



Republic of the Philippines
House of Representatives
Quezon City

Hon. WALDEN F. BELLO

Representative
AKBAYAN Party-List

For more info, please contact Sabrina @ 09178386944

Sponsorship Speech for House Bill 6342 The Alternative Mining Bill
Committee on Natural Resources
September 9, 2009

Chairperson, honorable colleagues, and guests, Akbayan firmly believes that the threats large scale mining pose to the welfare of communities, our people, and the environment greatly outweigh the economic benefits trumpeted by the magnates behind this destructive pursuit.

In Occidental Mindoro, the Municipality of Sablayan is one of the major rice- and corn-producing areas in the province. Any major mining activity would gravely damage the agriculture production and socio-economic conditions in the area. Thus, Sablayan's 22 barangays and its *Sangguniang Bayan* are opposed to Aglubang's mining operations, as expressed through their respective resolutions and through municipal and provincial ordinances.

Equally urgent is the case of Oriental Mindoro, third in the ranking of provinces producing the most food in the country, and known as the food basket of the southern Luzon region. Despite staunch local opposition, Intex Resources attempts to open a nickel mine, the proposed site of which is located within a critical watershed area responsible for the irrigation of 70% of the province's vital rice fields and fruit plantations.

The battle of these provinces against large-scale mine operations is not an isolated case. Local governments and communities are battling irresponsible mining companies all over the country.

We in Akbayan criticize the government's policies that intend to revitalize the mineral industry. The liberal interpretation and implementation of the Mining Act of 1995 (Republic Act 7942), Executive Order-270-A, and the National Minerals Action Plan (both issued in 2004) have shifted the Government's policy from 'tolerance' to 'aggressive promotion' of large-scale mining in the country. These policies legitimized 100% foreign ownership and provided overly zealous fiscal and non-fiscal incentives that attracted big mining investors and promoted an export-oriented mining industry. What confronts us now is the reckless exploitation of our mineral resources; the 'real value of land' to the Filipino people is undermined.

The Philippines is third in gold, fourth in copper, fifth for nickel and sixth in chromite in the world for mineral reserves.

It is considered blessed with millions of tons worth of precious minerals (metallic and non-metallic) beneath its soil valued at US \$3 trillion – a very “promising” source of income eyed by government to significantly contribute to our country’s goal to alleviate poverty and achieve sustainable development. However, despite government’s aggressive promotion of large-scale mining, statistical and economic data across time (1974-2007) tell us that mining has never contributed more than 2 percent of the gross domestic product (GDP).

In 2006 to 2008 the Mining and Quarrying sector represents an average of 1% of the Philippine GDP. This pales in comparison to the contribution of other land and water dependent sectors like Agriculture, which on the average accounts for 16% of our nation’s wealth. From 2000 to 2008 Mining and Quarrying represents only an average of 0.3% of the national labor force, while the Agriculture sector is responsible for 35% of the employment of the nation’s labor force.

Akbayan suggests we end the aggressive promotion of large-scale mining as the solution to our nation’s fiscal problems. Especially because of the global financial crisis (GFC), the prices for metals apart from gold are expected to fall and mining companies are already experiencing funding difficulties, even the Government’s investment target this year has been scaled down from about \$1 billion to \$800 million in March, to \$650 million just recently.

Moreover, the Philippines, due to its geography and topography and poor regulatory regime, is prone to mining disasters and other environmental problems; tailings waste pollution has contaminated at least 14 major river systems in the country, abandoned mines are now showing signs of acid mine drainage. We have also experienced environmentally devastating mining disasters such as the 1996 Marcopper tragedy in Marinduque, which killed marine life in the 26-kilometer waterway and flooded farmlands and villages along its banks, leaving a clean-up cost of US\$80 million.

With no strong environmental safeguards, the proliferation of more large-scale mines will definitely exacerbate the country’s poor environmental status. The principal mining method applied in the Philippines, open pit mining, spells disaster for 60% of protected, critical ecosystem areas and threatens what remains of our country’s less than 20% forest cover. There are reportedly 857 abandoned mines scattered across the nation, we would need up to Php 100 million to completely rehabilitate each.

Akbayan also emphasizes that socio-political disputes surrounding mining operations are non-negligible. Mining companies are notorious for using paramilitary forces and other cases of human rights violations.

Reckless mining has also dislocated indigenous peoples and caused the loss of their livelihood. In fact, the United Nations Committee on the Elimination of Racial Discrimination (UN CERD) has expressed concern that the Indigenous People’s Rights Act (IPRA) is significantly undermined by the Mining Act of 1995.

All these attest to the inadequacy of policies, principles, and provisions of the Mining Act of 1995 to effectively respond to the needs of the Filipino people. Thus Akbayan seeks to replace the current mining law with the bill before this committee. With the support of our allies in congress, and the Catholic Bishops Conference of the Philippines, among others, we intend to:

- guarantee that the exploration, development and utilization of mineral resources are primarily for the benefit of the Filipino people;
- prioritize more viable and more sustainable livelihood choices for communities, giving utmost importance to food security and livable conditions for the peoples;
- ensure that the gains from the mining industry would be maximized while preventing or mitigating its adverse effects of the same;
- recognize the issue of environment is local and prioritize local participation in decisions surrounding mining; and
- protect human rights of communities and individuals and impose harsh penalties for the violations there of.