

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**TWENTIETH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 1852**



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**Introduced by AKBAYAN Representatives Percival Cendaña, Atty. Jose Manuel “Chel” Diokno, and Dadah Kiram Ismula and Dinagat Islands Representative Kaka Bag-ao**

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**AN ACT  
REGULATING THE RATIONAL EXPLORATION, DEVELOPMENT AND  
UTILIZATION OF MINERAL RESOURCES, REPEALING FOR THIS PURPOSE  
REPUBLIC ACT NO. 7942 OR THE “PHILIPPINE MINING ACT OF 1995”, AND  
APPROPRIATING FUNDS THEREFOR**

**Explanatory Note**

The Philippines is the most disaster-prone country in the world.

Despite its minimal contributions to global GHG emissions at 0.40 percent, the Philippines ranked first among 193 countries with the highest disaster risks in the 2022 World Risk Index.<sup>1</sup> According to the Philippine Development Plan 2023-2028, between 2011 and 2021, the country incurred PHP673.30 billion worth of damage and losses due to tropical cyclones alone.<sup>2</sup> These are expected to increase reaching up to 7.6 percent of the country’s gross domestic product by 2030 and 13 percent by 2040.<sup>3</sup> As alarming as it sounds, climate change alone could worsen poverty and inequality if no adequate action were taken immediately.

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<sup>1</sup> Atwii, F., K. Bergtora, S. L. Kirch, et al. 2022. WorldRiskReport 2022—Focus: Digitalization. Bochum: Bündnis Entwicklung Hilft; and Institute for International Law of Peace and Armed Conflict, Ruhr University Bochum. [https://reliefweb.int/attachments/6c1c1c6f-91d8-48ed-b8b5-b5918cc426a5/WorldRiskReport-2022\\_Online.pdf](https://reliefweb.int/attachments/6c1c1c6f-91d8-48ed-b8b5-b5918cc426a5/WorldRiskReport-2022_Online.pdf).

<sup>2</sup> The Social Sector (i.e., Housing, Education, Health and Nutrition, Culture, and Social Protection) contributed to 45.21% of the total amount of the loss and damage. This was followed by the Productive Sector (i.e., Agriculture and Fisheries, Industry, Trade, and Services, Tourism, and Mining) at 33.58% then Infrastructure (i.e., Transportation, Power Supply, Water Supply, Irrigation System, Telecom, Flood Control) at 11.13%. The Cross-cutting Sector (i.e., Governance & DRRM, Environment, Livelihood and Employment, Macroeconomic Assessment and Social Impact Assessment) contributed least to the country’s loss and damage from 2011 to 2021 at only 10.09%.

<sup>3</sup> World Bank Group. 2022. Philippines Country Climate and Development Report. CCDR Series. <https://www.worldbank.org/en/country/philippines/publication/philippines-country-climate-and-development-report>.

One of the sectors that impacts our country's climate change vulnerability is the mining industry.

According to the National Economic Development Authority (NEDA), the mining sector is contributing to the country's gross domestic product (GDP) at only 0.5 percent in 2023, developing only 0.17 percent of the country's mineral deposits. Further, employment in mining and quarrying remains low at 212,247 or 0.45 percent of total employment in the country.

Meanwhile, mining sites have been reported to have caused serious environmental destruction and suffering over the years. Land destruction, subsidence and water loss, pollution of water and soil, siltation of rivers, serious health problems affecting local communities, loss of flora, fauna, biodiversity, and food insecurity, dislocation of indigenous people from ancestral land and traditional livelihoods, and human rights violations have been documented in various case studies.<sup>4</sup>

Clearly, the environmental, human, and economic costs of the export-oriented mining industry in the country offset its miniscule benefit in terms of taxes, fees, and royalties as well as employment generation and mineral production, among others.

Thus, the perennial recommendation of various stakeholders has been the development of a new mining policy that should support the Filipino people's efforts towards industrialization, ensuring the creation of jobs, food security, a stable economy, mitigation of environmental degradation, and environmental rehabilitation.<sup>5</sup>

This is echoed in the Philippine Development Plan 2023-2028 as the current government is "exploring opportunities to increase value addition in the mineral industry while ensuring macroeconomic stability and accelerating climate action."<sup>6</sup> Moreover, the NEDA is proposing a suitable tax regime for extractive industries which will institutionalize the Extractive Industries Transparency Initiative (EITI) principles, and develop downstream metallic and non-metallic mineral processing to bolster the expansion of domestic manufacturing industries focused on green technologies.<sup>7</sup>

The Philippine Mineral Resources Act is the policy solution to a greener mining industry.

It proposes to manage our minerals for national industrialization, prohibit mining in areas that are sources of food and water, and place greater safeguards for affected communities. It will replace the 1995 Mining Act and instead of exporting as raw materials, minerals mined in the Philippines will be processed in the country to boost downstream industries, modernize agriculture, and improve our manufacturing sector.

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<sup>4</sup> Case Study on the Impacts of Mining and Dams on the Environment and Indigenous Peoples in Benguet, Cordillera, Philippines by the Cordillera Peoples Alliance

<sup>5</sup> Ibid.

<sup>6</sup> National Economic Development Authority, Philippine Development Plan (PDP) 2023-2028 <https://pdp.neda.gov.ph/wp-content/uploads/2023/07/Chapter-15.pdf>

<sup>7</sup> *Unlocking Potential: PH Mining Sector Poised to Drive Green Tech, High-Quality Job Growth*. NEDA.

<https://neda.gov.ph/unlocking-potential-ph-mining-sector-poised-to-drive-green-tech-high-quality-job-growth-neda/> May 10, 2024.

The proposed legislature shall declare as “no-go zones” critical watersheds, critical habitats, climate disaster-prone areas, geo-hazard areas, key biodiversity areas, prime agricultural lands, old growth, natural or secondary forests, watershed forest reserves, wilderness areas, among others. Furthermore, it would require mining corporations to set a sizeable rehabilitation fund after mining.

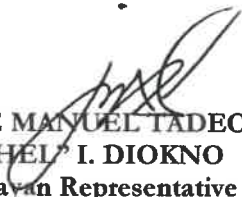
It would also honor the right of indigenous peoples to self-determination, the right of local communities to participation, and right of local government to autonomy. It would also consider human rights abuses committed by mining corporations as grounds for suspension or cancellation of mining licenses.

The Philippine Mineral Resources Act is a critical piece of legislation that will not only help our economy, protect our environment, and promote the welfare of our local communities. It would also help mitigate the climate change impact of extractive industries and contribute to a disaster-resilient Philippines.

In this light, the passage of this bill is earnestly sought.



**PERCIVAL V. CENDAÑA**  
Akayan Representative



**JOSE MANUEL TADEO**  
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Akayan Representative



**DADA KIRAM ISMULA**  
Akayan Representative



**KAKA J. BAG-AO**  
Dinagat Islands Representative

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

1           **SECTION 1. Short Title.** – This Act shall be known as the “Philippine Mineral  
2 Resources Act.”

3           **SEC. 2. Declaration of Policy.** – It is enshrined in the Philippine Constitution that the  
4 State owns all the mineral, coal, natural gas and petroleum resources within its national  
5 territory, its terrestrial, fluvial and marine domains, including its territorial seas, the seabed, the  
6 subsoil, the insular shelves, and other submarine areas within its archipelagic baselines. The  
7 appropriate utilization, sound management of the country’s finite mineral resources and the  
8 enjoyment of the benefits of such is exclusive to the Filipino people. These resources shall in  
9 no way be alienated.

10           The Philippine mining industry shall be developed within the framework of national  
11 industrialization through the nationalization of the industry towards self-sufficiency. The  
12 pursuit of mining industry development is integrative to the country’s priorities in achieving  
13 genuine agrarian reform, the modernization of its agricultural base, and rural development.

14           The State shall take the lead in mining industry development that shall be pursued  
15 according to a National Industrialization Program (NIP) and Mining Plan (MP) that adheres to  
16 the medium- and long-term needs of the country, the advancement of the industry’s technology  
17 with emphasis on existing indigenous knowledge, research and development, the right to self-  
18 determination of the indigenous and Moro peoples and the generally accepted principles as

1 embodied in the International Covenants on Civil and Political Rights, on Economic, Social  
2 and Cultural Rights, the UN Declaration on the Rights of Indigenous Peoples and other  
3 international accords on human rights, labor rights, the rights of women and children, and the  
4 protection and preservation of the environment, of which the State is a party.

5 Consistent with the policy of the State to protect and advance the right of the people to  
6 a balanced and healthful ecology in accord with the rhythm and harmony of nature, it shall be  
7 the objective of the State to:

- 8 A. Maintain peace and order, protect life, liberty and property and promote the general  
9 welfare;
- 10 B. Advance the medium- and long-term needs of the Philippines;
- 11 C. Encourage the advancement of the industry's technology with emphasis on existing  
12 indigenous knowledge, research and development;
- 13 D. Protect and advance the right of the people to a balanced and healthful ecology in accord  
14 with the rhythm and harmony of nature;
- 15 E. Value the dignity of every human person and guarantees full respect for human rights  
16 and affirms the role of women in nation building, promotes women's empowerment,  
17 and pursues equal opportunities for women and men through equal access to, control  
18 over, and ownership of resources;
- 19 F. Promote social justice in all phases of national development;
- 20 G. Recognize and promote the rights of indigenous cultural communities within the  
21 framework of national unity and development and protect the right to self-determination  
22 of the indigenous and Moro peoples;
- 23 H. Promote social justice and climate justice in all phases of national development, which  
24 is consistent with a 1.5°C pathway towards carbon neutrality by 2050 or sooner;
- 25 I. Promote just transition of the workforce and the creation of decent work and quality  
26 jobs in accordance with nationally defined development priorities;
- 27 J. Promote climate-smart and judicious stewardship of mineral resources;
- 28 K. Support a just minerals transition in the shift to renewable energy;
- 29 L. Protect the integrity of all ecosystems towards increasing the ability of the people to  
30 adapt to the adverse impacts of climate change;
- 31 M. Protect and promote the right to health of the people and instill health consciousness  
32 among them;

- 1 N. Pursue an independent foreign policy. In its relations with other states the paramount  
2 consideration shall be national sovereignty, territorial integrity, national interest, and  
3 the right to self-determination;
- 4 O. Develop a self-reliant and independent national economy effectively controlled by  
5 Filipinos;
- 6 P. Ensure the autonomy of local governments;
- 7 Q. Give highest priority to the enactment of measures that protect and enhance the right of  
8 all the people to human dignity, reduce social, economic, and political inequalities, and  
9 remove cultural inequities by equitably diffusing wealth and political power for the  
10 common good;
- 11 R. Encourage non-governmental, community-based, or sectoral organizations that  
12 promote the welfare of the nation; and
- 13 S. Adopt and accept the generally accepted principles as embodied in the International  
14 Covenant on Civil and Political Rights, International Covenant on Economic, Social,  
15 Cultural Rights, UN Declaration on the Rights of Indigenous Peoples, UN Convention  
16 on Biodiversity and other international accords on human rights, labor rights, the rights  
17 of women and children, and the protection and preservation of the environment, of  
18 which the State is a party.

19 **SEC. 3. *National Industrialization Program.*** – The State shall formulate a National  
20 Industrialization Program pursuant to the principles of agricultural modernization,  
21 development of industrial and manufacturing industries, and rational, sustainable, and  
22 equitable development of the national economy. The State shall prioritize the development of  
23 mineral resources that are needed for national development and for the creation of domestic  
24 processing capacity for industrial metals, the integration of agricultural modernization, and  
25 downstream industries that will generate employment. The State shall likewise promote the  
26 development of mineral processing to maximize the benefits or value-added from mining.  
27 Towards this end, it shall encourage the establishment and development of manufacturing  
28 plants that will utilize locally processed mineral products as well as mining firms that will  
29 process mineral ores first for domestic purposes and before exporting them to other countries.

30 The National Industrialization Plan to be implemented by the State shall be  
31 economically-viable, ecologically-sound, and in aid to the nation's efforts to attaining food  
32 self-sufficiency, rural development and national industrialization. The National  
33 Industrialization Program shall provide a comprehensive economic framework for genuine  
34 national development, including agricultural modernization, public infrastructure in energy,

1 transportation, communication, and downstream mineral industries. The National  
2 Industrialization Program pursuant to the principles of climate justice should result in concrete  
3 changes in the mining industry, specifically with regard to energy consumption, resource  
4 utilization, emissions, and inclusive development.

