 AREA, AND THE EASE OF THE DAY TO DAY
7 OPERATIONS;
- 8 (3) LAND OWNERSHIP, RIGHTS AND BOUNDARIES;
- 9 (4) RARE OR PROTECTED FLORA AND FAUNA;
- 10 (5) BORROW MATERIALS AVAILABLE AND LOCALITY;
- 11 (6) SURFACE WATER MANAGEMENT AND FLOOD/RIVER
12 DIVERSION;
- 13 (7) ENVIRONMENTAL HAZARDS;
- 14 (8) PROXIMITY TO LOCAL RESIDENTS/INFRASTRUCTURE;
- 15 (9) PROXIMITY TO LOCAL DRINKING WATER;
- 16 (10) SLEEPPAGE CONTROL;
- 17 (11) GEOLOGY AND SEISMIC CINDITIONS;

18
19 (b) *PRESERVATION OF TOPSOIL.* THE REMOVED TOPSOIL OR
20 THE MORE PRODUCTIVE HORIZONS OF THE SOIL SHALL BE
21 PRESERVED FOR OTHER USES.

22
23 (c) *RECYCLING OF WATER RESOURCES.* WATER USED IN MINING
24 OPERATIONS SHALL BE RECYCLED. MINING CONTRACTORS
25 SHALL BE REQUIRED TO PROVIDE FOR THE METHODS OR
26 EQUIPMENT FOR THE RECYCLING OR REUSE OF WATER.
27 RELEASED CONTAMINATED WATER SHALL BE TREATED
28 ACCORDINGLY TO MEET NATIONAL STANDARDS.
29 RELEASED WATER MUST AT LEAST BE EQUIVALENT IN
30 QUALITY TO THE BASELINE WATER QUALITY.

1 (d) *PROHIBITION FROM USING ACID-GENERATING WASTE ROCK*
2 *TO BUILD ROADS OR DAMS.* TO PREVENT OR MITIGATE ACID
3 MINE DRAINAGE, THERE SHALL BE A PROHIBITION
4 AGAINST USING ACID-GENERATING WASTE ROCK TO BUILD
5 ROADS OR DAMS OR OTHER INFRASTRUCTURES. THE USE
6 OF SUCH MATERIALS SHALL ONLY BE USED AFTER
7 TREATMENT TO NEUTRALIZE THE EFFECT OF ACID MINE
8 DRAINAGE.

9
10 (e) *REHABILITATION OF ABANDONED MINES.* ALL ABANDONED
11 MINES SHALL, UPON IDENTIFICATION AND
12 RECOMMENDATIONS BY THE MINES AND GEO-SCIENCES
13 BUREAU (MGB) BE DECLARED OPEN FOR MINING
14 APPLICATION, AND ALL PRIOR MINING RIGHTS OR
15 CONTRACTS OVER THE SAME SHALL BE RESCINDED,
16 WITHOUT PREJUDICE TO ANY LEGAL ACTION FOR BREACH
17 OF CONTRACT OR DAMAGES THAT THE NATIONAL
18 GOVERNMENT MAY HAVE AGAINST THE CONTRACTOR
19 THAT ABANDONED THE PROJECT.

20
21 FOR THIS PURPOSE, THE MGB SHALL CONDUCT THE
22 FOLLOWING ACTIVITIES:

- 23 (1) CONDUCT A SCOPING STUDIES OF ALL ABANDONED
24 MINES AND MINERAL PROCESSING IMPACT AREAS;
25 (2) CREATE AN INVENTORY LIST OF ABANDONED MINES;
26 (3) PROVIDE THE INFORMATION NECESSARY TO ASSESS
27 AND CHARACTERIZE THE SITE;
28 (4) DEFINE THE COSTS AND RISKS; AND
29 (5) DEVELOP A REHABILITATION PROGRAM TO PRIORITIZE
30 THE AREAS TO BE REHABILITATED TO MITIGATE

1 OBSERVED AND POTENTIAL THREATS TO HUMAN
2 HEALTH AND THE ENVIRONMENT.

3
4 MINE SITE REHABILITATION PLANS SHALL AIM TO
5 ESTABLISH A LAND USE CAPABILITY THAT IS FUNCTIONAL
6 AND PROXIMATE TO THE LAND USE PRIOR TO THE
7 DISTURBANCE OF THE MINE AREA, UNLESS OTHER MORE
8 BENEFICIAL LAND USES ARE PREDETERMINED AND
9 AGREED IN PARTNERSHIP WITH LOCAL COMMUNITIES AND
10 LGUS.

