

INTENSIFIED IMPERIALIST MINING, GROWING PEOPLE'S RESISTANCE

2008 Mining Situation and Struggle in the Philippines

Kalikasan People's Network for the Environment

Defend Patrimony! Alliance

September 2008



Kalikasan People's Network for the Environment and the Defend Patrimony! Alliance wish to give thanks to the Center for Environmental Concerns—Philippines (CEC-Phils) and Samahan ng Nagtataguyod ng Agham at Teknolohiya para sa Sambayanan (AGHAM) for their support; and to Katinnulong Daguiti Umili iti Amianan, Inc. (KADUAMI) for financing the publication of this paper.

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INTRODUCTION

Since the enactment of the Republic Act 7942, or the Philippine Mining Act of 1995, large-scale operations by transnational mining corporations (mining TNCs) have proliferated all over the country. These mining TNCs intend to cover the whole archipelago with their mining projects and plunder the country's mineral resources in order to rake in billions of dollars in profit.

On the one hand, the situation has been marked during the past year by intensified operations by these mining TNCs, with overwhelming support from the government. On the other hand, mining-affected communities have remained valiant and steadfast in their struggle against them, and the breadth of opposition against mining plunder continues to widen.

It is in this light that Kalikasan People's Network for the Environment (Kalikasan-PNE) and the Defend Patrimony! Alliance comes up with the 2008 Situationer on Mining in the Philippines, which will discuss the current state and development of mining liberalization, which is a great detriment to the welfare of the people and to the environment. This paper will likewise be tackling the trends and developments of the corresponding struggle against mining plunder by mining-affected communities and their supporters. Also included are Kalikasan-PNE and Defend Patrimony!'s analyses and recommendations on how to further consolidate and expand the campaign against mining TNCs and imperialist mining in the coming years. Most of the figures and statistical information discussed herein were laid out at the last section as an aid to the reader.

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OPENING SALVO IN 2008

Among the mining TNCs that own lucrative commercial mining projects in the Philippines are Lafayette, OceanaGold and Xstrata, whose projects are, incidentally, included in the Arroyo government's 23 priority mining projects, identified in 2002. Nevertheless, as the following events would prove, even priority projects of the government are not spared from the people's outrage.

In December 2007, after a series of massive protest actions against them, Australian-owned Lafayette Mining Limited, proprietor of Arroyo's flagship mining project in Rapu-Rapu, Albay, filed for voluntary administration—a technical term for near bankruptcy. Since then, it has suspended its operations and has been laden with technical and financial problems. Lafayette was later forced to sell its mining stake to Korean and Malaysian mining companies in April this year.

Meanwhile, on April 9, 2008, Gov. Luisa Cuaresma of Nueva Vizcaya

issued a cease and desist order (CDO) against OceanaGold, a New Zealand-based mining corporation operating in the town of Didipio, which was released after OceanaGold refused to pay local taxes to the provincial government. As the strife between OceanaGold and the provincial government further escalated, it eventually led to the voluntary suspension of OceanaGold's operations last June.

Resistance against mining can take on an extralegal form as well. On New Year's Day 2008, the New People's Army (NPA), armed wing of the Communist Party of the Philippines (CPP), attacked the project site of Swiss mining giant Xstrata in Tampakan, South Cotabato. According to the NPA, the attack was launched to punish the giant mining firm for its land grabbing, plunder, and destruction of the environment. Moreover, it was declared an answer to the people's long-standing demand to stop the firm's operations in the area

MORE MINING PROJECTS, MORE PLUNDER

The plunder does not stop with the fall of the said giants. According to the Department of Environment and Natural Resources Mines and Geosciences Bureau (DENR-MGB), there are currently 24 operating metallic mines in the Philippines, from 18 in 2006. These include large- to medium-scale mines: one polymetallic mine, four medium-scale chromites mines, ten medium-scale nickel mines, and seven medium-scale gold mines. In addition, there are over 2,000 small-scale mines and quarries of various minerals. On the downstream side, there



is one copper smelter and one nickel-processing plant.