5 **SEC. 4. *Guiding Principles.*** – The judicious stewardship of our mineral resources, as  
6 well as its exploration, development and utilization shall comply with the following principles:

- 7 A. The current export-orientation of mining is hereby reversed and a domestic needs-  
8 based development of the industry shall be pursued by the State as a step towards  
9 achieving genuine economic development;
- 10 B. The mining industry shall be geared towards national industrialization and shall be  
11 built for the production of raw materials such as base metals, basic chemicals and  
12 petrochemicals needed by the basic, medium and heavy industries to produce as  
13 much consumer, intermediate and capital goods with the country's stock of finite  
14 mineral and non-mineral industrial raw materials and in the process provide jobs to  
15 the country's vast human resources. The extraction of energy transition minerals  
16 (ETMs) shall also be pursued in support of the country's just transition to renewable  
17 energy;
- 18 C. The community shall actively participate in the stewardship of mineral resources.  
19 Community-based initiatives shall be encouraged and supported;
- 20 D. The State shall provide the appropriate support and protection to Filipino  
21 corporations to further develop and increase their participation in the industry. All  
22 mining industry investments shall be mutually-beneficial and help achieve the  
23 specific target and goals of the National Industrialization Program. To come up with  
24 the large capital requirement for mining, the State must use local sources such as  
25 but not limited to the granting of incentives and financial aid to local private sector  
26 investors, re-channelling of government budget allocations for foreign debt  
27 payments and military expenditures, and the proceeds from the government shares  
28 of the Malampaya Natural Gas Project, and/or similar projects;
- 29 E. The State shall allow, in exceptional cases, foreign corporations to invest in the  
30 mineral industry. Based on the National Industrialization Program and the country's  
31 capability and capacity, the government must identify the mineral areas where  
32 foreigners can help and invest subject to rigorous screening and strict regulations  
33 as provided in this Act and related laws. The participation of foreign companies in  
34 the critical stages of minerals extraction and processing shall be in accordance with

1 a mandatory program or agreement for technology transfer and equity shares that  
2 do not exceed 40 percent of the full capital requirements: *Provided,* That  
3 capital accumulation and reinvestment within the country shall be primarily  
4 encouraged over profit repatriation by the foreign companies and that foreign  
5 mining corporations, their principals, local firms and conduits that have a bad track  
6 record in the Philippines are banned from investing in the country;

7 F. The development of the mining industry should primarily be geared to serve the  
8 needs of the country's agrarian reform program and help modernize Philippine  
9 agriculture. Mining shall be prohibited in prime agricultural lands;

10 G. Inland and water use, the production of sufficient food free from pollution towards  
11 food security shall always be the priority;

12 H. Mining shall also be prohibited in areas specified for food production, fisheries  
13 development, watershed and heritage areas, sacred sites of indigenous people, and  
14 in small island ecosystems. Mining in environmentally-critical areas such as small  
15 island ecosystems, primary forests and environmentally sensitive watersheds such  
16 as, but not limited to, the areas surrounding the Verde Island Passage connecting  
17 and surrounding the provinces of Batangas, Marinduque, Occidental Mindoro,  
18 Oriental Mindoro and Romblon, shall be banned. Dumping of mine wastes and  
19 tailings to rivers, lakes and seas are prohibited. Additionally, off-site effects of  
20 mining shall not have disadvantageous effects on downstream areas;

21 I. Mining shall also be prohibited in areas declared by local government units as No-  
22 Mining Zones; in prime agricultural lands, irrigable and irrigated lands as defined  
23 by Republic Act 9700, and, in areas wherein cultural properties are found, as  
24 enumerated under Republic Act 10066;

25 J. Long-term mining development shall be programmed by the State in accordance  
26 with the country's availability of resources, capability and well-being of the people,  
27 technological capacity and people's acceptability. The right of Muslim Filipinos or  
28 the Moro people and indigenous peoples to self-determination and ancestral domain  
29 shall be recognized and their collective property rights are guaranteed by this Act;

30 K. Job security, adequate and equal wages, benefits, and safe working conditions for  
31 mine workers shall be ensured in state- and privately-owned mining corporations.  
32 Their right to organize and form their own associations, to collective bargaining  
33 and to strike shall be upheld. The State shall strictly prohibit forced and child labor

1 in the industry. It shall likewise disallow gender discrimination in mining  
2 operations;

3 L. Small-scale mining operations shall be supported and regulated by the state. The  
4 state will encourage the formation of cooperatives among small-scale miners and  
5 provide financial and technical support to develop the labor-intensive and upgrade  
6 the backward technologies into a more efficient and less environmentally  
7 destructive mining process. Whenever small-scale mining activities are stopped,  
8 alternative and sustainable livelihood shall be provided to the small-scale miners;

9 M. In no instance shall the Armed Forces of the Philippines (AFP), the Philippine  
10 National Police (PNP) and private security and paramilitary groups be used to  
11 coerce or force the entry and protection of mining operations;

12 N. Mining industry research and development shall focus on harnessing more  
13 economically-efficient and less environmentally-destructive methods. The  
14 advanced technologies from other countries that are proven to be appropriate locally  
15 shall be adopted in the industry;

16 O. All mining operations shall be strictly regulated to ensure the domestic processing  
17 of mineral ores up to the secondary and tertiary stages of industrial production to  
18 develop our own basic and medium industries. Recycling programs and substitution  
19 in the use of minerals shall be incorporated in the overall plan of mining  
20 development to reduce mine waste and pollution, and mining rehabilitation  
21 techniques. Indigenous technologies that are relevant and appropriate, particularly  
22 with respect to the domestic processing of minerals shall be promoted, harnessed,  
23 expanded and upgraded;

24 P. Ecologically-sound practices at all stages of mining shall be promoted. Mining  
25 technologies such as open-pit mining and submarine mine tailing disposal methods  
26 that are banned abroad or proven inappropriate in countries like the Philippines  
27 must and shall all be banned. Environmental standards shall be set to ensure the  
28 protection and efficient utilization of the country's mineral resource base.  
29 Ecological considerations in mining development shall be given due emphasis and  
30 attention to substantially eliminate destructive effects that certain mining industrial  
31 processes might have on the people's health and the environment. Monitoring  
32 mechanisms with strong participation from the local communities will be instituted;

1 Q. Areas affected by mining shall be rehabilitated, including abandoned mines.  
2 Violators shall be strictly punished and made to pay heavy compensation to the  
3 State and the affected communities.

4 R. The exploration, development and utilization of natural resources must comply with  
5 the principles of intergenerational responsibility;

6 S. Mining agreements shall not be considered as vested rights, but, are mere privilege  
7 that the State can grant or revoke anytime for a legitimate purpose.

## 8 CHAPTER II

### 9 SCOPE AND GENERAL PRINCIPLES

10 **SEC. 5. Scope.** – This Act shall govern the ownership, management and governance of  
11 both metallic and non-metallic ore minerals onshore and offshore, as well as quarry resources,  
12 sand and gravel, guano, and gemstones, and the conservation, exploration, development,  
13 utilization, processing and transportation thereof. The ownership, management and  
14 governance of petroleum, natural gas and coal shall be governed by special laws. Offshore  
15 mining shall also be governed by special laws.

16 This Act shall cover onshore and offshore, large-scale and small-scale mining  
17 operations in the country, including mining projects in ancestral domains in accordance to the  
18 existing national and international policies on our indigenous peoples.

19 **SEC. 6.** Ore minerals form part of the country’s irreplaceable and non-renewable  
20 natural wealth and capital. The conservation of our mineral wealth is a paramount public  
21 interest and mineral resources shall be utilized in a rational manner for national and local  
22 development as specified by law and consistent with the National Industrialization Program  
23 and the just transition to renewable energy. The economic benefits derived from mining shall  
24 be equitably distributed by, among others, prioritizing development for local communities and  
25 all other stakeholders including neighboring communities directly affected by mining  
26 operations.

27 **SEC. 7.** The State shall have primary role, responsibility and concern in the  
28 management, conservation, utilization, and development of the mining industry and shall  
29 ensure the people’s participation in policy making and implementation of the same at all levels  
30 of government. Mining shall be a shared concern and responsibility of the national and local  
31 governments, corporations, and the communities affected by the exploration, development, and  
32 utilization of mineral resources.

33 **SEC. 8.** The State shall implement specific programs to lend empowering support to  
34 small-scale operators in order to enable them to become legitimate small-scale mining

1 operators. It shall likewise accord support to communities dependent on small-scale mining  
2 whose operations shall strictly adhere to the provisions of this law.

3 **SEC. 9.** The State shall support indigenous cultural communities/ indigenous peoples  
4 (ICCs/IPs) in developing capacities to effectively exercise their rights and responsibility,  
5 including their priority rights in the harvesting and utilization of natural resources in their  
6 ancestral domain and their right to self-determination. ICCs/IPs have the shared responsibility  
7 with the State to manage the mineral resources in their respective ancestral domains. They shall  
8 be free from external interference, manipulation, threats, intimidation, coercion and other  
9 analogous acts.

10 **SEC. 10.** Mineral resources development, utilization and processing shall be reserved  
11 for Filipino citizens and for Filipino corporations. Exploration shall be undertaken directly by  
12 the State for the benefit of the nation.

13 **SEC. 11.** The State shall also give priority to the re-mining and recycling of mineral  
14 resources as the first option instead of opening new mines to maximize the remaining mineral  
15 resources from the wastes of previous mine projects subject to the environmental, social and  
16 economic costs, following the principles of circularity. The rehabilitation of abandoned mines  
17 shall also be given importance.

18 **SEC. 12.** The State shall ensure the fullest compliance of all government and corporate  
19 entities in and on the closure of mines, the rehabilitation or restoration of the immediate  
20 environs of each mining project or activity in the country as provided by law. The rehabilitation  
21 of abandoned mines shall also be given importance.

22 **SEC. 13.** The State shall support small-scale Filipino mining corporations and mining  
23 cooperatives to venture into large-scale mining projects through Joint-Venture Agreements and  
24 invest on mutually-beneficial grounds that will push forward the National Industrialization  
25 Program.

26 **SEC. 14.** – Mineral resource extraction shall be allowed based on the National  
27 Industrialization Plan and the requirements of a just transition to renewable energy as provided  
28 in this Act. The sharing of profits from mining activities, including the anticipated  
29 environmental, cultural and social costs on the affected local communities of each mining  
30 project, should far outweigh ecological and social benefits and costs from other land uses. The  
31 anticipated cost of environmental, cultural and social impacts on the affected local  
32 communities, which shall at all times be prevented or mitigated through the allocation of  
33 sufficient funds for this purpose. In mining projects with foreign participation, a just return of  
34 investment scheme for the foreign entrants into the industry shall be prescribed by law.

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## CHAPTER III

### DEFINITION OF TERMS

**SEC. 15. *Definition of terms.*** – As used in this Act:

A. *Abandonment* refers to the contractor's act of leaving the entire mining lease in a state that has not met agreed rehabilitation standards;

B. *Acid mine drainage* refers to the dissolution, mobilization and transportation of toxic metals from rocks arising from the chemical reaction of acid-generating minerals in rock and waste materials that possess high permeability to air, rainfall and other water inflows when land is opened up for mining that initiates the chemical reaction, resulting to a perpetual machine of acid generation;

C. *Ancestral domain* refers to all areas generally belonging to indigenous cultural communities/indigenous peoples (ICCs/IPs) comprising the lands, inland waters, coastal areas, and natural resources therein, held under a claim of ownership, occupied or possessed by ICCs/IPs, by themselves or through their ancestors, communally or individually since time immemorial, continuously to the present except when interrupted by war, force majeure, deceit, stealth or as a consequence of government projects or any other voluntary dealings entered into by government and private individuals or corporations, and which are necessary to ensure their economic, social and cultural welfare. It shall include ancestral lands, forest, pasture, residential, agricultural, and other lands individually owned whether alienable and disposable or otherwise; hunting grounds, burial grounds, areas of worship, bodies of water, mineral and other natural resources, and lands which may no longer be exclusively occupied by ICCs/IPs but from which they traditionally and historically had access to for their subsistence and traditional activities, particularly the home ranges of ICCs/IPs who are still nomadic or shifting cultivators;

D. *Ancestral lands* refer to lands occupied, possessed and utilized by individuals, families and clans who are members of ICCs/IPs since time immemorial, by themselves or through their predecessors-in-interest, under claims of individual or traditional group ownership, continuously, to the present except when interrupted by war, force majeure or displacement by force, deceit, stealth, or as a consequence of government development aggression projects and other dealings entered into by government and private individuals/corporations including, but not limited to, residential lots, rice terraces or paddies, forests, swidden farms and tree lots;

- 1 E. *Beneficiation* refers to a process wherein a large fraction of the waste material is  
2 removed from the mineral ore;
- 3 F. *Buffer Zones* refer to identified areas that are outside the boundaries of, and  
4 immediately adjacent to protected areas designated by law that need special  
5 development control in order to avoid or minimize harm to the said protected areas;
- 6 G. *Carrying capacity* refers to the capacity of the natural and human environments to  
7 accommodate and absorb changes without giving rise to conditions of ecological  
8 instability and degradation;
- 9 H. *Certificate of Ancestral Domain Title (CADT)* refers to a title formally recognizing  
10 the rights of possession and ownership of ICCs/IPs over their ancestral domains  
11 identified and delineated in accordance with this law;
- 12 I. *Certificate of Ancestral Lands Title (CALT)* refers to a title formally recognizing  
13 the rights of ICCs/IPs over their ancestral lands;
- 14 J. *Closure of mines* refers to the permanent termination of operations at a mine or mine  
15 processing site after its complete decommission;
- 16 K. *Consent* refers to the voluntary assent of the landowner or those who have been in  
17 open, continuous, and exclusive possession of the land for more than ten (10) years  
18 in good faith, or thirty (30) years in bad faith, free from any external manipulation,  
19 interference and coercion, and obtained after fully disclosing the intent, scope, and  
20 the positive and negative impacts of the activity, in a language and process  
21 understandable to the said landowner or occupant;
- 22 L. *Contract area* refers to the area delineated as specifically provided by a mineral  
23 agreement for the development or utilization of mineral resources found therein;
- 24 M. *Critical watershed* refers to a drainage area of a river system, lake or water reservoir  
25 that supports any existing and proposed hydroelectric power, domestic water  
26 supply, geothermal power and irrigation sources and works, that needs immediate  
27 rehabilitation and protection to minimize soil erosion, improve water yield and  
28 prevent possible flooding. The term shall also include areas which are traditional  
29 areas for human settlements, land-uses, or sea-uses which are representative of  
30 cultures, or human interaction with the environment especially when it has become  
31 vulnerable under the impact of irreversible change;
- 32 N. *Critical habitats* refer to areas where species and/or subspecies naturally occur or  
33 that have naturally established its population that are crucial to the survival of other  
34 species and are essential for its conservation;

