

**[ DENR MEMORANDUM CIRCULAR NO. 2007-07,  
July 05, 2007 ]**

**CLARIFICATORY GUIDELINES IN THE IMPLEMENTATION OF THE  
SMALL-SCALE MINING LAWS**

In the interest of the service and for a harmonized implementation of the pertinent provisions of the Small-Scale Mining Laws, namely, Presidential Decree (PD) No. 1899, Establishing Small-Scale as a New Dimension in Mineral Development and Republic Act (RA) No. 7076, An Act Creating a People's Small-Scale Mining Program and For Other Purposes, these clarificatory guidelines are hereby promulgated for the guidance of a concerned:

**I. Co-existence of the Small-Scale Mining Laws**

PD No. 1899 and RA No 7076 shall continue to govern small-scale mining operations. For areas not declared as Peoples' Small-Scale Mining Area (PSSMA) under RA No. 7076, the pertinent rules and regulations of PD No. 1899 shall apply.

Mines Administrative Order No. MRD-41, Series of 1984, Department Administrative Order (DAO) No. 28 and MRDB Administrative Order Nos. 3 and 3A as provided in DAO No. 96-40, as amended, shall continue to be the implementing rules and regulations of PD No. 1899 while DAO No. 34, Series of 1992, shall continue to be the implementing rules and regulations of RA No. 7076. II. Scope of Small-Scale Mining Permits and Contracts

Small-scale mining operations in areas not declared as PSSMA shall be covered by all-Scale Mining Permits (SSMPs) issued under PD No. 1899. Small-scale mining operations in PSSMAs declared under RA No. 7076 shall be covered by Small-Scale Mining Contracts (SSMCs) pursuant to the pertinent provisions thereof.

In case where a PSSMA is declared covering SSMP areas, the term of the SSMPs, including their renewal, shall be recognized unless such SSMPs are revoked, cancelled or terminated with cause: Provided, That the SSMP shall have the option to shift to a SSMC pursuant to the provisions of DAO No. 34, Series of 1997.

**III. Term of a Small-Scale Mining Permit or Contract**

The two (2)-year term of an SSMP is renewable only once: Provided, That the pertinent application shall be filed prior to the expiration thereof, among other requirements. No SSMP shall be renewed unless its two (2)-year term is fully consumed.

In the case of an SSMC, no renewal shall likewise be granted unless its two (2)-year term is fully consumed.