The national government, with its initial 23 priority mining projects under the Mining Revitalization Program, strengthened its mining plunder offensive in 2007, when it increased the list of priority mining projects from 23 to 62, ten of which are currently in full operation. The list includes 8 projects in the stage of mining construction and development, 8 in financing, 9 in

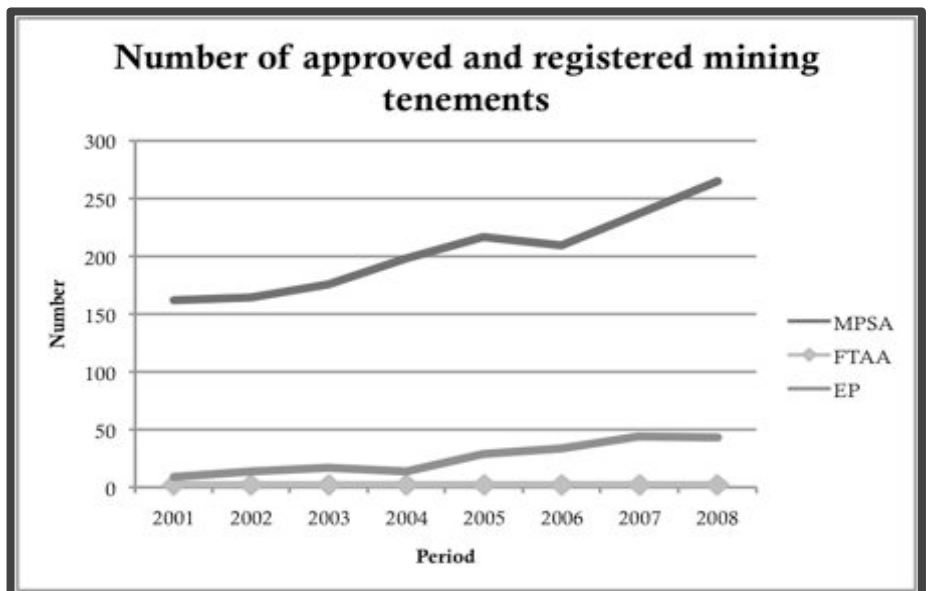
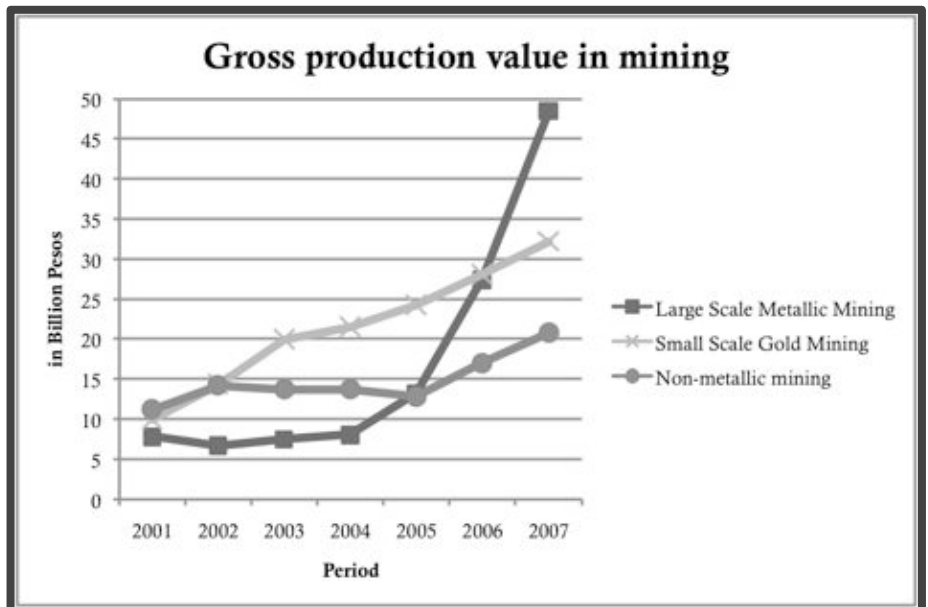
advanced exploration, 23 in early mining exploration, and 5 in second-tier development expansion.

Moreover, the Arroyo government has promoted very accommodating regulations, such that private and foreign mining TNCs have increased control of vast natural and mineral resources. As of January 2008, there were 294 mining agreements in existence, consisting of 2 Financial and Technical Assistance Agreements (FTAAs), 262 Mineral Production Sharing Agreements (MPSA) and 30 Exploration Permits (EP).

These mining agreements cover approximately 600,000 hectares of highly mineralized lands, an increase by roughly 17% from the 514,948 hectares covered last January 2007. Moreover, there were 2,626 mining applications under process as of January 2008, from 2,397 in 2006, which may be a result of a heightening trend in fast-tracking application processes and approvals. Approved mining permits and agreements have increased by 18% at 504 in 2007, from 431 in 2006.

The fast-tracking of mining permits issued by

the government to private firms is ironic when juxtaposed with the lax enforcement of laws concerning mining and its impact on community welfare. As of March 2006, MGB records indicate that only 32 mining firms out of the hundreds that are allowed to operate have approved social development and management programs.