- 1 O. *Cultural sites* refer to sites that bear a unique or exceptional testimony to a cultural  
2 tradition or to a civilization which is living or which has disappeared or, directly or  
3 tangibly associated with events or living traditions, with ideas, or with beliefs, with  
4 artistic and literary works of outstanding universal significance;
- 5 P. *Customary laws* refer to a body of written or unwritten rules, usages, customs and  
6 practices that are traditionally recognized, accepted and observed by respective  
7 ICCs/IPs and local communities;
- 8 Q. *Decommissioning* refers to the activity or process that commences after the  
9 cessation of prospecting activities or mineral production, including metallurgical  
10 plant production. It involves, among others, the removal of unwanted infrastructure,  
11 making excavations and waste repositories safe and stable; and surface  
12 rehabilitation with a view to negate any adverse environmental impacts remaining  
13 after cessation of mineral production. It includes the after-care or maintenance that  
14 may be needed;
- 15 R. *Downstream industries* refer to mining activities that cover minerals processing,  
16 refining, manufacturing of intermediate and capital goods and marketing of such;
- 17 S. *Ecological profile* refers to a geographic-based instrument for planners and  
18 decision-makers which present an evaluation of the environmental quality and  
19 carrying capacity of an area and measures the specific interactions that will be  
20 affected by any and all mining operations;
- 21 T. *Energy transition minerals (ETMs)*, or simply transition minerals, are those which  
22 are required for the just minerals transition;
- 23 U. *Exploration* refers to all methods of searching or prospecting for mineral resources  
24 for the purpose of determining the existence, extent, quantity and quality thereof,  
25 which may include but are not limited to seismic, gravity, magnetic,  
26 electromagnetic, radar, induced polarization, radio-wave and electro-geochemical;
- 27 V. *Extraction* refers to ore-removal activities that take place at the mine site itself;
- 28 W. *Free, prior and informed consent (FPIC)* refers to the consensus of all members of  
29 the ICCs/IPs to be determined in accordance with their respective customary laws  
30 and practices, free from any external manipulation, interference, coercion, and other  
31 analogous acts and obtained after fully disclosing the intent and scope, including  
32 the positive and negative impacts, of all the activities, in a language and process  
33 understandable and acceptable to the community;

- 1 X. *Indigenous peoples/Indigenous cultural communities (IPs/ICCs)* refer to a group of  
2 people or homogenous societies identified by self-ascription and ascription by  
3 others, who have continuously lived as organized communities on communally  
4 bounded and defined territory, and who have, under claims of ownership since time  
5 immemorial, occupied, possessed and utilized such territories, sharing common  
6 bonds of language, customs, traditions and other distinctive cultural traits, or who  
7 have, through resistance to political, social and cultural inroads of colonization,  
8 non-indigenous religions and cultures, became historically differentiated from the  
9 majority of Filipinos. ICCs/IPs shall likewise include peoples who are regarded as  
10 indigenous on account of their descent from the populations which inhabited the  
11 country, at the time of conquest or colonization, or at the time of inroads of non-  
12 indigenous religions and cultures, or the establishment of present state boundaries,  
13 who retain some or all of their own social, economic, cultural and political  
14 institutions, but who may have been displaced from their traditional domains or who  
15 may have resettled outside their ancestral domains. They are peoples who have a  
16 spiritual relationship with the land;
- 17 Y. *Indigenous political structure* refers to organizational and cultural leadership  
18 systems, institutions, relationships, patterns and processes for decision-making and  
19 participation as identified by ICCs/IPs such as, but not limited to, Council of Elders,  
20 Council of Timuays, Bodong Holders, and any other tribunal or body of similar  
21 nature;
- 22 Z. *Joint Venture Agreement* refers to an agreement wherein the government and a  
23 qualified person organize a joint-venture company, with both parties having equity  
24 shares, to develop and manage mineral resources. Aside from earnings on the  
25 equity, the Government shall be entitled to a share in the output computed at a  
26 certain percentage mutually agreed upon by and beneficial to both parties;
- 27 AA. *Just transition* refers to the transformation of the economic system as well as  
28 the energy system/s that support it which both must be founded on ecological and  
29 social wellbeing. It also includes promoting the welfare of workers affected by the  
30 transition to clean energy;
- 31 BB. *Just minerals transition* refers to the judicious, efficient, and democratic use of  
32 energy transition minerals required of the shift to renewable energy;
- 33 CC. *Key biodiversity areas* refer to places of international importance for the  
34 conservation of biodiversity;

- 1 DD. *Large-scale mining* refers to mining in areas with more than twenty (20)  
2 hectares, using mechanized tools and equipment, requiring considerable capital and  
3 having large-scale environmental, social, cultural and economic impacts with  
4 regard to resource use and/or consumption;
- 5 EE. *Mineral Agreement* refers to a contract entered into by the government, in behalf of  
6 the State, and a private Filipino person, granting such person/s the privilege to mine  
7 a specific contract area;
- 8 FF. *Mineral resource* refers to any concentration of minerals/rocks with potential  
9 economic value;
- 10 GG. *Mineral processing* refers to the milling, beneficiation or upgrading of ores or  
11 minerals and rocks or by similar means to convert the same into marketable  
12 products;
- 13 HH. *Minerals* refer to all naturally occurring inorganic substances in solid, gas,  
14 liquid, or any intermediate state excluding energy materials such as petroleum,  
15 natural gas, radioactive materials, and geothermal energy;
- 16 II. *Mine development* refers to the preparation of the mine site for production by shaft  
17 sinking or pit excavation, building of access roads, and constructing of surface  
18 facilities;
- 19 JJ. *Mine wastes and tailings* refer to rock materials from surface or underground  
20 mining and milling operations with little or no economic value to the generator of  
21 the same;
- 22 KK. *Mining activity* refers to any or all of the following activities: exploration,  
23 extraction, utilization, processing, transportation and other activities conducted for  
24 the same;
- 25 LL. *Mining area* refers to a portion of the contract area which has been identified by the  
26 contractor wherein actual mining operations shall be conducted;
- 27 MM. *Mining operations* refer to any and all of the mining activities involving the acts  
28 of exploration, feasibility, development, utilization, and processing;
- 29 NN. *National park* refers to an area of the public domain that is a natural wilderness  
30 that is scenic or historic in character and has been withdrawn from settlement,  
31 occupancy, or any form of exploitation except in conformity with an approved  
32 management plan and set aside exclusively to conserve the area or preserve the  
33 scenery, the natural and historic objects, wild animals, and plants therein mainly for  
34 the purpose of biodiversity conservation and/or human enjoyment;

- 1 OO. *Native title* refers to pre-conquest rights to lands and domains which, as far back  
2 as memory reaches, have been held under a claim of private ownership by ICCs/IPs,  
3 have never been public lands and are thus indisputably presumed to have been held  
4 that way since before the Spanish Conquest;
- 5 PP. *Natural forest* refers to a forest composed of indigenous, native or endemic trees,  
6 with high biodiversity, whose structure, functions, and dynamics have been largely  
7 the result of natural succession processes;
- 8 QQ. *Natural park* refers to a relatively large area not materially altered by human  
9 activity where extractive resource activities are not allowed. These parks are  
10 maintained to protect outstanding natural and scenic areas of national or  
11 international significance for scientific, educational and recreational use;
- 12 RR. *Open-pit mining* refers to a process of extracting metal ores and minerals that  
13 lie near the surface by removing the overlying material and breaking and loading  
14 the ore. Also known as open- cast mining and open-cut mining;
- 15 SS. *Ore* refers to a material that contains minerals in such quantities that can be mined  
16 and worked commercially to extract that mineral. The mineral is usually contained  
17 in chemical combination with some other element in addition to various impurities;
- 18 TT. *Pollution control and infrastructure devices* refer to infrastructure, machinery,  
19 equipment and/or improvements used for the impounding, treating, or neutralizing,  
20 precipitating, filtering, conveying and cleansing mine industrial waste and tailings  
21 as well as reducing or eliminating hazardous effects of solid particles, chemicals,  
22 liquids or other harmful by- products and gases emitted from any facility utilized in  
23 mining operations for their disposal;
- 24 UU. *Processing* refers to all the treatment an ore receives after its extraction and  
25 beneficiation, which involves changes in the chemical nature of the mined minerals;
- 26 VV. *Progressive rehabilitation* refers to a rehabilitation that involves the staged  
27 treatment of disturbed areas during mining exploration, construction/development  
28 and extraction operations;
- 29 WW. *Protected areas* refer to identified portions of land and water set aside by reason  
30 of their unique physical and biological significance that are managed to enhance the  
31 biological diversity and protected against destructive human exploitation;
- 32 XX. *Quarry resources* refer to any common rock or other mineral substances as the  
33 Director of the Mines and Geosciences Bureau (MGB) may declare to be quarry  
34 resources such as andesite, basalt, conglomerate, coral sand, diatomaceous earth,

1 diorite, decorative stones, gabbro, granite, limestone, marble, marl, red burning clay  
2 for potteries and bricks, rhyolite, rock phosphate, sandstone, serpentine, shale, tuff,  
3 volcanic cinders, and volcanic glass;

4 YY. *Quarrying* refers to the process of extracting, removing and disposing quarry  
5 resources found on or underneath the surface of private or public land;

6 ZZ. *Recycling* refers to the treating of used or waste materials through a process of  
7 making them suitable for beneficial use and for other purposes, and includes any  
8 process by which solid waste materials are transformed into new products that may  
9 be used as raw materials for the production of other goods or services:

10 AAA. *Rehabilitation* refers to the process by which the land will be returned to a form  
11 and productivity in conformity with a prior land use plan, including a stable  
12 ecological state that does not contribute substantially to environmental  
13 deterioration;

14 BBB. *Remediation* refers to the removal of pollution or contaminants from  
15 environmental media for general protection of the area and the people;

16 CCC. *Remining* refers to the process of maximizing and recovering the remaining  
17 minerals from the rejects or wastes of previous mines and mining operations;

18 DDD. *Restoration* refers to the act of bringing back the original, or the closest possible  
19 state, of the forest and biodiversity, with the productivity matching that of the  
20 original ecosystem;

21 EEE. *Self-determination* refers to the right of a people to determine its own political  
22 destiny as defined by existing laws. The right to self-determination includes the  
23 right of ICCs/IPs to choose their form of government within existing national  
24 borders to achieve a greater degree of autonomy to help preserve their culture,  
25 ancestral domain, and way of life;

26 FFF. *Small-scale mining* refers to mining activities which rely heavily on manual  
27 labor using simple implements and methods and do not use explosives or any heavy  
28 mining equipment, primarily engaged in for sustainable living. Impacts from small-  
29 scale mining shall not be large-scale, otherwise, the mining activity shall be defined  
30 as large-scale mining;

31 GGG. *Strategic minerals* refer to minerals needed for national industrialization,  
32 including rural development. It shall also include energy transition minerals  
33 required for the country's just transition to renewable energy;



1 written agreement is entered into with the ICCs/IPs concerned or that the community, pursuant  
2 to its own decision making process, has agreed to allow such operation: Provided, finally, That  
3 the NCIP may exercise visitorial powers and take appropriate action to safeguard the rights of  
4 the ICCs/IPs under the same contract.

5 **SEC. 19. *Free and Prior Informed Consent and Certification Precondition.*** – No  
6 mining activity shall be conducted within or covering ancestral domains or lands without  
7 securing the Free and Prior Informed Consent from the concerned ICCs/IPs and Certification  
8 Precondition issued by the National Commission on Indigenous Peoples (NCIP), certifying  
9 therein that the concerned ICCs/IPs gave their consent to that particular project after  
10 undergoing the Free and Prior Informed Consent (FPIC) process.

11 In instances when there are questions on the legality or validity of the issued free, prior,  
12 and informed consent before the NCIP, mining operations shall not be allowed to be conducted  
13 in the ancestral domains or lands of the ICCs/IPs without the final resolution of such question  
14 on the legality or validity of the FPIC.

15 **SEC. 20. *When ancestral domain is yet to be formally recognized.*** – Mineral resources  
16 within identified ancestral domains delineated by the ICCs/IPs in accordance with existing law,  
17 rules and regulations, and/or by virtue of historic rights and self-delineation shall be managed  
18 by the ICCs/IPs concerned whether these domains are covered with Certificates of Title or not.

19 **SEC. 21. *ICCs/IPs displaced from ancestral domain due to mining.*** – The native title  
20 over an ancestral domain subsists notwithstanding the fact that the ICCs/IPs who hold such  
21 title have been displaced therefrom or that such ancestral domains have been occupied by other  
22 persons or corporations under another claim of title emanating from the State. In such cases,  
23 ICCs/IPs shall continue to own such mineral resources.

24 **SEC. 22. *Authority of the Mines and Geosciences Bureau.*** – The Mines and  
25 Geosciences Bureau (MGB) shall be a scientific research institution under the Department of  
26 Environment and Natural Resources (DENR), primarily conducting the research and  
27 development of mineral resources and mining technologies, and the training of local  
28 communities, local government units and indigenous peoples. It shall also regulate the  
29 operations of persons involved in all mining activities. It shall also work with the Multi-  
30 Sectoral Mineral Council in the monitoring of mining activities, as provided in this Act.

31 **SEC. 23. *Regional Offices.*** – The MGB shall have as many regional offices in the  
32 country as may be established by the DENR Secretary, upon the recommendation of the MGB  
33 Director.

1           **SEC. 24. MGB as repository of information.** – The MGB shall be the central repository  
2 of information regarding mineral lands, resources, permits, studies and other information  
3 relevant to the operation of a mine, including the necessary requirements that a contractor is  
4 obliged to submit. All other governmental offices and other bodies created under this Act shall  
5 furnish copies to the MGB of all other information related to mining.

6           **SEC. 25. Access to Information.** – All contractors for mineral permits and agreements  
7 shall provide information to the MGB and the affected indigenous peoples, local communities,  
8 and local government units. The following information of full disclosure, among others, shall  
9 be required:

- 10           A. the methods and processes of mining to be used by the contractor;
- 11           B. the environmental and social risks;
- 12           C. the ownership structure of the contractor/company; and
- 13           D. the sources of financing, including loan agreements.

14           All information and documents related to the proposals, mineral agreements, permits  
15 and mining operations shall not be considered confidential. The refusal to grant access to the  
16 aforementioned information shall be cause for the disqualification of prospective proponents,  
17 or the cancellation of mineral agreements and permits.

18           The MGB, being the repository of all relevant information under this Act is mandated  
19 to grant the public access to any information in its custody. The refusal or unnecessary delay  
20 by officers of the MGB to provide information shall be punishable by a fine of fifty thousand  
21 pesos (Php 50,000.00) for every instance of refusal or unnecessary delay. Information  
22 requested by indigents or marginalized sectors shall be provided to them for free.

23           **SEC. 26. Recording System.** – There shall be established a national and regional filing  
24 and recording system. A mineral resource database system shall be set up in the MGB which  
25 shall include, among others, a mineral rights management system.

26           **SEC. 27. Publication.** – The MGB shall publish annually a mineral gazette of  
27 nationwide circulation containing, among others, a current list of mineral rights, their locations  
28 specified in the appropriate map, mining rules and regulations, other official acts affecting  
29 mining, and other relevant information to mineral resources development. A publication fund  
30 shall be included in the regular budget of the MGB.

