

**[ MGB MEMORANDUM ORDER NO. 2011-02, June 24, 2011 ]**

**IMPLEMENTING RULES AND REGULATIONS FOR THE CONDUCT OF MINING OPERATIONS IN AREAS SITUATED WITHIN THE JURISDICTION OF THE PARTIDO DEVELOPMENT ADMINISTRATION**

Pursuant to Sections 4 and 8 of Republic Act (RA) No. 7942, otherwise known as the "Philippine Mining Act of 1995", and Section 6 of Department of Environment and Natural Resources (DENR) Administrative Order (DAO) No. 2010-21, the implementing guidelines of RA No. 7942, and the pertinent provisions of RA No. 7820, otherwise known as the "Partido Development Administration Act of 1994, " and the Memorandum of Agreement executed by and between the Partido Development Administration (PDA) and the DENR through the Mines and Geosciences Bureau (MGB), the following implementing . rules and regulations are hereby promulgated for the guidance and compliance of all concerned:

*Section 1.0 Objectives*

These rules and regulations are promulgated toward the attainment of the following objectives:

- a. To promote the rational exploration, development, utilization and conservation of mineral resources in the Municipalities of Sagnay, Tigaon, Goa, San Jose, Lagonoy, Tinambac, Siruma, Presentacion, Garchitorena and Caramoan, Province of Camarines Sur; and
- b. To encourage investments in responsible mining projects in the said municipalities and thereby enhance economic growth in the localities concerned.

*Section 2.0. Authority of the DENR*

Being the primary Government agency responsible for the conservation, management, development and proper use of the State's mineral resources, including those in reservations, watershed areas and lands of the public domain, the DENR shall have the following authority, among others:

- a. To act on mining applications endorsed by the PDA-
- b. To provide PDA with data and information concerning

- mineral resources of the said municipalities of Camarines Sur;
- and
- c. To provide capability building technical assistance to PDA as the need arises.

### *Section 3.0 Authority of the PDA*

The PDA, as the corporate body under RA No 7820 shall be responsible for the acceleration of the economic development of the municipalities within its jurisdiction and shall have the following authority, among others;

- a. To act on requests for endorsement of mining applications to the DENR through the MGB;
- b. To coordinate with DENR in monitoring all mining activities in the said municipalities of Camarines Sur;
- c. To generate funds for its own operating expenses and for other programs and projects not included in the budget of the DENR and as such, in accordance with its mandated functions, may on its own or in partnership with any Qualified Person engage into any of the schemes allowed under the Mining Act and its implementing rules and regulations, for the exploration, development, utilization, and conservation of mineral resources in the areas under its jurisdiction, to accelerate development therein; and
- d. To link with other government and non-government institutions who could provide additional services/support.

### *Section 4.0. Organization and Authority of an Evaluation Committee*

The PDA and DENR shall created an evaluation committee to be composed of the following:

- a. Chair — MGB Director or his duly authorized representative;
- b. Member — Nominee of PDA; and
- c. Member — Common Nominee of the Chair and PDA Nominee.

The committee shall evaluate mining applications covering areas situated in the subject municipalities prior to endorsement for issuance of clearance by the PDA and approval by the DENR.

### *Section 5.0. Term of and Maximum Areas Allowed for Mining Contracts and Permits*

In the case of an Exploration Permit, its term shall be for a period of two (2) years from date of issuance thereof, renewable for like periods but

not to exceed a total term of four years (4) years for nonmetallic exploration or six (6) years for metallic mineral exploration; *Provided*, That no renewal of the Permit shall be allowed unless the Permittee has complied with all term and conditions thereof, and has not been found guilty of violation of any provision of the Mining Act and its implementing rules and regulations.

The maximum area that a Qualified Person may apply for or hold at any one time under an Exploration Permit shall be as follows:

a. Onshore, in any one province —

a.1 For an individual — twenty (20) blocks or approximately one thousand six hundred twenty (1,620) hectares; and

a.2 For a corporation, partnership, association or cooperative — two hundred (200) blocks or approximately sixteen thousand two hundred (16,200) hectares.

b. Onshore, in the entire Philippines —

b.1. For an individual -forty (40) blocks or approximately three thousand two hundred forty (3,240) hectares; and

b.2. For a corporation, partnership, associations or cooperatives — four hundred (400) blocks or approximately thirty-two thousand four hundred (32,400) hectares.

c. Offshore, in the entire Philippines, beyond five hundred meters (500 m) from the mean low tide level —

c.1 For an individual-one hundred (100) blocks or approximately eight thousand one hundred (8,100) hectares; and

c.2. For a corporation, partnership, association or cooperative — one thousand (1,000) blocks or approximately eighty-one thousand (81,000) hectares.

The term of and maximum area allowed for mining contracts and other mining permits shall be in accordance with the pertinent provisions of DAO No. 2010-21.

## *Requirements*

Any Qualified Person shall file the duly accomplished application form for an Exploration Permit in MGB Regional Office No. V, through payment of the required fees and subdivision of five (5) sets of the following mandatory acceptance requirements:

- a. Location map/sketch plan of the proposed permit area showing its geographic coordinates/meridional block(s) and boundaries in relation to major environmental features and other projects using a National Mapping and Resource Information Authority (NAMRIA) topographic map in scale of 1:50,000 duly prepared, signed and scaled by a deputized Geodetic Engineer;
- b. Two-Year Exploration Work Program (MGB form No. 5-4), duly prepared, signed and sealed by a licensed Mining Engineer or Geologist;
- c. Proof of technical competence in the form of —

- c.1. Duly signed curricula vitae with track records in mineral exploration and environmental management of the technical personnel who shall undertake the activities in accordance with the proposed Exploration and Environmental Work Programs, and

- c.2. Proof of employment/availed service(s) of the said technical personnel or joint sworn commitment of the mining applicant and technical personnel as to the implementation of the Work Programs;

- d. Proof of financial capability to implement the Exploration and Environmental Work Programs, as follows:

- d.1. For an individual — Copy of income tax return for the preceding year and proof of bank deposit or credit line in the amount of at least Two Million Five Hundred Thousand Pesos (Php 2,500,000.00) or

- d.2. For a corporation, partnership, association or cooperative — Latest audited financial statement and, where applicable, Annual Report for the preceding year, credit line(s), bank guarantee(s) and/or similar negotiable instruments (in addition to the minimum capitalization requirements of Ten Million Pesos (PhP 10,000,000.00) for authorized capital and Two Million Five Hundred Thousand Pesos (PhP 2,500,000.00) for paid-up capital pursuant to DENR Memorandum Order (DMO) No. 99-10, as amended);