INSIGNIFICANT BENEFITS

Despite the government's enthusiasm for them, these mining operations, growing as they may be in terms of production and income, provide little contribution to the Philippine economy.

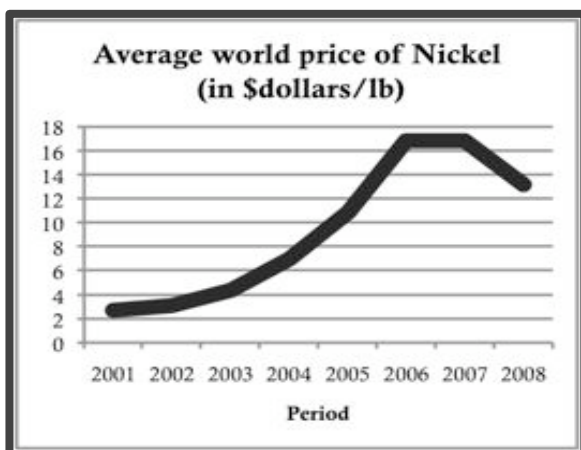
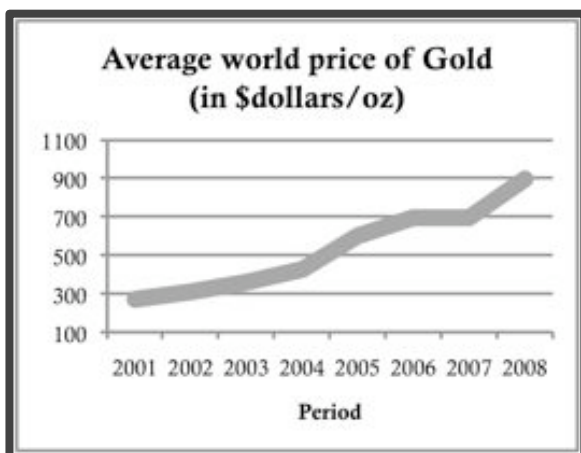
For instance, the mining gross production value in 2007 was worth Php101.5 billion, an increase of 40% from the 2006 production of Php72.5 billion, and an increase of 134% from 2004. Based on an initial MGB report, the government collected a total of Php5.029 million from the mining sector in 2007, just 5% of the total mineral

production value. On the same year, the sector's contribution to the country's gross domestic product (GDP) was only Php18 billion, equivalent to a mere 1.3%. In addition, most of the minerals produced by these operations were exported.

The mining operations also offered minimal benefits in terms of employment. From employing 141,000 in 2006 to 149,000 in 2007, their dismal contribution to total employment amounts to just 0.4%.

TNCS RAKE IN SUPERPROFITS

Such an insignificant contribution is unexpected, considering the superprofits raked in by these mining projects as a result of their exhausting the country's mineral resources.



In recent years, mining TNCs and their local compradors have been rushing to dump their surplus capital in the Philippine mining industry in order to take advantage of the record-breaking prices of metals in the international market and of the very accommodating mining liberalization policy of the Philippine government.

As a result, investment from mining projects increased by 334%—from \$139.48 million to \$605.09 million—since 2004. MGB reports that a total of US\$1.4 billion has been invested for 40 processing and exploration projects, together with 23 other exploration projects from 2004 to the end of 2007. This year, the government projected that mining investment will increase to \$892 million.

Furthermore, all existing mining operations have increased their volume of production in 2007. The most profitable among them are nickel and gold operations, the total production of which increased by 18%, at 424,527 metric tons and 7%, at 1,127,049 ounces, respectively. The large and medium-scale metallic operations of foreign and

private companies raked in a total of \$574.05 million in 2007. This is a 72% increase from their gross sale in 2006, which was \$334.43 million.

Philex Mining Corp., a partner of mining giant Anglo-American, reported a Php1.03 billion net profit for the first quarter of 2008 alone. Atlas Consolidated Mining and Development Corp. reported in 2007 that its income increased by more than 500%, at Php289 million, from Php47 million in 2006. Atlas also cited increased revenues generated by its Berong nickel project in the Palawan province. Considered the fourth biggest source of nickel ore deposit in the world, the Berong project is a joint-venture operation of Atlas, Toledo Mining Corp., and Australian mining firm, Investika.

Furthermore, Canadian-owned mining firm **TVI Pacific Inc.** said its net income in the first quarter of 2007 went up 67.3% to 2.4 million Canadian dollars, or about Php102 million. Their Canatuan mine in Zamboanga del Norte yielded 13,308 gold equivalent ounces, a 14% increase from the first quarter of 2006, although the Canadian mother company suffered a net loss of 11.04 million Canadian dollars in 2007.