31           **SEC. 28. Exploration activities.** – Exploration of mineral resources shall be undertaken  
32 by the State, through the MGB, or by private entities through a Joint Venture Agreement. All  
33 exploration activities shall be strictly monitored by the MGB to ensure that mineral resources

1 are not extracted before the corresponding environmental, social, indigenous and community  
2 benefit assessments have been done.

3 All results of exploration of mineral resources shall be submitted and shared with the  
4 State through the MGB.

5 The State shall also carry out human resource training and development, scientific  
6 research and technological application and development in geological baseline surveys of  
7 minerals and mineral activities.

8 **SEC. 29. *Inventory of mineral resources.*** – The MGB shall identify and provide an  
9 inventory of all the available mineral resources, including the mine tailings and wastes within  
10 the country. It shall submit to the DENR a report which shall contain the following information:

- 11 a. the classification of minerals;
- 12 b. the quality and grade of the ore;
- 13 c. the potential mine life;
- 14 d. the geological description of the area;
- 15 e. the economic viability of mine tailings; and
- 16 f. all other relevant information necessary for potential mineral investments.

17 The process for mineral exploration and the approval for any mining permit shall not  
18 commence without the said inventory.

19 **SEC. 30. *Strategic minerals.*** – The MGB shall conduct researches and studies prior to  
20 any mining operations to identify strategic mineral resources. Mineral resources needed for  
21 local industries, agricultural modernization, rural development, and just transition shall be  
22 opened to mining subject to the implementing rules and regulations of this Act.

23 **SEC. 31. *Demarcation of mineral areas.*** – The MGB shall demarcate the boundaries  
24 of all areas identified as containing commercial quantities of mineral resources.

25 **SEC. 32. *Information on watershed continuums.*** – The baseline information on all  
26 watersheds in the country shall be required and made accessible to the public in all forms,  
27 including the websites of the MGB and the National Water Resources Board (NWRB). No  
28 mining permit shall be issued without this baseline information.

29 **SEC. 33. *Affected local community and local government unit.*** – For the purposes of  
30 this Act, the affected local community and local government unit are defined in relation to any  
31 area which has the potential to be negatively impacted by mining operations in the demarcated  
32 area. The local communities and the local government units therefore, are those who are  
33 dependent on the watershed eco-system and its resources.

1           **SEC. 34. *Establishment of the Multi-Sectoral Mineral Council.*** – A Multi-Sectoral  
2 Mineral Council shall be established for the purposes of this Act. There shall be as many Multi-  
3 Sectoral Mineral Councils as there are watershed continuums with demarcated mineral areas.

4           **SEC. 35. *Powers and Functions of the Multi-Sectoral Mineral Council.*** – The  
5 Council shall have the following powers:

- 6           A. Define a review period, for each mineral area, where comments on mining  
7           proposals shall be submitted to the MGB;
- 8           B. Call for public hearings to present and formally discuss mining applications and  
9           gather options and public feedback or comments before a project should be  
10           approved by the MGB;
- 11           C. Determine whether or not mining operations shall be allowed;
- 12           D. Deliberate on proposals for mineral agreements;
- 13           E. Monitor the conduct of mining operations;
- 14           F. Establish its internal rules of procedure which are not contradictory to this Act;
- 15           G. Provide public comment on all public submissions and justify their decision; and
- 16           H. Recommend the cancellation of a permit.

17           **SEC. 36. *Composition of the Multi-Sectoral Mineral Council.*** – The Multi-Sectoral  
18 Mineral Council shall be composed of:

- 19           A. a representative from the MGB, who may come from the concerned Provincial  
20           DENR Office;
- 21           B. one (1) representative from each of the affected provincial governments or  
22           independent component cities or highly urbanized cities (LGUs);
- 23           C. representatives from an established municipal-level  
24           peoples/community/sectoral/ICCs or IP organizations affected by the proposed  
25           mining project and whose numbers shall be equal to or as many as the number of  
26           those representing the affected LGUs; and,
- 27           D. two (2) representatives from non-government organizations of at least five years (5)  
28           of prior existence,

29           The MGB shall be the convenor of the Council. No mining operations shall be allowed  
30 without the Council having been properly convened. [Change during TWGs)

31           **SEC. 37. *Areas open to mining.*** – The power to determine whether or not the land  
32 where mineral resources are found shall be opened to mining is vested in the Council. Areas  
33 may only be opened to mining upon the two-thirds vote of all the members of the Council

1 pursuant to the guidelines provided by this Act. In determining whether or not such area shall  
2 be opened, the following shall be taken into consideration:

- 3 A. MGB report on the exploration conducted;
- 4 B. Existence of downstream industries for the mineral resources;
- 5 C. Potential environmental, public health and cultural impacts;
- 6 D. Conflict and risk assessment;
- 7 E. Potential economic benefits of the development and utilization of the minerals;
- 8 F. Carrying capacity and the ecological profile of the area;
- 9 G. Existing and alternative land uses of the area; and
- 10 H. Local government land use plan.

11 No mining application shall be allowed by the Council unless an environmental  
12 economic audit or resource valuation of the proposed mining area has been conducted applying  
13 acceptable valuation standards. This audit or resource valuation shall be conducted in  
14 coordination with a multi-sectoral group of experts and community stakeholders. It shall  
15 include the determination of the expected economic returns and the potential negative impacts  
16 from mining. A detailed study must mention the biodiversity present in the mining claim and  
17 the impact of mining operations on the environment, the possible environmental degradation  
18 and the attendant loss of subsistence resources. There must be mention of existence of sacred  
19 areas or areas of cultural significance and address the impacts of resource exploitation on  
20 indigenous and local communities.

21 In no case shall the Council open the following areas to mining:

- 22 A. Areas declared by the Local Government Units as No-Mining Zones as specified  
23 by local ordinances and other issuances;
- 24 B. densely populated areas, especially residential areas;
- 25 C. prime agricultural lands, irrigable and irrigated lands as defined by Republic Act  
26 9700;
- 27 D. lands subject for agrarian reform;
- 28 E. areas with potential for acid mine drainage;
- 29 F. critical watersheds and critical habitats;
- 30 G. geohazard and climate disaster-prone areas;
- 31 H. small island ecosystems;
- 32 I. cultural sites, which may include, but not limited to, sacred sites and burial grounds;
- 33 J. traditional swidden farms and hunting grounds;

- 1 K. cultural property enumerated under Republic Act 10066, or the “National Cultural  
2 Heritage Act of 2009”;
- 3 L. key biodiversity areas;
- 4 M. high conflict areas;
- 5 N. the Province of Palawan pursuant to Republic Act 7611, or the “Strategic  
6 Environmental Plan for Palawan Act”;
- 7 O. in military and other government reservations, except upon prior written clearance  
8 by the government agency concerned;
- 9 P. near or under public or private buildings, cemeteries, archaeological and historic  
10 sites, bridges, highways, waterways, railroads, reservoirs, dams or other  
11 infrastructure projects, public or private works including agricultural crop  
12 plantations;
- 13 Q. in areas covered by small-scale miners as defined by law unless with prior consent  
14 of the small-scale miners, in which case a royalty payment upon the utilization of  
15 minerals shall be agreed upon by the parties, with said royalty forming a trust fund  
16 for the socioeconomic development of the community concerned;
- 17 R. old growth, natural or primary forests, watershed forest reserves, wilderness area,  
18 mangrove forests, mossy forests, national parks, protection forests,  
19 provincial/municipal forests, parks, greenbelts, game refuge and bird sanctuaries  
20 and their respective buffer zones as defined by existing laws and ordinances; and
- 21 S. in areas expressly prohibited by law or ordinances.

22 The determination whether or not the same are absolutely closed to mining shall not  
23 only be limited to the existence of a law or ordinance declaring it as protected areas, but also  
24 to the actual use of said area.

25 **SEC. 38 *Manner of voting by the Council for opening an area to mining.*** – The MGB  
26 shall convene the Council once the inventory of the existing minerals, the formulation of a  
27 mine plan, and the existence of the baseline information of the particular watershed area are  
28 submitted. The Council shall thereafter convene their respective constituents to determine  
29 whether or not their respective territories shall be opened for mining.

30 Sections 26 and 27 of the Republic Act 7160 or the “Local Government Code of 1991”  
31 on consultation and consent shall be strictly adhered to. Local government units at all levels  
32 shall conduct mandatory public hearings with the affected local communities, to be carried out  
33 within their respective territories and presenting those enumerated under Section 40 of this Act.  
34 Local government units, ICCs/IPs, NGOs and people’s organizations, shall ensure that the

1 MGB shall comprehensively explain the goals and objectives of the project or program, its  
2 negative and positive impact upon the people and the community in terms of environmental or  
3 ecological balance, and the measures that will be undertaken to prevent or minimize the adverse  
4 effects thereof.

5 Thereafter, the approval of the respective *Sanggunian* of the affected local government  
6 units shall be required in accordance to the sentiment of the peoples of the local government  
7 unit as a result of the consultations conducted: *Provided*, That the affected local government  
8 unit representatives shall meet and relay the decision of their respective constituents to the  
9 provincial government/independent component cities/highly urbanized cities. The  
10 provincial/component city/highly urbanized city government representative shall sit in the  
11 Council and shall carry the result of the vote of all the affected local government units within  
12 the province resulting from the process as provided in this Act. There must be a two-thirds vote  
13 among all the affected LGUs for the purpose of opening a particular area for mining in its  
14 jurisdiction. Failure to reach a two-thirds vote for opening shall mean that the area is closed to  
15 mining. All the proceedings shall at all times be recorded.

16 In case there are affected indigenous cultural communities/indigenous peoples, they  
17 shall also bring the community's vote to the Council after undergoing their own processes in  
18 accordance with their respective indigenous political structure, free from any external  
19 manipulation, interference, coercion and other analogous acts, and obtained after fully  
20 disclosing the intent and scope, including the positive and negative impacts of the activity, in  
21 a language and process understandable and acceptable to them.

22 Any member of the community may file a protest with the Council during any point in  
23 the period of consultations and deliberations for the Council's consideration.

24 **SEC. 38. *Pool of consultants.*** – There shall be a pool of independent consultants that  
25 shall assist the local government units, local communities or ICCs/IPs with regard to the  
26 technical aspects of mining. Ensure that consultants include experts in gender-related concerns,  
27 representatives from women's organizations, and women from the local community.

28 **SEC. 39. *Publication, posting and radio announcement requirements.*** – Any decision  
29 of the Council shall be published by the MGB in the local newspaper in the local language,  
30 shall be announced on local radio programs for not less than six (6) weeks and notices shall be  
31 distributed widely in communities. The notice containing relevant information shall likewise  
32 be posted in conspicuous places for the information of the general public and shall be  
33 announced during the local market day.

## 34 CHAPTER V

1 **MINERAL AGREEMENTS**

2 **SEC. 40. *Modes of Mineral Agreement.*** – The following are the mineral agreements  
3 as herein defined;

4 A. Mineral production sharing agreement - an agreement where the Government grants to  
5 the contractor the exclusive right to conduct mining operations within a contract area  
6 and shares in the gross output. The contractor shall provide the financing, technology,  
7 management and personnel necessary for the implementation of this agreement;

8 B. Co-production agreement - an agreement between the Government and the contractor  
9 wherein the Government shall provide inputs to the mining operations other than the  
10 mineral resource; and

11 C. Joint venture agreement- an agreement where a joint-venture company is organized by  
12 the Government and the contractor with both parties having equity shares. Aside from  
13 earnings in equity, the Government shall be entitled to a share in the gross output.

14 In no case shall Financial or Technical Assistance Agreements, or any other similar  
15 agreements, contracts, or executive issuances granting license or permission to explore,  
16 develop or utilize mineral resources be awarded to foreign entities or persons.

17 **SEC. 41. *Eligibility.*** – Only Filipino citizens or corporations sixty percent (60%) of  
18 whose equity is owned or controlled by such citizens shall be allowed to conduct the  
19 development, utilization and processing of mineral resources within the country.

20 **SEC. 42. *Identification of mining projects.*** – With the vote of all the members of the  
21 Council to open areas for mining operations, the MGB shall prepare the necessary information  
22 sheets on the said area for potential investments. The MGB shall call for proposals to develop  
23 the mining area based on the National Mining Plan (NMP).

24 **SEC. 43. *Pre-screening of mining proposals.*** – Mining proposals shall be pre-screened  
25 by the MGB according to the National Industrialization Plan and a just minerals transition and  
26 upon the submission of interested parties of the following:

27 A. demonstration of financial capability;

28 B. proven social and environmental track record, including those of its officers and  
29 directors;

30 C. clear corporate structure and ownership;

31 D. proof of physical office and operations of the proponent within the Philippines;

32 E. identification of potential investors;

33 F. mining project feasibility and operational work plan to include proposed operation,  
34 mitigation and prevention methods and/or equipment;

1 G. capacity to process minerals;

2 H. intent to develop downstream industries and contribute to local community  
3 development; and

4 I. submission of the Environmental and Social Impact Assessment and Mitigation Plan.

5 The Council shall fix the minimum capitalization that any bidder must satisfy based on  
6 its determination of the expected economic returns and the potential negative impacts from  
7 mining, upon reference to an independent study proposing such minimum capitalization.

8 **SEC. 44. *Environmental and Social Impact Assessment and Mitigation Plan.*** – The  
9 contractor shall submit an Environmental and Social Impact Assessment and Mitigation Plan  
10 (ESIAMP) containing the means, methods, processes and schedule by which the contractor  
11 shall conduct its operations and mitigate negative environmental and social impacts. Social  
12 impact shall include possible impacts on the enjoyment and exercise of human rights, cultural  
13 rights, and the right to a healthful ecology. The ESIAMP shall include plans relative to mining  
14 operations; the rehabilitation, regeneration and restoration of mineral areas; slope stabilization  
15 of mined out and tailings covered areas; aquaculture, watershed development and water  
16 conservation; the relocation and return of displaced population; and provisions for alternative  
17 livelihood and socioeconomic development.