11
12 WHERE FEASIBLE, ABANDONED MINES SHALL BE
13 REOPENED TO MINING APPLICATION BY QUALIFIED
14 PERSONS TO MAXIMIZE ITS MINERAL POTENTIAL,
15 RECOVER THE REMAINING MINERALS FROM THE MINE OR
16 ITS WASTE, AND FUND ITS FINAL DECOMMISSIONING AND
17 REHABILITATION. PROVIDED, HOWEVER, THAT IN CASE
18 THE ABANDONED MINE IS REOPENED FOR MINING
19 OPERATIONS, FIFTY PERCENT (50%) OF THE NET MINING
20 REVENUE, CORRESPONDING TO THE GOVERNMENT'S
21 SHARE THEREIN, SHALL BE SET ASIDE TO FUND THE FINAL
22 MINE REHABILITATION AND DECOMMISSIONING PLAN
23 (FMRDP)."

24
25 Section 3. Chapter XV Section 89 of Republic Act No. 7942, otherwise known as the
26 Philippine Mining Act of 1995, is hereby amended as follows:

27
28 "Sec. 89. *REHABILITATION FEE, Filing Fees and other Charges.* ALL
29 CONTRACTORS WITH ACTIVE MPSA AND FTAA SHALL PAY TO THE
30 NATIONAL TREASURY, FOR DEPOSIT IN A FUND, A REHABILITATION
31 FEE EQUIVALENT TO THE MINE WASTES AND TAILINGS FEE AS

1 PROVIDED FOR IN THIS ACT. SUCH FEE SHALL BE PAID NO LATER
2 THAN THIRTY DAYS AFTER THE END OF EACH CALENDAR QUARTER
3 BEGINNING WITH THE FIRST CALENDAR QUARTER OCCURRING
4 AFTER DECEMBER 31, 2014, AND ENDING DECEMBER 31, 2024.

5
6 The Secretary is also authorized to charge reasonable filing fees and other
7 charges as he may prescribe in accordance with the implementing rules and
8 regulations.”
9

10 Section 4. *Establishment of an Abandoned Mine Rehabilitation Trust Fund (AMRTF).*

11 There is hereby created an Abandoned Mine Rehabilitation Trust Fund (AMRTF) to
12 fund rehabilitation of abandoned mines, which fund shall be administered by the
13 Secretary of the Department of Environment and Natural Resources. The fund shall
14 consist of amounts deposited in the fund, from time to time derived from:

- 15 (a) The rehabilitation fees levied under Section 89 of this Act;
16 (b) Any user charge imposed on contractors for land reopened to mining
17 operations under Section 76 (c), after allowed expenditure have been
18 deducted;
19 (c) Recovered money as provided for under this title;
20 (d) Interest income earned by the AMRTF; and
21 (e) Donations by persons, corporations, association and foundations for the
22 purpose of this chapter.
23

24 Section 5. *Use of the AMRTF.* The AMRTF may be used for the following purposes:

- 25 (a) Reclamation and restoration of land and water resources adversely affected
26 by past mining operations, including but not limited to reclamation and
27 restoration of abandoned surface mine areas, abandoned processing areas,
28 and abandoned mine waste storage areas; planting of land adversely affected
29 by past mining to prevent erosion and sedimentation; prevention, abatement,
30 treatment, and control of water pollution created by mine drainage including
31 restoration of steam beds, and construction and operation of water treatment