THE ENTRY OF MINING GIANTS

Foremost earners in the mining sector are six mining giants currently active in the Philippines: BHP Billiton, the world's biggest mining company; Anglo-American, the second biggest; Vale do Rio Doce, the world's biggest iron-ore producer and exporter, based in Brazil; Xstrata, the world's fourth largest copper mining company; Phelps Dodge of the United States; and Sumitomo of Japan, one of the world's biggest nickel producers.

These mining giants alone have a projected \$4 billion in mining investments. Already, their mining agreements, involving only five mining projects, cover around 150,000 hectares.

In bids for control over various mineral reserves, these mining giants are competing to position themselves in the biggest mineral-rich areas in the country, two examples of which would be the rivalries of BHP Billiton and Amcor, and of Philex Mining Corp. and Anglo-American.

BHP Billiton's current legal dispute with Amcor concerns the ownership of the Pujada project. Amcor decided to terminate its contract with BHP on July 25, 2007 after the former learned of the latter's intention to have a commercial operation in 2019, and not in 2010 as agreed upon earlier.

Another case is that of Philex Mining Corp., which is seeking the return of its Boyongan property from Anglo-American, and is contemplating legal action, as the latter does not want to return the property. Anglo-American said it is not commercially feasible to develop the mine at its current condition, which Philex disputed. In November, Philex said the joint venture might spend up to \$1 billion on developing the Boyongan copper and gold property, although the plan was junked as the dispute between the former partners became sourer.

These disputes between mining partners however, may be interpreted as shrewd strategies of the mining giants to control the supply and demand of the country's

mining sector. Given that the price of metal in the international market has probably reached its peak, the market is most likely to hit the downward trend by the end of 2008. With the current global financial crisis, which started during the mortgage meltdown in the US, there is

now a slowed-down global production of consumer and capital products. In 2007 there was a one-year trend of decreasing nickel, lead, zinc, and cobalt prices in the international market. This most likely will lead to the general reduction of demand for metallic minerals.

Details on the mining TNCs' projects include the following:

- **Xstrata Queensland Limited**—This United Kingdom (UK)-Swiss company owns 62.5% of the Tampakan Copper Project, and the remaining 34% is held by Australia's Indophil Resources. It assumed control over the Tampakan mine project in March 2007 through its local affiliate, Sagittarius Mines. The Tampakan copper and gold mining project is the country's largest mining project, covering 27,945 hectares.
- **BHP Billiton**—The largest mining TNC worldwide has interests in two Mindanao-based projects, including the Hallmark nickel project in Pujada Peninsula, Davao Oriental, covering 11,799 hectares. BHP Billiton collaborated with QNI Philippines in 2002, which made a joint venture agreement with Asiaticus Management Corporation (Amcor) over the Pujada mining project. Billiton and Amcor then formed the Hallmark Mining Corporation, specifically for their joint venture project in Pujada. The Pujada Nickel Mining project is dubbed as one of the biggest mining projects of the Arroyo administration and is expected to bring in more than \$1.5 billion in investment for the country. BHP Billiton is also one of the biggest buyers of nickel in the Philippines. It has a purchasing agreement with Platinum Group Metals Corp., which operates two nickel mines in Surigao and Isabela. In order to develop a nickel-mining project in Sibuyan Island, Romblon province, BHP Billiton also signed a cooperation agreement with Sibuyan Nickel Properties Development Corporation Ltd. (SNPDC), majority of whose stocks are owned by an Australian junior mining company, Pelican Resources Ltd.
- **Anglo-American**—With three projects in Cordillera and Mindanao, it is in a joint venture with local firm Philex Mining Corp. in the Boyongan copper project at the boundaries of Surigao del Norte and Agusan del Norte. Anglo-American also has a joint venture project with Manila Mining Corp. for the Bayugo gold-copper project in Surigao del Norte. Likewise, it has 12 pending applications for exploration permits: five in the Cordillera region and seven in Surigao and Agusan areas in Mindanao.
- **Vale**—Through its local subsidiary, Vale Exploration Philippines Inc., it partnered with Geograce Resources Philippines Inc. to jointly explore seven mineral claims covering 84,046 hectares of land on Masbate Island. Geograce's Masbate claims are adjacent to the Aroroy gold mine being developed by CGA Mining of Australia.

PROJECT FINANCIERS

Aside from the Philippine government and its corrupt officials, the biggest and most crucial supporters of large-scale

mining in the Philippines are private financial institutions, which include the some of the world's biggest banks.

Among the most active in financing mining in the country are Australia-New Zealand Bank (ANZ), Deutsche Bank, ABN Amro, and Standard Chartered.