18 The ESIAMP shall also contain a Social Development Plan which shall likewise  
19 contain the plans of the proponent for the development of the community through the  
20 establishment of infrastructures and programs that shall be sustainable even after the closure  
21 of the mine. It shall include a gender analysis that looks into the power relations between  
22 women and men in the household and community, and in terms of activities, access to,  
23 control, and ownership of resources. It shall also ascertain how mining operations will affect  
24 women's condition and position in the household and community. Finally, it shall develop a  
25 gender action plan, based on the gender analysis, to include clear targets and indicators in  
26 mitigating negative environmental and social impacts on women and ensuring women's  
27 participation and tangible benefits from the mining operations and rehabilitation.

28 The ESGIAMP shall be responsive to the issues and needs of women, LGBTQI  
29 individuals, children, persons with disabilities, and older persons. It shall likewise ensure that  
30 their rights are protected and respected.

31 **SEC. 45. *Pre-qualification.*** – The MGB shall thereafter identify the top five (5)  
32 proposals and shall recommend the same to the Council for deliberation.

1           **SEC. 46. *Deliberation.*** – After the MGB's transmittal of its recommendations to the  
2 Council together with all the submitted documents for the pre-qualification, the Council shall  
3 initiate the deliberation process of the pre-qualified proposals.

4           Immediately thereafter, Sections 26 and 27 of the Local Government Code on  
5 consultation and consent shall be strictly adhered to. Local government units at all levels shall  
6 conduct mandatory public hearings with the affected local communities, to be carried out  
7 within their respective territories and presenting those enumerated under Section 38. Local  
8 government units, ICCs/IPs, NGOs and people's organizations, shall ensure that the mining  
9 applicant shall comprehensively explain the goals and objectives of the project or program, its  
10 negative and positive impact upon the people and the community in terms of social, cultural  
11 and environmental or ecological balance, and the measures that will be undertaken to prevent  
12 or minimize the adverse effects thereof. Thereafter, the approval of the respective *Sanggunian*  
13 of the affected local government units shall be required in accordance to the sentiment of the  
14 peoples of the local government unit as a result of the consultations conducted.

15           The affected local government unit representatives shall meet and shall relay the  
16 decision of their respective constituents to the provincial government, independent component  
17 cities, or highly urbanized cities. The provincial, component city, or highly urbanized city  
18 government representative shall sit in the Council and shall carry the result of the vote of all  
19 the affected local government units within the province, independent component city, or highly  
20 urbanized city resulting from the process provided in the preceding paragraph of this Section.

21           In determining which proposal is acceptable to the people, a majority vote of the local  
22 government units within the province/independent component city/highly urbanized city shall  
23 be required.

24           The affected ICCs/IPs shall also deliberate on the proposals in accordance with their  
25 own systems and processes free from any external manipulation, interference, coercion and  
26 other analogous acts, and obtained after fully disclosing the intent and scope, including the  
27 positive and negative impacts of the activity, in a language and process understandable and  
28 acceptable to them.

29           After the respective processes are complied with, the Council shall then meet and  
30 decide which proposal, if any, is most acceptable and consistent with their own socio-  
31 economic, environmental and cultural programs and shall notify the MGB of the chosen  
32 proposal.

33           **Section 47. *Posting and Publication Requirement.*** – After notice, the MGB shall  
34 notify the proponent of the accepted proposal and cause the publication and posting of the

1 accepted proposal: *Provided*, That any member of the community may contest the decision of  
2 the Council within six (6) weeks upon the posting and publication of notice of the  
3 acceptance of the proposal in the manner provided for in Section 38. No mining operations  
4 shall be allowed pending any action questioning the legality or validity of the proposal.

5 **SEC. 48. *Issuance of the Permit.*** – The MGB shall only issue permit in accordance  
6 with the decision of the council on the winning proposal only upon showing compliance with  
7 the FPIC processes as evidenced by Certification Precondition issued by the NCIP in  
8 accordance with Section 59 of RA 8371, or a written FPIC of the affected sectors in accordance  
9 with the provisions of this Act in areas outside ancestral domains.

10 **SEC. 49. *Environmental and Social Impact Compliance Certificate.*** – The mining  
11 proponent shall be issued an Environmental and Social Impact Compliance Certificate by the  
12 Environmental Management Bureau with the approval of the Council, *Provided*, That no  
13 amendments to the ESIAMP shall be allowed, unless any proposed amendment shall benefit  
14 the affected communities and that the Council and the MGB shall be notified of any  
15 amendments to the ESIAMP, that the former shall give their consent to the same, after the  
16 proponent explains in detail the reason for such amendment/s and the possible impacts and  
17 consequences of these: *Provided, further*, That any violation of the ESIAMP shall cause the  
18 cancellation of the Certificate.

19 **SEC. 49. *Maximum areas for mineral agreements.*** – The maximum area under  
20 mineral agreements that an entity can hold at any one time shall be determined by the Council:  
21 *Provided*, That the contract area per agreement shall not exceed five hundred (500) hectares:  
22 *Provided, further*, That no entity shall be awarded in excess of the total contract area of seven  
23 hundred-fifty (750) hectares in any given watershed area. For the purposes of this Act, the  
24 prohibition on the maximum area shall also include corporations that shall have common  
25 directors or significant shareholders.

26 **SEC. 50. *Term of mineral agreement.*** – The term of the mineral agreement shall be  
27 equivalent to the mine life plus an additional five (5) years for the rehabilitation of the mining  
28 area. *Provided*, That in no case shall a Mineral Agreement have a term beyond fifteen (15)  
29 years. *Provided further*, That the contractor shall already include rehabilitation/remediation of  
30 the mining area within the ten-year term.

31 In no case shall a Mineral Agreement be extended without just cause to be determined  
32 by the Council: *Provided*, That the extension shall not cause the term of the agreement to  
33 exceed the fifteen (15) year term mentioned in the preceding section: *Provided further*, That  
34 for the purposes of this Act, just cause shall mean acts or events resulting from war, force

1 majeure or those beyond the control of the mining proponent not attributable to the same:  
2 *Provided finally*, That in no case shall mineral agreements be renewed after the expiration of  
3 the fifteen-year period.

4 **SEC. 51. *Prohibition on open-pit mining methods and submarine tailings disposal.*** –  
5 The open-pit mining methods and the submarine tailings disposal method shall be prohibited.

6 **SEC. 52. *Failure to initiate mining operations.*** – Failure to initiate mining operations  
7 in accordance with the work program within five (5) years from the award of the mineral  
8 agreement shall cause the cancellation of the mineral agreement. The contractor thereafter  
9 forfeits the value of the improvements made upon the land. The contractor and other  
10 corporations who are also run by the same directors and officers are thereafter banned from  
11 bidding to conduct mining operations for ten (10) years after failure to initiate its mining  
12 operations in accordance with the work program.

13 **SEC. 53. *Mandatory consultations in each mining phase.*** – Mandatory  
14 consultations with affected persons and communities shall be undertaken in each phase of  
15 mining operation: exploration, extraction, processing, and mine closure to ensure that the  
16 peoples shall be informed of the proposed plans and methods that are proposed to be  
17 conducted. Consultations should be inclusive, participatory, transparent, timely, and free of  
18 harassment, threats, and risk.

19 **Section 54. *FPIC of ICCs/IPs on each stage of mining.*** – The consent of the ICCs/IPs  
20 and the CP issuance shall be required at each and every stage of the mining operation through  
21 a process of FPIC which will be facilitated by the National Commission on Indigenous Peoples.  
22 Any violation relative thereto is subject to the penalties as provided under the NCIP FPIC  
23 Guidelines and shall be a ground for the cancellation of the mineral agreement.

24 As to the ICCs/IPs, their free and prior informed consent shall be secured in accordance  
25 with their customary laws, practices and processes. The procedure to secure the FPIC of the  
26 ICCs/IPs shall be facilitated by the NCIP and the CP issuance be made pursuant to the IPRA  
27 and existing guidelines. Any violation relative thereto is subject to the penalties as provided  
28 under the existing NCIP FPIC Guidelines and shall be a ground for the cancellation of the  
29 mineral agreement.

30 **SEC. 55. *Monitoring.*** – The Council shall form a multi-partite monitoring team to  
31 monitor the contractor's compliance to the terms and conditions of the mineral agreement. It  
32 may conduct ocular inspections of the contract area at any time and inspect all the books of  
33 contractors and refer the same to independent auditors. The multi-partite monitoring team or  
34 the MGB may confiscate surety, performance and guaranty bonds posted through an order to

1 be promulgated by the Director. The Council, the Director or the local government authorities  
2 may deputize, when necessary, any member or unit of the Philippine National Police (PNP),  
3 barangay, duly registered non-government organization (NGO) or any qualified person to  
4 police any and all mining activities. The composition of the multi-partite monitoring team and  
5 multi-sectoral monitoring team shall include women from the local community and  
6 representatives from women's organizations. The monitoring framework must include gender  
7 indicators.

8 **SEC. 56. *Withdrawal from the Mineral Agreement.*** – The contractor may withdraw  
9 from the mineral agreement at any time for justifiable cause with one (1) month's notice to the  
10 MGB, the Council or the ICCs/IPs, and other government agencies as provided in this Act. The  
11 Council, in cooperation with other concerned government agencies, shall issue a clearance for  
12 withdrawal upon certifying that the contractor has complied with all its legal obligations,  
13 including the appropriate measures for mine closure and rehabilitation. Funds and bonds which  
14 have been put up by the contractor in accordance with this Act shall be forfeited.

15 **SEC. 57. *Prohibition on the Transfer of Mineral Agreements.*** – In no case shall  
16 mining rights under this Act be transferable. The contractor shall also immediately notify the  
17 Council and the MGB of any change in the ownership and/or control of the corporation and its  
18 financing program. Violation of this provision shall cause the cancellation of the mineral  
19 agreement and forfeiture of the contractor's assets in favor of the State.

## 20 CHAPTER VI

### 21 SMALL-SCALE MINING

22 **SEC. 58. *Governance of Small-scale mining.*** – Small-scale mining shall continue to  
23 be governed by the provisions of Republic Act 7076 or the “People's Small-Scale Mining Act  
24 of 1991”; *Provided*, That the Provincial or City Mining Regulatory Board shall be composed  
25 of the Governor or City Mayor, as chairperson, as the case may be, a DENR representative as  
26 co-chairperson, one (1) small scale mining representative, one (1) large-scale mining  
27 representative, one representative from an environmental non-government organization, one  
28 representative from a people's organization (PO) coming from the marginalized sector, and at  
29 least one (1) representative from the indigenous communities, whenever applicable, as  
30 members. The representatives from the private sector, nongovernment organization and  
31 indigenous communities shall be selected by their respective organizations or communities,  
32 and appointed by the PMRB or CMRB; *Provided, further*, That the conduct of small-scale  
33 mining shall also comply with the prohibitions and regulations established herein for large-  
34 scale mining. Only individuals and cooperatives may apply for a small-scale mining permit.

1           **SEC. 59. *Maximum term of small-scale mining permits.*** – The term for small-scale  
2 mining permits shall be three (3) years, extendable to a maximum of fifteen (15) years.

3           **SEC. 60. *Traditional small-scale mining within ancestral domains.*** – The Council  
4 shall conduct regular monitoring activities within its jurisdiction to determine if the provisions  
5 of relevant laws are complied with in traditional small-scale mining by ICCs/IPs within their  
6 respective ancestral domains.

7           **SEC. 61. *FPIC in small-scale mining.*** – Small-scale mining activities within any  
8 ancestral domain by any person shall also require the FPIC of ICCs/IPs.

9           **SEC. 62. *Requirement for Environmental and Social Impact Compliance Certificate.***  
10 – Small-scale mining shall likewise require an Environmental and Social Impact Compliance  
11 Certificate (ESICC). All small-scale mining applicants or proponents must show proof of  
12 compliance with the terms and conditions of its ESICC prior to the issuance of a small-scale  
13 mining permit (SSMP). Failure to submit this requirement will result in the non-issuance of the  
14 SSMP.

15           **SEC. 63. *Environmental measures in small-scale mining.*** – The State shall  
16 immediately address the environmental and health hazards and problems in small-scale mining,  
17 including the use of mercury, cyanide and other chemicals, in the amalgamation of gold by  
18 small-scale miners.

19           The MGB shall immediately conduct research to focus on developing and promoting  
20 appropriate, clean, efficient, culturally-sensitive and industrially-viable technologies that shall  
21 mitigate the environmental and health effects of mercury and cyanide use and eventually  
22 replace the current practice. Mercury use in small-scale mining shall be prohibited. The Bureau  
23 shall research, develop and actively promote appropriate technologies in small-scale mining  
24 including labor-intensive methods, environmental protection and physical techniques of gold  
25 extraction among small-scale miners.

26           **SEC. 64. *Monitoring small-scale mining.*** – A multi-sectoral monitoring team shall be  
27 organized by the Council to monitor SSMP permittees' compliance with the terms and  
28 conditions of their respective SSMPs and ESICCs. The team shall conduct ocular inspections  
29 of SSMP areas at any time and shall have visitorial powers.

30           **SEC. 65. *Livelihood support.*** – The State shall support the improvement of the  
31 livelihood of small-scale-miners by extending services for access to other more viable and  
32 sustainable forms of livelihood, and, if the same is not possible, the following support services:

33           A. access to minerals markets and to financing;

- 1 B. facilitating partnership with mining companies or contractors by, among others,  
2 requiring mining companies to buy tailings from small-scale mining operations for  
3 further processing or recycling;
- 4 C. facilitating partnerships among small-scale mining cooperatives; and
- 5 D. other incentives to attract informal small-scale miners to formalize their status.

6 **SEC. 66. *Buying stations.*** – The *Bangko Sentral ng Pilipinas* shall ensure that buying  
7 stations acquire gold from small-scale traders at prevailing international gold market prices and  
8 the prevailing exchange rate set by the BSP Treasury Department on a daily basis.

## 9 CHAPTER VII

### 10 QUARRY RESOURCES

11 **SEC. 67. *Quarry resources within ancestral domains.*** – Gathering of quarry resources,  
12 sand and gravel, guano and other organic fertilizer materials, and gemstones within ancestral  
13 domains shall likewise be subject to the FPIC of ICCs/IPs. ICCs/IPs and the government shall  
14 be entitled to ten percent (10%) of royalties depending on whether the resources are found  
15 inside or outside ancestral domains. Permits shall have a term of five (5) years, renewable for  
16 like period but not to exceed a total term of twenty (20) years, and, only at a maximum surface  
17 area of five (5) hectares.

