



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

SIXTEENTH CONGRESS
Second Regular Session

House Bill No. 4728



Introduced by **Honorable ERLPE JOHN "PING" M. AMANTE**

EXPLANATORY NOTE

This Bill seeks to amend certain provisions of Republic Act No. 7942 otherwise known as the Philippine Mining Act of 1995 particularly on the mandatory domestic processing of mineral ores.

The Philippines is endowed with rich natural resources which includes among others rich mineral reserve which is a big potential to the growing sector of mining industry. The country's estimated mineral reserves are placed at about 14.5 Billion Metric tons of metallic minerals and about 67.6 Billion Metric tons of non-metallic minerals which are estimated to be One Trillion Dollar industry. The Philippines is said to be the Fifth richest country in mineral reserves.

This measure will impose a complete ban on the export of unprocessed mineral ores to encourage the growth and develop the capability of mineral processing industry in the country.

Among the positive attributes and significant contribution of this measure is the increase in the domestic revenue which will be a big impact the economic growth of the country. It will encourage investments mainly on the mineral processing sector which in turn creates and offers more jobs and provides increase in the domestic revenues through taxes and duties.

The establishment of mineral processing plants is also seen to be one of the major drivers towards economic growth because the transformation of the extracted primary mineral or the mineral ores to a higher quality and quantity of the processed minerals will result to the value-adding of the minerals. Value-adding approach in mineral processing refers to the enhancement of the quality and quantity of the minerals through different stages and ranges of processing activity, thus, stabilization and increase in prices of the output is expected.

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


ERLPE JOHN "PING" M. AMANTE



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AN ACT
PROVIDING FOR THE MANDATORY DOMESTIC PROCESSING OF ALL
MINERAL ORES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO.
7942 OTHERWISE KNOWN AS THE PHILIPPINE MINING ACT OF 1995
AND FOR OTHER PURPOSES.

Be it enacted by the Senate and the House of Representatives in session assembled:

Section 1. Section 3 (y) of Republic Act No 7942 otherwise known as "The Philippine Mining Act of 1995" is hereby amended to read as follows:

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

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

Section 53
Ore Transport Permit

A permit specifying the origin **AND DESTINATION WITHIN THE PHILIPPINES** and quantity of non-processed mineral ores or minerals shall be required for their transport. Transport permits shall be issued by the mines regional director who has jurisdiction over the area where the ores were extracted. In the case of mineral ores or minerals being transported from the small-scale mining areas to the custom mills or processing plants, the Provincial Mining Regulatory Board (PMRB) concerned shall formulate their own policies to govern such transport of ores produced by small-scale

miners. The absence of a permit shall be considered as prima facie evidence of illegal mining and shall be sufficient cause for the Government to confiscate the ores or minerals being transported, the tools and equipment utilized, and the vehicle containing the same. Ore samples not exceeding two metric tons (2 m.t.) to be used exclusively for assay or pilot test purposes shall be exempted from such requirement.

Section 3. Section 55 of Republic Act No 7942 otherwise known as "The Philippine Mining Act of 1995" is hereby amended to read as follows:

Section 55
Minerals Processing and Minerals Processing Permit

ANY MINERAL ORES EXTRACTED UNDER THE PROVISIONS OF THIS ACT SHALL BE PROCESSED WITHIN THE COUNTRY. NO PERSON GRANTED WITH PERMIT FOR PURPOSES OF MINING OPERATION SHALL BE ALLOWED TO EXPORT, THE UNPROCESSED MINERAL ORES TO OTHER COUNTRY FOR PURPOSES OF TRADING OF MINERAL PRODUCTS.

ANY PERSON EXPORTING THE UNPROCESSED MINERAL ORES SHALL, UPON CONVICTION, BE IMPRISONED FROM SIX (6) YEARS AND ONE (1) DAY TO TWELVE (12) YEARS AND PAY THE FINE AMOUNTING TO TWICE THE VALUE OF THE SIEZED MINERAL ORES. IN ADDITION, THE CARGO CONTAINING THE UNPROCESSED MINERAL ORES SHALL BE CONFISCATED IN FAVOR OF THE STATE. IN THE CASE OF ASSOCIATIONS, PARTNERSHIPS, OR CORPORATIONS, THE PRESIDENT AND EACH OF THE DIRECTORS IN CASE OF ASSOCIATIONS AND CORPORATIONS AND ALL PARTNERS IN CASE OF PARTNERSHIPS, SHALL BE RESPONSIBLE FOR THE ACTS COMMITTED BY SUCH ASSOCIATION, PARTNERSHIP, OR CORPORATION.

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

Section 4. *Implementing Rules and Regulations.* For purposes of the implementation of this Act, the Secretary of the Department of Environment and Natural Resources shall issue such rules and regulations necessary for the effective implementation of this Act.

Section 5. *Repealing Clause* - All other laws, decrees, orders, issuances and rules and regulations or parts thereof inconsistent with this Act, are hereby repealed or modified accordingly.

Section 6. *Separability Clause* - All other provisions of Republic Act No 7942 otherwise known as "The Philippine Mining Act of 1995" not otherwise affected by the provisions of this Act shall remain in full force and effect.

Section 7. *Effectivity Clause* - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,