Atlas Consolidated Mining and Development Corp. (ACDMC), which used to be one of the largest copper

producers in Asia and the third largest in the world, is currently supported by big banks such as major stockholder Equitable-Philippine Commercial International Bank, which was later acquired by Banco de Oro, the second

largest bank in the Philippines. Atlas rehabilitated their old copper mine, the Toledo Mining project, in 2006, when its partner Carmen Copper secured a \$40-million financing package from the Singapore-based Crescent Asian Special Opportunities Portfolio. Early last year, the company borrowed another \$100 million from Deutsche Bank, the ninth largest global bank, for the reopening of the mine. Presently, the company is looking to borrow an additional \$20 million from a global fund manager in order to finance the continuing mine rehabilitation and operation.

Deutsche Bank does not stop at funding ACDMC. Early this year, the bank gave \$40 million worth of credit to Platinum Group of Metals in order to help support the acquisition, rehabilitation, and development work of the company's two ferronickel smelter plants. In an article titled "German Money for Philippine Gold," Maike Grabowski also reports that Deutsche Bank also functions as a broker for the international Swiss raw material company, Xstrata.

Meanwhile, ANZ, the largest bank in New Zealand and the fourth largest in

Australia, is second most active in funding Philippine mining. It subsidized the OceanaGold Didipio gold-mining project in Nueva Vizcaya and, together with the Commercial Bank of Australia, provided OceanaGold with \$40 million in credit. ANZ, a holder of one of the two Financial Technical and Assistance

Agreements (FTAA) in the Philippines, is a significant stockholder of yet another Australian junior mining company, Royalco Resources, which is currently involved in an exploration project also in Nueva Vizcaya.



Moreover, ANZ was a member of the syndicated consortium that funded Lafayette Mining Limited's bankrupt Rapu-Rapu Polymetallic Mining Project (RRPM). Among RRPM's other financial supporters and owners are ABN-AMRO of The Netherlands, Standard Chartered Bank of the United Kingdom, Standard Bank and Investika of South Africa, and Korea First Bank of South Korea. By the end of 2007, Lafayette has accumulated approximately \$300 million in debt from these banks.

Another corporation supported or controlled by international banks is the UK-owned Toledo Mining Corporation, which has a nickel exploration and development operation in based in Palawan. Among its significant stockholders are financial bigwigs AXA SA (12.0%), Investika Ltd. (10.8%), Baker Steel Capital Managers LLP (5.1%), and Barclays PLC (4.9%).

Export credit agencies like the Japan Bank for International Cooperation (JBIC) are active in supporting Japanese companies doing business in the Philippines. One case example is JBIC's



Indigenous peoples, environmentalists and groups from different sectors picket in front of the ANZ office in Makati to demand the pullout of financial support from the OceanaGold mining project in Nueva Vizcaya.

support of the \$180-million Rio Tuba Nickel Mining Project and the Hydrometallurgical Processing Plant in Palawan. Around 90% of the project is financed by Sumitomo Metal Mining Corp., while the remaining 10% is shouldered by the Rio Tuba Nickel Mining Corp. (RTNMC).

Little-known financial syndicates also come to the rescue of foreign junior mining companies in the Philippines. An example would be when the LIM Asia Arbitrage Fund Inc. and the LIM Asia Special Situations Master Fund Limited gave a \$15-million loan facility to the Toronto Ventures Inc. Resource Development (TVIRD) to fund the construction of the Sulfide project for the Siocon Gold mining operation. In return, the lenders will get an arrangement fee of 1% of the loan and an interest rate of 14% per annum. Only last July 2008, TVI has tapped BNP Paribas as lead arranger of the international offering to raise \$40 million to fund its mining projects in Zamboanga.

FINANCIAL OLIGARCHS

The financial oligarchs mentioned above are also currently raking in superprofits at the expense of the Philippines' patrimony and environment. Aside from the usurious interest rate, they charge the mining companies through hedge contracts and stock manipulation in order to extract more profit.

Although not directly involved in the management of the aforementioned mining companies, these banks are capable of dictating who will get the mineral products they turn out and at what price. Also, because they are more knowledgeable than the mining companies with regard to market trends, the banks take interest in the different

sectors of the downstream and upstream mining industry, and can easily predict and dictate the condition of the market.

Likewise, banks or financial lenders are capable of manipulating the stock price of an indebted company. Providing loans to a mining company usually boosts its market value at the stock exchange. In doing so, lenders usually have the option to buy a significant percentage of the loaning company's stocks at a lower price, then sell it afterwards at a higher price. Because the banks are aware of the mining companies' status, they could promptly discern when and when not to pull out their stocks.