18 **SEC. 68. *Quarry Permit.*** – Any qualified Filipino may apply for a quarry permit on  
19 privately- owned lands and ancestral domains and public lands for building and construction  
20 materials such as marble, basalt, andesite, conglomerate, tuff, adobe, granite, gabbro,  
21 serpentine, inset filling materials, clay for ceramic tiles and building bricks, pumice, perlite and  
22 other similar materials that are extracted by quarrying from the ground at the provincial/city  
23 mining regulatory board.

24 The provincial governor shall grant the permit after the applicant has complied with all  
25 the requirements as prescribed by the rules and regulations set forth by this Act. Provided that  
26 gathering/extraction of sand for its metallic contents such as magnetite from the country's rivers  
27 and shorelines shall be require a mineral agreement in lieu of a quarry permit.

28 The maximum area which a qualified person may hold at any one time shall be limited  
29 to a surface area of five hectares (5 has.) Provided, That in large-scale quarry operations  
30 involving cement raw materials, marble, granite, sand and gravel and construction aggregates,  
31 a qualified person and the government may enter into a mineral agreement as defined herein.

32 A quarry permit shall have a term of five (5) years, renewable for like periods but not  
33 to exceed a total term of twenty (20) years. No quarry permit shall be issued or granted for any  
34 area that is covered by a mineral agreement.

1           **SEC. 69. Quarry fees and taxes.** – A quarry permittee shall pay quarry fees as provided  
2 for under the implementing rules and regulations. The permittee shall also pay excise taxes as  
3 provided by pertinent laws.

4           **SEC. 70. Cancellation of quarry permit.** – A quarry permit may be cancelled by the  
5 provincial governor for violations of the provisions of this Act, its implementing rules and  
6 regulations or the terms and conditions of said permit: *Provided*, That before the cancellation  
7 of such permit, the holder thereof shall be given the opportunity to be heard in an investigation  
8 conducted for the purpose.

9           **SEC. 71. Commercial sand and gravel permit.** – Any qualified person may be granted  
10 a permit by the provincial governor to extract and remove sand and gravel or other loose or  
11 unconsolidated materials outside ancestral domains which are used in their natural state,  
12 without undergoing processing from an area of not more than five hectares (5 has.) and in such  
13 quantities as may be specified in the permit.

14           **SEC. 72. Industrial sand and gravel permit.** – Any qualified person may be granted  
15 an industrial sand and gravel permit by the MGB for the extraction of sand and gravel and other  
16 loose or unconsolidated materials outside ancestral domains that necessitate the use of  
17 mechanical processing covering an area of not more than five hectares (5 has.) at any one time.  
18 The permit shall have a term of three (3) years, renewable for a like period but not to exceed a  
19 total term of twenty (20) years.

20           **SEC. 73. Exclusive sand and gravel permit.** – Any qualified person may be granted an  
21 exclusive sand and gravel permit by the provincial governor to quarry and utilize sand and  
22 gravel or other loose or unconsolidated materials from public lands for his own use, *Provided*,  
23 That there will be no commercial disposition thereof.

24           **SEC. 74. State gratuitous permit.** – Any government entity or instrumentality may be  
25 granted a gratuitous permit by the provincial governor to extract sand and gravel, quarry or  
26 loose unconsolidated materials outside ancestral domains needed in the construction of  
27 building and/or infrastructure for public use or other purposes over an area of not more than  
28 two (2) hectares for a period co-terminus with the said construction.

29           **SEC. 75. Private Gratuitous Permit.** – Any owner of land may be granted a private  
30 gratuitous permit by the provincial governor to extract sand and gravel, quarry or loose  
31 unconsolidated materials within the said private property.

32           **SEC. 76. Guano permit.** – Any qualified Filipino may be granted a guano permit by  
33 the provincial governor to extract and utilize loose unconsolidated guano and other organic  
34 fertilizer materials in any portion of a municipality where said person has an established

1 domicile outside ancestral domains. The permit shall be for specific caves or for confined sites  
2 with locations verified by the DENR field officer in accordance with existing rules and  
3 regulations: *Provided*, That extraction does not violate and is consistent with the provisions of  
4 existing laws, rules and regulations, such as the Wildlife Life Act, among others.

5 **SEC. 77. *Gemstone gathering permit.*** – Any qualified Filipino may be granted a  
6 non-exclusive gemstone gathering permit by the provincial governor to gather loose stones  
7 useful as gemstones in rivers and other locations outside ancestral domains.

8 **SEC. 78. *Council recommendation for approval.*** – No permit under Chapter VII of  
9 this Act shall be issued without the recommendation of the Multi-Sectoral Mineral Council  
10 prior to approval by the provincial government unit.

## 11 **CHAPTER VIII**

### 12 **TRANSPORT, SALE AND PROCESSING OF MINERALS**

13 **SEC. 79. *Ore transport permit.*** – A permit specifying the origin and quantity of non-  
14 processed mineral ores or minerals shall be required for their transport.

15 In the case of mineral ores or minerals being transported from the areas declared as  
16 *Minahang Bayan* to custom mills or processing plants, the *Minahang Bayan* Council concerned  
17 shall formulate their own policies to govern such transport of ores produced by small-scale  
18 mining cooperatives.

19 Transport permits shall be issued by the MGB. The absence of a permit shall be  
20 considered as prima facie evidence of illegal mining and shall be sufficient cause for the  
21 confiscation of the ores or minerals being transported, the tools and equipment utilized, and the  
22 vehicle containing the same.

23 **SEC. 80. *Track record.*** – Only mining companies with demonstrated capacity and good  
24 environmental track record in mineral processing shall be allowed to extract minerals. The  
25 Council shall encourage contractors to put up processing plants within the community with the  
26 end in view of generating employment and developing other downstream industries.

27 **Section 81. *Mineral trading registration.*** – No person shall engage in the trading of  
28 mineral products, either locally or internationally, unless accredited by the DENR and duly  
29 registered with the Department of Trade and Industry (DTI) with a copy of said accreditation  
30 and registration submitted to the MGB.

31 **SEC. 82. *Mineral Processing Permit.*** – No individual, partnership, partnership,  
32 cooperative, corporation or other entity shall engage in the processing of minerals without first  
33 securing a minerals processing permit from the Council. Minerals processing permits shall be

1 for a period of five (5) years, renewable for like periods but not to exceed a total term of twenty-  
2 five (25) years.

3 In the case of small-scale miners, the processing of mineral ores they produce, as well  
4 as the licensing of their custom mills or processing plants, shall continue to be governed by the  
5 provisions of Republic Act No. 7076.

6 In the case of individuals, corporations, partnerships, cooperatives or other entities who  
7 are parties to a Mineral Agreement or a Financial or Technical Assistance Agreement, holders  
8 of quarry and industrial sand and gravel permits, the approved work program for the production  
9 period shall be sufficient requirement for them to process minerals in lieu of a mineral  
10 processing permit.

11 A mineral processing permit shall be for a period of five (5) years, renewable for like  
12 periods: *Provided*, That renewal shall not be allowed unless the permit holder has complied  
13 with all the terms and conditions of the permit and has not been found guilty of violation of  
14 any provision of this Act and its implementing rules and regulations.

15 After due process, a mineral processing permit may be suspended, revoked or cancelled  
16 by the DENR for violation of its terms and conditions, or of pertinent laws, rules and  
17 regulations.

18 Mineral processing shall be included in the Investment Priority plan to be prepared by  
19 the Board of Investment in accordance with Executive Order No. 226, as amended, otherwise  
20 known as the "Omnibus Investment Code of 1987" and shall always be listed as a preferred  
21 area of investment.

## 22 CHAPTER IX

### 23 DEVELOPMENT OF COMMUNITIES, SCIENCE AND TECHNOLOGY

24 **SEC. 83. *Expenditure for community development.*** – A contractor shall assist in the  
25 development of the community, and the promotion of the general welfare of its inhabitants  
26 towards sustainable development. Community development projects shall in no way decrease  
27 the obligation of the corporation with regard to royalties and fees due to communities and/or  
28 local government units. Community development projects should be consistent with the  
29 Comprehensive Land Use Plans (CLUP), Ancestral Domains Sustainable Development and  
30 Protection Plan (ADSDPP) and annual investment plans of the local governments,  
31 CADT/CALT holders, and the like.

32 **SEC. 84. *Preferential option for Filipino labor, experts and training of members of***  
33 ***the local community.*** – A contractor or permittee shall give preference to Filipino citizens in  
34 all types of mining employment within the country. Members of the local community shall be

1 trained in all aspects of the mining operations, including remining, recycling, and the  
2 management thereof. It shall employ and train 20-30% women in all aspects of mining  
3 operations keeping in mind the core labor standards and ensuring that acts of discrimination on  
4 the basis of sex and gender are not committed in recruitment, hiring, promotion, and provision  
5 of benefits.

6 **SEC. 85. *Use of indigenous goods, services and technologies.*** – A contractor shall  
7 give preference to the use of local goods, services, and the scientific and technical resources in  
8 all stages of mining operations, where the same are of equivalent quality and are available on  
9 equivalent terms as their imported counterparts.

10 **SEC. 86. *Donation or turnover of facilities.*** – Prior to the cessation of mining  
11 operations by abandonment or withdrawal of operations on public lands by the contractor, the  
12 latter shall have a period of one (1) year therefrom within which to remove improvements.  
13 Otherwise, all the infrastructure, facilities and equipment shall be turned over or donated tax-  
14 free to the proper government authorities, national or local, to ensure that said infrastructure  
15 facilities and equipment are continuously maintained and utilized by the State. A fine of one  
16 hundred thousand pesos (PhP100,000.00) shall be imposed for every day of delay.

## 17 **CHAPTER X**

### 18 **BENEFIT SHARING, TAXES AND FEES**

19 **SEC. 87. *Taxes and fees.*** – The contractor shall pay all taxes and fees as required by  
20 law, including the following:

- 21 A. contractor's income tax;
- 22 B. customs, duties and fees on imported capital equipment;
- 23 C. value-added tax on imported goods and services;
- 24 D. withholding tax on interest payments to foreign loans and on dividends to foreign  
25 stockholders;
- 26 E. documentary stamps tax;
- 27 F. capital gains tax;
- 28 G. excise tax on minerals;
- 29 H. local business tax;
- 30 I. real property tax;
- 31 J. community tax;
- 32 K. occupation fees;
- 33 L. registration, accreditation and permit fees; and
- 34 M. water usage fees.

1           **SEC. 88. *Government share.*** – Aside from the taxes and fees referred to in the  
2 preceding section, Government shall have a share equivalent or greater than ten percent (10%)  
3 of the gross revenues from the development and utilization of mineral resources that are owned  
4 by it to be set aside for the general fund of the government to be used, among others, for special  
5 projects such as energy development and generation and the management and conservation of  
6 protected areas in areas within the vicinity or adjacent to mining operations.

7           **SEC. 89. *Indigenous cultural communities' royalty.*** – In case of mineral operations  
8 within ancestral domains, the contractor shall allot at least ten percent (10%) of the gross  
9 revenues as royalty to the ICCs/IPs. Community development programs shall not be considered  
10 as royalty payment. The payment of the royalties shall directly be given to the communities in  
11 a process that build on the ICCs/IPs' traditional and customary laws: *Provided*, That the royalty  
12 established in this Act shall be free from any external manipulation, interference, coercion, and  
13 other analogous acts, and obtained after fully disclosing the intent and scope, including the  
14 positive and negative impacts of the activity, in a language and process understandable and  
15 acceptable to them.

16           **SEC. 90. *Scientific research and development fund.*** – A Scientific Research and  
17 Development Fund shall be set aside to be devoted to research and development of clean  
18 mining technologies, improvement of mining processes, mine rehabilitation, mitigating  
19 technologies, the setting up and maintenance of an independent pool of experts, and operational  
20 expenses of the MGB.

21           **Section 91. *Legal services fund.*** – A legal support fund shall be set aside for the use of  
22 the communities and local government units for cases that they may file against mining  
23 permittees or cases that may be filed against them by mining companies in trying to do their  
24 responsibility of protecting the rights of the marginalized groups, the environment and  
25 sustainable development in general.

26           **Section 92. *Local Government Unit share.*** – Local Government Units shall be entitled  
27 to a share of the net revenues from mining operations which shall be paid directly to the  
28 treasurer's office of the provincial/independent component city/highly urbanized city for  
29 distribution to other local government units. To determine the government share, the following  
30 variables shall be considered:

- 31           A. Classification of local government;  
32           B. Vulnerability; and  
33           C. Human development index.

1 A percentage of this amount shall be set aside by the respective local government units  
2 for Disaster Risk Management. This fund shall likewise benefit ICCs/IPs within the territory  
3 of the local government unit: *Provided*, That the administrative and operational expenses of  
4 the Council shall also be taken from this share.

5 **SEC. 93. *Mine wastes and tailings fees.*** – A semi-annual fee denoted as mine wastes  
6 and tailings fee is hereby imposed on all operating mining companies in accordance with the  
7 implementing rules and regulations. The mine wastes and tailings fee shall accrue to a fund to  
8 be used as support funds for the monitoring activities of the Council. The DENR Secretary is  
9 authorized to increase mine wastes and tailings fees, when public interest so requires.

10 **SEC. 94. *Incentives.*** –Incentives that shall be given to the contractors shall be limited  
11 only to pollution control or mitigation devices.

12 **SEC. 95. *Deposit of capital and profits requirement.*** – As part of their demonstrated  
13 financial capacity, all large-scale mining companies or contractors are required to deposit their  
14 capital investment and profits in banks or financial institutions that are owned, managed and  
15 operated by the Philippine government.

16 **SEC. 96. *General rule on profit repatriation.*** – Contractors with foreign financial  
17 assistance shall be allowed to repatriate their profits from mining projects that should not  
18 exceed fifty (50) percent of the total profits posted at the end of every fiscal year. Full disclosure  
19 of profits is required. The full repatriation of profits shall be allowed one year after the cessation  
20 of mining activities and the progressive rehabilitation of a mining area as specified in the  
21 mineral agreement of each contractor.