- 1 plants; prevention, abatement, and control of mine subsidence and
2 establishment of self-sustaining programs to insure private property against
3 damages caused by land subsidence resulting from underground mining;
- 4 (b) Acquisition and filing of voids and sealing of abandoned mine tunnels, shafts
5 and entryways;
- 6 (c) Acquisition of land as may be necessary to properly rehabilitate and reclaim
7 an abandoned mine;
- 8 (d) All other necessary expenses to accomplish the purpose of this Act.
- 9

10 Section 6. *The Abandoned Mine Rehabilitation Trust Fund (AMRTF) Committee.* An
11 AMRTF Committee shall be created and shall have the following duties and
12 responsibilities:

- 13 (a) Set priorities of abandoned and orphaned mines for rehabilitation;
- 14 (b) Manage, operate, monitor, and administer the AMRTF that shall be
15 established and deposited in a Government depository bank in accordance
16 with the provisions of these implementing rules and regulations;
- 17 (c) Resolve issues involving rehabilitation programs that shall be implemented;
- 18 (d) Hire credible experts to do independent studies and researches on the
19 environmental, engineering and sociocultural impacts of the projects in order
20 to assist it in making judicious decisions;
- 21 (e) Deputize an MMT to serve as its monitoring arm with the regional Office
22 concerned taking the lead role;
- 23 (f) Maintain independent and specific books of records for all transactions of the
24 AMRTF.
- 25

26 Section 7. *Composition of the AMRTF Committee.* The AMRTF Committee shall be
27 composed of the following:

- 28 (a) The Secretary of Environment and Natural Resources as Co-Chair;
- 29 (b) The Secretary of Interior and Local Government as Co-Chair;
- 30 (c) The Director of the Mines and Geo-Sciences Bureau as Member;
- 31 (d) The Director of the EMB as Member;

1 (e) A Representative from the LGU as Member;

2 (f) A Representative from the NGOs and community organizations, including
3 People's Organizations, church or civic organizations, as Member; and,

4 (g) A Representative from the mining industry as Member.
5

6 In case the Chair and/or Co-Chair cannot personally attend a meeting or
7 function of the AMRTF Committee, he/she shall designate or appoint a
8 representative who shall be duly authorized in writing to have full power and
9 authority to act in his/her behalf.
10

11 The MGB shall provide the technical, secretariat and administrative supports, as
12 may be deemed necessary, to the Committee.
13

14 Section 8. *Meetings of the AMRTF Committee.* The Committee shall hold quarterly
15 meetings: *Provided*, That any member of the Committee may call a special meeting as
16 he/she may deem necessary; *Provided, further*, That notices of the meetings stating
17 the date, time, place, and agenda therefor shall be sent by the Committee Chair or
18 Co-Chair to all members at least ten (10) working days before the intended date of
19 the meetings. In all meetings, the presence of at least four (4) members shall
20 constitute a quorum to conduct business. The meetings shall be presided by the
21 Chair or, in his/her absence, by the Co-Chair. In the absence of the Chair and Co-
22 Chair, the meetings shall be presided by either of their representatives. Unless
23 otherwise provided herein, a majority vote of the members present in the meeting
24 shall be required to give effect to any resolutions or decisions of the Committee. The
25 presiding officer of the meeting shall not vote in any matter brought before the
26 Committee except in case of a ties.
27

28 Section 9. *Multipartite Monitoring Team (MMT).* An MMY shall be deputized by the
29 AMRTF Committee to serve as the monitoring arm of said Committee and shall be
30 composed of the following:

31 (a) A Representative from Regional Office as Head;

- (b) A Representative from Department Regional Office as Member;
- (c) A Representative from the EMB Regional Office as Member;
- (d) A Representative of the Contractor/Permit Holder as Member;
- (e) A Representative from the affected community(ies) as Member;
- (f) A Representative from the ICCs, if any, as Member; and,
- (g) A Representative from an environmental NGO.