Mining companies, particularly the junior ones, are highly dependent on the financial sector for their survival. Most of the Arroyo government's priority projects, be they in the exploration, development or operation stage, seek the financial support of these large banks. They usually cannot continue or cope with the fast-changing conditions of the market despite a continued increase in the prices of metals.

Examples of this would be the cases of Lafayette, TVI, and OceanaGold. The

first two have already reached their operation stage, and were met not only with strong resistance from the communities, but also with financial and technical problems within their operations. The same goes for OceanaGold: although they have raised much money in public listing—\$85.4 million in net proceeds from the Toronto Stock Exchange initial public offering in July 2007, and an additional A\$30 million of convertible notes in March—increased production expenses and debt payments led to steep financial losses by the first half of 2008.

Lafayette was also forced to sell to other foreign companies because it was not able to deliver their target production volume, which consequently resulted in debt payment defaults. Also, the small Australian stockholders of the company lost so much of their investment in Lafayette, to the extent that until now, they cannot pull out or trade their stock.

MINING TNCS IN “SMALL-SCALE MINING” OPERATIONS

Another mining trend that has been observed since 2006 is the entry of foreign junior mining companies into “small-scale mining” operations within the country, which are classified as small-scale not because of the size of their operations, but because of the nature of their mining agreements and licenses.

Because of the spiraling prices and urgent demand for metals, particularly of nickel and chromites, foreign companies sought relatively easy-to-obtain small-scale mining permits from the government, so as to extract these metals with minimal hassle.

According to RA 7076, or the People's Small-Scale Mining (SSM) Act of 1991,

small-scale mining operations are those “that rely on labor, that use simple implements and methods and that do not use explosives or heavy mining equipment within areas of not more than 20 hectares.” The maximum annual production allowed to be extracted from designated areas could amount to no more than 50,000 dry metric tons of the ore, or 50,000 dry metric tons in the case of non-metallic minerals.

But the application for a small-scale mining permit only requires the approval of local government units (LGUs), and not of national and regional government agencies such as the DENR and MGB. Also, small-scale miners are required to pay taxes only to local government.

Some of the junior mining companies that have small-scale mining operations are the following:

- **Platinum Group Metals Corp.** (PGMC) had a nickel-mining operation in Palawan from 2004 to 2007. On November 4, 2004, Platinum was able to secure two small-scale mining permits, which were extended by the Palawan Provincial Government for another two years, starting in April 2006. Based on the graft complaint of environmental group Katipunan Para sa Kalikasan in August 2006, PGMC has, for two years, shipped 282,729 metric tons of ore valued at roughly Php545 million. An investigation by the Mines and Geosciences Bureau and the Environmental Management Bureau also showed that platinum shipped to Australia from June 2005 to June 26, 2006 reached a total of 308,313.155 metric tons of laterific ore, as certified by the Philippine Ports Authority. In 2006, the ECC of PGMC was cancelled by the DENR after it was accused by a rival company, Citinickel Mining Corp., of over-extraction. The PGMC operation ended after Oriental Peninsula Group Inc., PGMC's former partner, assumed control of their mining areas.
- This year, **Citinickel Mines and Development Corp.**, subsidiary of Oriental Peninsula Group Inc., has disclosed plans of its subsidiary to commence a small-scale mining operation in the municipality of Sofronio Espanola, Palawan. Citinickel has a mineral production sharing agreement (MPSA) permit, which granted them a 25-year term to mine up to 2,176 hectares in Palawan. Of this, 768 hectares are located in Narra while 1,408 hectares are in the town of Sofronio Espanola.
- **Sibuyan Nickel Properties Development Corporation** (SNPDC), a consortium of Australian and Canadian mining companies, obtained in July 2006 two small-scale mining permits to extract nickel in Sibuyan Island, Romblon. Their permits cover a total of 35.58 hectares in Barangay Taclobo, San Fernando. Australian mining company Pelican Resources controls 75% of SNPDC. SNPDC was able to establish a large-scale nickel-mining plant before its operation was suspended in October 2007 after a controversial killing of anti-mining activist and local government official Armin Marin. JKL Brothers Mineral Ore Quarrying Enterprises and its partner Ore Asia Development Corp. also hold a small-scale permit to mine iron in the island. MGB reported that Sibuyan Island has an inferred nickel resource of 7.26 million tons.
- **A3 UNA** is a holder of a small-scale mining permit in Zambales province. Based on different reports, A3 UNA already has a stockpile of 200,000 metric tons and another 45,000 metric tons was shipped this year. Benguet Corporation (BC), one of the biggest mining companies in the country, is contesting the small-scale operation of A3, saying it is mining inside the 1,400-hectare piece of land occupied by the latter. The DENR sided with BC, and Sec. Lito Atienza ordered the confiscation of about 200,000 metric tons of nickel ore stockpiled by A3 valued at \$4 million. However, the Zambales provincial government sided with A3, which, they said contributed a significant amount of taxes.
- **Mindoro Resources Ltd.**, a mining company listed in the Frankfurt and Toronto stock exchange, announced its forming of small-scale mining cooperatives last May. It said small-scale miners would assist them in mineral extraction in its Agata mining project. The Agata project is situated in the Surigao Gold District, northern Mindanao.