22 The guidelines for Sections 95 and 96 shall be issued by the *Bangko Sentral ng Pilipinas*  
23 and shall be furnished to the DENR, MGB, Council and all respective contractors in the  
24 industry.

## 25 **CHAPTER XI**

### 26 **SAFETY AND ENVIRONMENTAL PROTECTION**

27 **SEC. 97. *Mines safety.*** – All contractors and permittees shall strictly comply with all  
28 the rules and regulations concerning the safety and sanitary upkeep of mines and mining  
29 development.

30  
31 Government personnel involved in the implementation of mines safety, occupational  
32 health and environmental rules and regulations shall be covered under Republic Act 7305 or  
33 the “Magna Carta of Public Health Workers”.

1           **SEC. 98. *Mine workers.*** – No person under sixteen (16) years of age shall be employed  
2 in any place of mining operations and no person under eighteen (18) years of age shall be  
3 employed in a mine.

4           **SEC. 99. *Mine supervision.*** – All mining and quarrying operations that employ more  
5 than fifty (50) workers shall have at least one (1) licensed mining engineer with at least five  
6 (5) years of experience in mining operations, and one (1) registered foreman.

7           **SEC. 100. *Safety of workers.*** – All mining companies shall provide safeguards to the  
8 health and well-being of workers. The Regional Office of the Department of Labor and  
9 Employment shall inspect all mining sites within their areas of jurisdiction to determine the  
10 conditions of workers. Denial of entry shall be punishable under this Act. Representatives of  
11 trade unions shall also have visitorial rights.

12           **SEC. 101. *Mine inspection.*** – The regional directors of the MGB and the Council shall  
13 have jurisdiction over the safety inspection of all installations, surface or underground, in  
14 mining operations at reasonable hours of day or night and in a manner that shall not impede or  
15 obstruct work in progress of a contractor or permittee. Monitoring reports and  
16 recommendations of the MGB shall be submitted to the Council. Measures shall be taken to  
17 prevent gender-based violence in the mining sites.

18           **SEC. 102. *Power to issue orders.*** – The regional directors of the MGB shall, in  
19 consultation with the Environmental Management Bureau (EMB), within such time as  
20 specified in the order, require the contractor to remedy any practice connected with mining,  
21 which is not in accordance with safety and anti-pollution laws and regulations. In case of  
22 imminent danger to life or property, the MGB Director may summarily suspend the mining  
23 operation until the danger is removed, or appropriate measures are taken by the contractor.  
24 Unreasonable delay to remove the danger or introduce the necessary improvements by the  
25 contractor shall be a cause for the cancellation of the mineral agreement.

26           **SEC. 103. *Report of incidents and accidents.*** – In case of any incident or accident,  
27 causing or creating the danger of loss of life or serious physical injuries, the person in charge  
28 of operations shall immediately report the same to the regional office where the operations are  
29 situated. Failure to report the same without justifiable reason shall be cause for the imposition  
30 of administrative sanctions prescribed in the rules and regulations implementing this Act.  
31 Incidents of gender-based violence shall also be reported.

32           **SEC. 104. *Environmental Protection.*** – Every contractor shall undertake an  
33 environmental protection and enhancement program covering the period of the mineral  
34 agreement or permit. Such environmental program shall be incorporated in the work program

1 which the contractor or permittee shall submit as an accompanying document to the application  
2 for a mineral agreement or permit. The work program shall include not only plans relative to  
3 mining operations but also for the rehabilitation, regeneration, revegetation and reforestation  
4 of mineralized areas, slope stabilization of mined-out and tailings covered areas, aquaculture,  
5 watershed development and water conservation; and socioeconomic development.

6 **SEC. 105. *Environmental Impact Assessment (EIA)*.** – Except during the exploration  
7 period of a mineral agreement or an exploration permit, an environmental clearance certificate  
8 shall be required based on an environmental impact assessment and procedures under the  
9 Philippine Environmental Impact Assessment System, including Sections 26 and 27 of the  
10 Local Government Code of 1991 which require national agencies to maintain ecological  
11 balance, and prior consultation with the local government units, nongovernmental and people's  
12 organizations and other concerned sectors of the community: *Provided*, That a completed  
13 ecological profile of the proposed mining area shall also constitute part of the environmental  
14 impact assessment.

15 POs and NGOs shall be allowed and encouraged to participate in ensuring that  
16 contractors or permittees shall observe all the requirements of environmental protection.

17 **SEC. 106. *Environmental Insurance*.** – Contractors and mineral processing permit  
18 holders shall be obliged to execute an insurance contract as environmental assurance for each  
19 and every source of pollution or disaster, relative to the worst-case scenario costs, following  
20 accepted actuarial standards, *Provided*, That in no way shall this provision be construed as to  
21 remove or reduce the liability of the contractors or permit holders to compensate any damage  
22 caused by their operations; *Provided, further*, That the insurer shall be an accredited  
23 international company in good standing.

24 Prior to the approval of the insurance contract, the DENR shall seek and consider the  
25 opinion of an independent expert as to the financial credibility of the insurer. This may also  
26 include climate risk insurance, which will protect against the loss of assets, livelihoods and  
27 even lives in the post-disaster period. It will also provide reliable and dignified post-disaster  
28 relief and incentives for preventing catastrophes. Risk insurance will also mitigate weather-  
29 affected public and private investments and economic development.

30 **SEC. 107. *Calamity, Climate and Human Rights Protection Fund*.** – Persons issued  
31 a mineral agreement shall deposit 1/12 of their gross income semi-annually in an interest-  
32 bearing account a common fund maintained by the national government which shall be used  
33 for responding to, or mitigating the effects of calamities, natural disasters and human rights  
34 violations including militarization, displacement, and forcible evacuation in any part of the

1 country in relation to mining activities: *Provided*, That in no way shall this provision be  
2 construed to remove or reduce the liability of the contractors or permit holders to compensate  
3 any damage caused by their operations.

4 This Fund shall include responses to other climate impacts to strengthen climate  
5 protection. These impacts, especially when vulnerable groups are affected, require immediate  
6 attention and should be prioritized by the fund.

7 **SEC. 108. *Performance Bond.*** – The contractor shall put up a bond in an amount  
8 equivalent to fifty percent (50%) of the projected cost of rehabilitation as validated by  
9 independent studies.

10 This amount shall be deposited in an interest-bearing account. The bond shall be  
11 forfeited in the event that the contractor shall fail or default in the rehabilitation or remediation  
12 of the mining area as included in the work plan of the contractor or abandons the mine at any  
13 time of its operations.

14 **SEC. 109. *Final Mine Rehabilitation and Decommissioning Fund.*** – Contractors and  
15 permittees shall technically and biologically rehabilitate the excavated, mined-out, tailings-  
16 covered and disturbed areas to the condition of environmental safety, as provided in the  
17 implementing rules and regulations of this Act. A mine rehabilitation fund shall be created,  
18 based on the contractor's approved work program, and shall be deposited as a trust fund in a  
19 government depository bank and used for physical and social rehabilitation of areas and  
20 communities affected by mining activities and for research on the social, technical and  
21 preventive aspects of rehabilitation. Failure to fulfill the above obligation shall mean immediate  
22 suspension or closure of the mining activities of the contractor or permittee concerned.

23 A Final Mine Rehabilitation and Decommissioning Fund (FMRDF) shall be established  
24 by each operating Contractor or Permit Holder to ensure that the full cost of the approved Final  
25 Mine Rehabilitation and Decommissioning Plan (FMRDP) is accrued before the end of the  
26 operating life of the mine- The FMRDF shall be deposited as trust fund in Government  
27 depository bank and shall be used solely for the implementation of the approved FMRDP.

28 Annual cash provisions shall be made by contractors or permit holders to a FMRDF  
29 based on the formula:

30 *Annual provision Cost of Implementing the Approved FMRIDP x Percentage Required*  
31 *per Table I*

32 Based on the expected mine life, the initial annual cash provision shall be made to the  
33 MRF Committee within sixty (60) days from the date of the FMRIDP's approval and every  
34 anniversary date thereafter; *Provided*, That, on application by the contractor or permit holder,

1 the MIRF Committee may allow a later date for the payment of the first annual provision.  
2 Failure to fulfill the above obligation shall mean immediate suspension or closure of the mining  
3 activities of the contractor or permittee concerned.

4 Mining firms are also mandated to immediately restore and replant areas that they have  
5 already finished excavating as they move on to other development sites: *Provided, however,*  
6 That if mining firms cannot do reforestation in their immediate area they could do the  
7 reforestation in other areas provided they comply with 100:1 hectare ratio. Any mining firm  
8 found to have violated or have not complied with the foregoing mandatory provisions shall be  
9 held liable with the penalty of revocation of their mining permits and payment of a fine of not  
10 less than One Million Pesos (P 1,000,000). The owners, officers and management employee of  
11 said mining firms shall also be held liable and be subject to imprisonment of not less than one  
12 year not more than three (3) years.

13 Mining companies should not only restore affected areas to their previous condition,  
14 but rather should also improve these areas' climate resiliency in light of projections of  
15 worsening climate impacts. Further, mining companies shall include in their rehabilitation  
16 plan facilitating the transition to green economy models (GEMs). This will ensure that  
17 community members, including those whose livelihoods may have been affected by the  
18 mining operations and previous employees of the mining company, will have sustainable jobs  
19 even after closure of mining operations. Moreover, it will create green jobs that will  
20 contribute to the further rehabilitation and protection of the mine-degraded areas.

21 **SEC. 110. *Progressive rehabilitation.*** – Contractors shall also conduct progressive  
22 rehabilitation activities.

23 **SEC. 111. *Adoption of the precautionary principle.*** – When an activity related to  
24 mining raises threats of harm to public health or the environment, precautionary measures shall  
25 be taken proactively even if some cause and effect relationship have yet to be scientifically  
26 established of which the mining proponent and the MGB shall also be obliged to disclose  
27 publicly.

28 **SEC. 112. *Adoption of "polluter pays" principle.*** – Polluters shall pay for the damage  
29 they cause to the environment. The amount of damages shall be determined by accredited  
30 independent consultants, to be chosen from a list and agreed upon by both the mining proponent  
31 and by the Council.

32 **SEC. 113. *Tailings impoundment.*** – Tailings impoundments shall be built away from  
33 critical watershed drainage areas. Furthermore, it shall be ensured impoundments will not  
34 endanger critical watershed areas and low-lying valleys in the event of accidents under

1 abnormal conditions. Tailing impoundments and dams shall meet the international standards  
2 for large dams.

3 **SEC. 114. *Dumping of waste.*** – Dumping of waste or tailings in any body of water  
4 shall be prohibited. Provisions of Republic Act No. 9275, or the “Clean Water Act of 2004”  
5 and Republic Act No. 8749 or the “Philippine Clean Air Act of 1999” shall be strictly  
6 implemented.

7 **SEC. 115. *Use of toxic chemicals and methods.*** – At all times, mining contractors shall  
8 use chemicals or reagents which would result to the least environmental and social destruction.  
9 The use of mercury and cyanide for the extraction of gold, silver and other minerals shall be  
10 prohibited. The use of blow torching to separate gold from amalgam shall likewise be  
11 prohibited.

12 **SEC. 116. *Preservation of topsoil.*** – The removed topsoil, or the more productive  
13 horizons of the soil shall be preserved for other uses.

14 **SEC. 117. *Priority use for water.*** – The National Water Resources Board (NWRB)  
15 shall investigate any existing use of water resources in the area whether or not covered by any  
16 existing water permit or registration. Upon determination of any existing use, the applicant  
17 shall procure the consent of all water users and/or the FPIC of ICCs/IPs with or without water  
18 permits within the same groundwater network or any downstream users of water resources. In  
19 all instances, priority shall be given to use of water for domestic, municipal, and agricultural  
20 purposes. If potential negative impact on other water users is identified, the water permit shall  
21 not be granted. For water resources within the ancestral domain of indigenous peoples, no water  
22 permit shall be granted by the NWRB without the FPIC of the indigenous peoples.

23 **SEC. 118. *Recycling of water resources.*** – Water used in mining operations shall be  
24 recycled. Mining contractors shall be required to provide for the methods and equipment for  
25 the recycling or reuse of water. Released contaminated water shall be treated accordingly to  
26 meet national standards. Released water must at least be equivalent in quality to the baseline  
27 water quality.

28 **SEC. 119. *Water user's fee.*** – A water user's fee that reflects the value of water to the  
29 country and community shall be imposed by the Council for water used in mining operations.

30 Contractors shall pay the fee to the NWRB which shall use the same for monitoring and  
31 improvement of the affected waterways and systems and the mitigation of negative impacts  
32 thereon to ensure that communities shall have access to clean water.

33 **SEC. 120. *Prohibition from using acid-generating waste rock for infrastructure.*** –  
34 The use of acid-generating waste rock to build roads, dams or other infrastructures is

1 prohibited. The use of such materials shall only be used after treatment to neutralize the effect  
2 of acid mine drainage.

3 **SEC. 121. *Establishment of a prediction and monitoring system.*** – The MGB shall  
4 establish a prediction and monitoring system to identify potential acid-producing materials and  
5 monitor their production of acid waste.

6 **SEC. 122. *Avoidance of waterways.*** – Open pits, waste rock piles and tailings  
7 impoundments shall not be built near or on waterways to prevent contact and subsequent acid  
8 production and groundwater contamination.

9 **SEC. 123. *Remining.*** – Remining shall be prioritized over the opening of new mines  
10 to maximize and recover the remaining minerals from the rejects or wastes of previous mines  
11 and mining operations, *Provided*, That remining operations shall follow the processes,  
12 standards, parameters and guidelines set for mining operations in this Act.

13 **SEC. 124. *Suits after the termination of contracts or projects.*** – Recognizing that the  
14 effects of mining may be seen or felt, actions relating to the health of affected communities or  
15 peoples, environmental degradation and other similar effects may be maintained against the  
16 project proponent and/or persons even after the mineral agreement or mining project has  
17 terminated.