The MMT may request the AMRTF Committee for technical assistance when deemed necessary. The Head of the MMT shall submit to the AMRTF Committee, at least five (5) working days before the scheduled regular meetings of the latter, a report on the status and/or result of its monitoring activities.

Section 10. *Authorized Person to carry out rehabilitation activities.* In the case of abandoned mines where no mining application has been filed or approved, the AMRTF Committee may authorize a person to carry out all or any of the rehabilitation activities enumerated under Section 78 of this Act on land on which an abandoned mine exists.

Section 11. *Notice of entry.*

(a) An Authorized Person entering land under this part must give the owner and the occupier of the land written notice of the entry –

- (1) If the carrying out of rehabilitation activities is necessary to preserve life or property – within ten (10) business days after the entry is made;
- or

- (2) Otherwise – before entering the land.

(b) The written notice must state the following –

- (1) When the entry was, or is to be, made;
- (2) The purpose of the entry;
- (3) That the Authorized Person is permitted under this Act to enter the land without consent or a warrant;
- (4) The Rehabilitation activities carried out or proposed to be carried out.

1 Section 12. *Obligation of authorized person in carrying out rehabilitation activities.* An
2 authorized person who enters land under this part—

3 (a) Must not cause, or contribute to, unnecessary damage to any structure or
4 works on the land; and,

5 (b) Must take all reasonable steps to ensure the person causes as little
6 inconvenience, and does as little other damage, as is practicable in the
7 circumstances.

8
9 Section 13. *Final Relinquishment of Rehabilitated Areas.* The Contractor/Authorized
10 Person shall prepare and submit a Final Rehabilitation Report (FRR) with third party
11 Environmental Audit (EA) for approval by the AMRTF Committee, if, based on the
12 assessment of the Contractor/Permit Holder, that the objectives of rehabilitation
13 have been achieved.

14
15 The AMRTF Committee may, after due review and evaluation of the FRR
16 with EA, conduct field validation of the reported accomplishments, recommend
17 revision/s to the submitted report, and/or require additional rehabilitation works to
18 be undertaken: *Provided*, That is residual care is still needed, the Contractor/Permit
19 Holder shall submit a Site Management Plan detailing how the identified residual
20 rehabilitation commitments are to be managed, *Provided further*, That the AMRTF
21 Committee shall issue a Certificate of Final Relinquishment to the
22 Contractor/Authorized Person signifying approval of the FRR with EA and freeing
23 the Contractor/Authorized Person from any further obligations in so far as the
24 rehabilitated area/s are concerned.

25
26 Section 14. *Penalties.* Any person, corporate officer, agent or director, on behalf of a
27 mining contractor, who knowingly makes any false statement, representation or
28 certification, or knowingly fails to make any statement, representation or
29 certification required in this section shall, upon conviction, be punished by a fine of
30 not more than One Million Pesos (Php1,000,000.00) or by imprisonment for not more
31 than one year, or both.

1 The MGB shall conduct such audits of mineral production and the payment of
2 fees under this subchapter as may be necessary to ensure full compliance with the
3 provisions of this chapter. For purposes of performing such audits the MGB shall, at
4 all reasonable times, upon request, have access to, and may copy, all books, papers,
5 and other documents of any person subject to the provisions of this chapter. The
6 MGB may at any time conduct audits of any mining and reclamation operation,
7 including without limitation, processing plants, as may be necessary in the judgment
8 of the MGB to ensure full and complete payment of the fees under this subchapter.
9

10 Section 15. *Separability Clause.* If any provision of this Act is held or declared to be
11 unconstitutional or invalid by a competent court, the other provisions hereof shall
12 continue to be in force as if the provisions so annulled or voided had never been
13 incorporated in this Act.
14

15 Section 16. *Repealing and Amending Clause.* All laws, executive orders, presidential
16 decrees, rules and regulations, or parts thereof which are inconsistent with any of
17 the provisions of this Act are hereby repealed or amended accordingly.
18

19 Section 17. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its
20 publication in the Official Gazette or in two (2) national newspapers or general
21 circulation.
22

23 *Approved,*