Applying for large-scale permits such as an MPSA and FTAA would require an applicant to secure an environment compliance certificate (ECC) from the DENR, which requires for an environmental impact assessment to be conducted, and for an environment protection program as well as a social development plan for host communities to be designed, among other legal requirements. Also, large mining projects require more time for dealing with the bureaucracy, hence, bigger grease money to be shelled out for corrupt officials at the local and national level. Thus a small-scale mining agreement, though covering only small concession areas, is faster to process, less stringent, and easier to obtain. With RA 7076's lenient provisions, big mining companies have found a way to put up more convenient and faster operations within the communities.

Even MGB admitted that LGUs have been issuing small-scale mining permits to big firms. From only 70 in 2004, the number of small-scale mining permits issued by provincial governments more than doubled to 173 in 2007.

The entry of mining TNCs through small-scale mining operations is not new in the Philippines. In the past, mining

companies employed small-scale miners or groups from mineral-rich communities in order to gain access to and survey the land's potential. These small-scale miners were also a welcome source of support for the mining projects, and of disunity within the community, as per the divide-and-rule tactic used by mining TNC to weaken potential resistance to their operations.

As mentioned, in the past years, small-scale mining was the way through which foreign and local junior mining companies fast-track the entry of their operations into the communities. Majority of the communities were caught off guard as a result of the fast-paced processing of the application. Thus, initial protest actions were only launched by the time a mining company was already developing an area or had long been in operation.

One can expect this to be the common modus operandi of mining TNCs in the coming years. As the national government becomes more lenient with small-scale mining, the more LGUs and local government officials will profit—both legally and illegally—from small-scale mining as opposed to large-scale mining projects.

INCREASING HUMAN RIGHTS VIOLATIONS

In the face of intensified mining operations, human rights violations targeting mining-affected communities and anti-mining activists continue to rise. As of October 2007, out of the 23 killed environmentalists as documented by Kalikasan-PNE, 16 were anti-mining activists.

The most recent and controversial of these was the killing of Councilor Armin Marin in October 3, 2007. Marin was

leading local residents in a protest action against the widespread displacement of indigenous people and peasant communities due to the entry of mining TNCs into their areas. They were outside the site of Australian firm Pelican Resources when a company guard shot at him pointblank.

According to Rodolfo Stavenhagen, the UN Special Rapporteur on the situation of human rights and fundamental

The Center for Environmental Concerns–Philippines (CEC-Phils) has been documenting what it considers as SLAPP cases against anti-mining activists. Its list includes the following:

- Criminal Case No. 136639 (libel), People of the Philippines vs. Danilo Ramos and Frances Quimpo (Pasig City RTC Branch 67), IS No. PSG-07-07-07709 (Petition for Review), Lafayette Phils. Inc., Rapu-Rapu Phils. Inc., and Rapu-Rapu Minerals Inc. vs. Danilos Ramos and Frances Quimpo (for arraignment)
- Special CV Action No. 6830 (Injunction and prohibition with prayer for TRO and preliminary injunction with damages), MTL Philippines Inc. vs. Runruno Landowners Association (RULANAS) (rep. by Kathleen Guillao, Josie Guillao, Venencio Matidon, Ziga Gayana, Luisa Montanio, and Frank Banji), NV RTC, Second Judicial Region, Bayombong, Branch 28 Criminal Case No. 1307 (grave slander), MTL vs. Kankanaey leader and RULANAS Secretary Josie Guillao.
- Civil Case No. 982 (TRO and/or permanent injunction), Oxiana Philippines and Royalco Ltd. Of Australia vs. 24 indigenous peoples leaders in Kasibu, Nueva Vizcaya, RTC Branch 37 in Bayombong (dismissed).
- Grave coercion filed by Mario Kingo (Chief of Security, Sibuyan Nickel Properties Development Corporation) vs. 85 anti-mining advocates in Sibuyan Island, Romblon
- Libel case filed by Toronto Venture Inc. vs. Bishop Manguiran in Zamboanga (withdrawn).
- Grave coercion, graft and corruption and harassment case filed by Oceana Gold Philippines Inc. (OGPI) against Nueva Vizcaya Gov. Luisa Lloren Cuaresma along with Board Member Edu Balgos, Nueva Vizcaya Senior Police Inspector Pedro Iringan, and provincial environment officials Francisco Tolentino and Danny Ramos with the Office of the Ombudsman.