## 18 **CHAPTER XII**

### 19 **RESOLUTION OF CONFLICTS**

20 **SEC. 125. *Panel of Arbitrators.*** – There shall be a panel of arbitrators in the regional  
21 offices of the DENR composed of three (3) members, two (2) of whom must be members of  
22 the Philippine Bar in good standing, and one a licensed mining engineer or a professional in a  
23 related field, and duly designated by the DENR Secretary as recommended by the MGB  
24 Director. Those designated as members of the panel shall serve as such in addition to their work  
25 in the DENR without receiving any additional compensation. As much as practicable, said  
26 members shall come from the different bureaus of the DENR in the region. The presiding  
27 officer thereof shall be selected by the drawing of lots. His tenure as presiding officer shall be  
28 on a yearly basis. The members of the panel shall perform their duties and obligations in  
29 hearing and deciding cases until their designation is withdrawn or revoked by the DENR  
30 Secretary. Within thirty (30) working days, after the submission of the case by the parties for  
31 decision, the panel shall have exclusive and original jurisdiction to hear and decide on the  
32 following:

- 1 A. Questions involving compliance with the established technical guidelines and standards  
2 herein established, or those to be established by the implementing rules and regulations  
3 of this Act;
- 4 B. Questions involving the compliance with technical procedures herein established, or  
5 those to be established by the implementing rules and regulations; and,
- 6 C. Other similar instances wherein the technological and technical expertise of the DENR  
7 shall be needed.

8 Disputes involving real rights, contractual obligations and other causes of action that  
9 are not in any way connected with the abovementioned scope of jurisdiction shall be under the  
10 jurisdiction of the regular courts or as otherwise provided by other special laws: *Provided*, That  
11 disputes pending before the MGB and the DENR at the date of the effectivity of this Act shall  
12 undergo an immediate review within sixty (60) working days upon the passage of this Act to  
13 determine the cause of action. Those which are outside the technical expertise of the DENR or  
14 MGB shall be refiled with the appropriate court, without costs to the complainant or petitioner.  
15 All Decisions or orders to stop mining operations or to clean or rehabilitate mining operations  
16 and surrounding communities shall be immediately executory.

17 **SEC. 126. *Appeal.*** – The decision or order of the panel of arbitrators may be appealed  
18 by the party not satisfied thereto to the Mines Adjudication Board within fifteen (15) days from  
19 receipt thereof, which must decide the case within thirty (30) days from submission thereof for  
20 decision.

21 **SEC. 127. *Mines Adjudication Board (MAB).*** – The Mines Adjudication Board shall  
22 be composed of three (3) members. The DENR Secretary shall be the Chairperson while the  
23 MGB Director and the Undersecretary for Operations of the DENR shall serve as the members  
24 thereof. The Board shall have the following powers and functions:

- 25 A. promulgate rules and regulations governing the hearing and disposition of cases  
26 before it, as well as those pertaining to its internal functions, and such rules and  
27 regulations as may be necessary to carry out its functions;
- 28 B. administer oaths, summon parties to a controversy, issue subpoenas requiring the  
29 attendance and testimony of witnesses or the production of such books, papers,  
30 contracts, records, statement of accounts, agreements, and other documents as may  
31 be material to a just determination of the matter under investigation, and to testify  
32 in any investigation or hearing conducted in pursuance of this Act;
- 33 C. conduct hearings on all matters within its jurisdiction, proceed to hear and  
34 determine the disputes in the absence of any party thereto who has been summoned

1 or served with notice to appear, conduct its proceedings or any part thereof in public  
2 or in private, adjourn its hearings at any time and place, refer technical matters or  
3 accounts to an expert and to accept his report as evidence after hearing of the parties  
4 upon due notice, direct parties to be joined in or excluded from the proceedings,  
5 correct, amend, or waive any error, defect or irregularity, whether in substance or  
6 in form, give all such directions as it may deem necessary or expedient in the  
7 determination of the dispute before it, and dismiss the mining dispute as part  
8 thereof, where it is trivial or where further proceedings by the Board are not  
9 necessary or desirable:

10 1. To hold any person in contempt, directly or indirectly, and impose  
11 appropriate penalties therefor; and

12 2. To enjoin any or all acts involving or arising from any case pending  
13 before it which, if not restrained forthwith, may cause grave or irreparable damage  
14 to any of the parties to the case or seriously affect social and economic stability.

15 In any proceeding before the Board, the rules of evidence prevailing in courts of law or  
16 equity shall not be controlling and it is the spirit and intention of this Act that shall govern. The  
17 Board shall use every and all reasonable means to ascertain the facts in each case speedily and  
18 objectively and without regard to technicalities of law or procedure, all in the interest of due  
19 process and social justice. In any proceeding before the Board, the parties may be represented  
20 by legal counsel. The findings of fact of the Board shall be conclusive and binding on the  
21 parties and its decision or order shall be final and executory.

22 A petition for review by certiorari and question of law may be filed by the aggrieved  
23 party with the Court of Appeals within thirty (30) days from receipt of the order or decision of  
24 the Board.

25 **SEC. 128. *Exceptions.*** – In no case, however, shall the following cases be subject to  
26 arbitration:

27 A. Cases wherein a mining application was already dismissed or vetoed as provided  
28 under Sec. 41 of this Act;

29 B. Cases which involve criminal liability;

### 30 **CHAPTER XIII**

#### 31 **ACCESS TO JUSTICE**

32 **SEC. 129. *Human Rights obligations.*** – Corporations shall respect, protect and  
33 promote the human rights of communities affected by mining, including the right to life, liberty

1 and property, freedom of movement, right of public participation and the right to self-  
2 determination of indigenous cultural communities.

3       **SEC. 130. *Violations of human rights.*** – Extrajudicial killing, torture, involuntary  
4 disappearance, forcible displacement of populations, setting up of checkpoints and imposition  
5 of toll fees which impede the freedom of movement within mineral areas, deprivation of food  
6 and water sources, vote-buying and bribery for the purpose of securing consent or endorsement  
7 for the mining project, and other analogous acts are violations of human rights. Violations of  
8 human rights by contractors shall cause the immediate cancellation of mineral agreements. The  
9 offending contractor, as well as corporations having the same directors and/or officers as of the  
10 offending contractor shall be perpetually disqualified from being granted a mineral agreement.

11       All equipment and assets of the corporation or person shall be confiscated in favor of  
12 the State.

13       **SEC. 131. *Use of paramilitary and military forces.*** – All mining companies are strictly  
14 prohibited from using or funding paramilitary groups. Using private, paramilitary and military  
15 forces to threaten and harass individuals and communities shall result in the automatic  
16 cancellation of the mineral agreement and the filing of appropriate civil, criminal and/or  
17 administrative charges.

18       **SEC. 132. *Strategic Legal Action Against Public Participation (SLAPP).*** – SLAPP is  
19 any legal action, whether civil, criminal or administrative, filed to harass, vex, exert legal action  
20 or stifle legal recourses of citizens complaining against violations of this Act or enforcing the  
21 provisions of the Act, or exercising their freedom of assembly or right of public participation.  
22 On motion that alleges that the action is a SLAPP, the investigating prosecutor or court shall  
23 immediately determine within a period of thirty (30) days from filing thereof whether a legal  
24 action is a SLAPP and accordingly dismiss the same.

25       **SEC. 133. *Indigents suit.*** – Indigents shall be exempt from payment of any  
26 administrative or court fees, including docket fees for the filing of a case. Lawyers shall be  
27 provided by the Public Attorney's Office to pauper litigants in case they could not afford legal  
28 services.

29       **SEC. 134. *Application of the customary laws of ICCs/IPs.*** – The contractor shall  
30 respect the customary laws of the ICCs/IPs and ensure that such laws shall be adhered to.  
31 Provided, That, in applying this provision in relation to other national laws, as well as in  
32 resolving disputes, the integrity of the ancestral domains, culture, values, practices, institutions,  
33 customary laws and traditions of the ICCs/IPs shall be given primacy. Interpretation of this  
34 provision shall be resolved in favor of ICCs/IPs.



- 1 B. Violation of the Terms and Conditions of Permits or Agreements. Any act or  
2 omission contrary to what is stipulated in the exploration permit, mining agreements  
3 and other contracts shall cause the immediate revocation and termination of the said  
4 permit or agreement. Likewise, any person who knowingly presents any false  
5 application, declaration, or evidence to the Government or publishes or causes the  
6 publication of any prospectus or other information containing any false statement  
7 relating to mines, mining operations or mineral agreements and permits shall, upon  
8 conviction, not only cause the immediate revocation and termination of the said  
9 permit or agreement, but shall also be penalized by a fine of not exceeding One  
10 Hundred Thousand Pesos (P100,000.00).
- 11 C. Human rights violations perpetrated by the contractor or any of its agents;
- 12 D. Failure to pay the taxes and fees provided forth in this Act;
- 13 E. Bribery, use of force, intimidation, threat, coercion of public officials and  
14 communities;
- 15 F. Any act that shall create or contribute to conflicts between community members;  
16 and
- 17 G. Other analogous acts, *Provided*, That violations of Chapter XI of this Act shall  
18 cause the immediate cancellation of mining permits, including but not limited to  
19 provisions of this Act, and the contractor shall be required to pay for the  
20 rehabilitation, restoration or clean-up of the impacts of such violations.

21 Corporations, corporate directors or officers found guilty of the above enumeration  
22 shall be perpetually banned for participating directly or indirectly in any and all mining  
23 operations in the Philippines.

24 **SEC. 139. *Illegal exploration.*** – Any person undertaking exploration work, upon  
25 conviction, shall be penalized by a fine of not exceeding Five Million pesos (P5,000,000.00).

26 **SEC. 140. *Theft of minerals.*** – Any person, except traditional miners and small-scale  
27 panners, extracting minerals and disposing the same without a mining agreement, lease, permit,  
28 license; or steals minerals or ores or the products thereof from mines, mills or processing plants  
29 shall, upon conviction, be imprisoned from six (6) months to six (6) years or pay a fine from  
30 One Hundred thousand pesos (P100, 000.00) to One Million pesos (P1, 000,000.00) or both, at  
31 the discretion of the appropriate court. In addition, the person shall be liable to pay damages  
32 and compensation for the minerals removed, extracted, and disposed of. In the case of  
33 associations, partnerships, or corporations, the president and each of the directors thereof shall  
34 be responsible for the acts committed by such association, corporation, or partnership.

1           **SEC. 141. *Vitiating of FPIC.*** – Any person found to have vitiated the consent of the  
2 ICCs/IPs through bribery, threat, force, and/or intimidation, or any other similar means, shall  
3 suffer the penalty of six (6) years and one (1) day to ten (10) years in prison, and a fine of at  
4 least two million pesos (₱2,000,000.00). If the perpetrator is a government official, the penalty  
5 shall be eight (8) years and one (1) day to twelve (12) years imprisonment, and a fine of at least  
6 four million pesos (₱4,000,000.00). He/she shall be perpetually prohibited from assuming  
7 public office, and shall be disqualified from receiving other benefits by virtue of his/her  
8 position in government.

9           **SEC. 142. *Penalty for human rights violations.*** – Contractors or other persons who  
10 have committed human rights violations in connection with the mining operations shall be  
11 penalized with ten (10) to fourteen (14) years imprisonment and a fine of at least five million  
12 pesos (₱5,000,000.00) and shall indemnify the victims.

13           **SEC. 143. *Abandonment.*** – Contractors or permittees who shall abandon mines shall  
14 be perpetually banned or disqualified from directly or indirectly conducting mining operations.  
15 The ban or disqualification shall include the officers and directors of corporations that have  
16 abandoned mines.

17           **SEC. 144. *Confiscation of equipment and property.*** – The equipment and property of  
18 contractors and permit holders violating this Act shall be forfeited in favor of the State.

19           **SEC. 145. *Non-application of the corporate veil.*** – Any person violating the provisions  
20 of Commonwealth Act No. 108, as amended, or is found to have used the corporate structure  
21 to defeat the provisions of this Act shall suffer the penalty of five million pesos (₱5,000,000.00)  
22 and a perpetual ban in the mining industry.

23           **SEC. 146. *Unauthorized dealing, selling, or buying of gold.*** – Any person, partnership  
24 or corporation who shall sell, buy or in any manner deal gold from any miner or person without  
25 being duly authorized by the *Bangko Sentral ng Pilipinas* shall be punished as unauthorized  
26 dealing and shall be penalized in accordance with Section 138 of this Act.

27           **SEC. 147. *Amendment to Section 27 of Republic Act 7076 or the Small-scale Mining***  
28 ***Act.*** – Violations of the provisions of Republic Act 7076 or of the rules and regulations issued  
29 pursuant hereto shall be penalized with imprisonment of six years and one day to twelve years.  
30 The State shall confiscate and seize equipment, tools and instruments; effect immediate  
31 suspension or closure of the mining activities of the permittee concerned, and revoke the  
32 permit.

33



1           **SEC. 154. Appropriations.** –The amount of One Hundred Billion Pesos  
2 (₱100,000,000,000) is hereby appropriated for the proper functioning of the Bureau, the  
3 Council, and other bodies established under this Act of which half of the said amount shall be  
4 allotted for the baseline mineral exploration activities of the MGB.

5           **SEC. 155. Implementing Rules and Regulations.** – Within ninety (90) days from the  
6 effectivity of this Act, the Secretary of the Department of Environment and Natural Resources  
7 shall, in consultation with representatives from the NCIP, LGUs, NGOs, POs, indigenous  
8 peoples organizations, sectoral organizations, and other concerned government agencies, issue  
9 rules and regulations for the effective implementation of this Act.

10           **SEC. 156. Separability Clause.** – If any section or provision of this Act is held  
11 unconstitutional or invalid, the remaining sections or provisions with the provisions not  
12 affected thereby shall continue to be in full force and effect.

13           **SEC. 157. Repealing Clause.** – All laws, decrees, executive orders, rules and  
14 regulations, issuance or parts thereof inconsistent with this Act are hereby repealed or modified  
15 accordingly.

16           **SEC. 158. Effectivity.** – This Act shall take effect fifteen (15) days after its publication  
17 in the *Official Gazette* or in a newspaper of general circulation.

18  
19           Approved,