freedoms of indigenous people, the lethal combination of militarization and large-scale mining has led indigenous people to coin the expression “development aggression,” which they blame for a wide range of human rights violations, including murders, massacres, and illegal detention. (United Nations sixth session of the Human Rights Council. Report of the Special Rapporteur on the situation of human rights and fundamental freedoms of indigenous people, Rodolfo Stavenhagen.)

Kalikasan-PNE likewise notes an increase in the cases of harassment and intimidation in mining-affected communities. For example, investigations conducted by the Congressional Committee on National Cultural Communities and by the Catholic Bishops Conference of the Philippines in Didipio, Nueva Vizcaya, have shown that several human rights violations were committed by OceanaGold. Furthermore, according to LRC-KsK/FOE-Phils., OceanaGold’s demolition activities have resulted in the destruction of 187 houses.

The use of military and police forces to counter the resistance and protest actions of the communities is also very common. For example, police and military forces from Nueva Vizcaya attempted several times to demolish the barricade set up by the Kasibu Intertribal Response for Ecological Development (KIREED) in Pao, Kasibu.

LEGAL HARASSMENTS

Similarly, a new trend among mining TNCs involves the filing of strategic lawsuits against public participation (SLAPPs) against environmental advocates during the course of their resistance and opposition to destructive large-scale mining projects.

In the midst of this, Gloria Arroyo announced the formation of an Investment Defense Force (IDF), specifically created to safeguard mining operations and other infrastructure against armed attacks. She made the announcement immediately after the NPA attacked a gold-processing plant in Compostela Valley, Mindanao.

The IDF, according to the Arroyo government, will act as a “protective shield” for power and mineral assets. Last May 2008, Panalipdan Mindanao! Southern Mindanao, a regional progressive environmental alliance, reported that the heightening militarization in the rural areas of Compostela Valley Province and Davao Oriental—major mining, logging, and biofuel sites in the country—is a result of the IDF.

Panalipdan Mindanao! explains that as a result of the IDF’s implementation, massive military composite units of the 28th Infantry Battalion of the Philippine Army (IBPA), 72nd IBPA, 67th IBPA, 30th IBPA, Special Forces, and Scout Rangers Battalion have been deployed to facilitate the entry and/or protection of foreign large-scale mining interests and of pesticide-dependent monocrop plantation companies.

The IDF further strengthens the previous military support granted by the Arroyo government to mining TNCs. Presently, there is a government policy that allows mining companies to hire paramilitary, or even military, forces to secure their mining projects and interests. For instance, *Newsbreak* reported that that TVI signed a memorandum of agreement with the Philippine Army 1st Infantry

Division in 2005 for the organization of a special civilian armed auxiliary of (SCAA) of the Citizens Armed Forces Geographical Unit, which will provide security services, maintain peace and order, guard and protect the installations



Militarization is very common in mining areas where opposition is strong, as in the case in the Oxiana exploration project in Nueva Vizcaya.

and properties of the company, and so on.

This is similar with the Memorandum of Agreement made by Maj. General Juanito Gomez, 7th Infantry Division chief, which he had signed in 2008 to secure 3,700 hectares controlled by the DMCI Mining Corp. (DMCIMC) in Sta. Cruz, Zambales. Under the agreement, DMCIMC will employ the SCAA to guard the company premises.

Mining TNCs are also now hiring foreign security groups to beef up their security against armed attacks. According to Roy Antonio, a Sagittarius

Mining Inc. official, the Xstrata company based in Tampakan, South Cotabato, contracted the UK-based Catena Security, Inc., which is part of Group 4 Securicor, one of the world's leading security firms.

Given these developments, community displacement and human rights violations are expected to become more intense and widespread in the coming years as more mining TNCs become active in their exploration and expansion. If this shall be the case, these companies can then expect communities to grow more determined in their opposition to their projects.

ENVIRONMENTAL DEVASTATION

Based on the data compiled by *Newsbreak*, 10 of the 24 mining companies with projects included in the top priority list of the Arroyo government were involved in mining accidents or were the subject of pollution investigation during the last two decades.

One such company was Lafayette Mining Limited, which previously owned the bankrupt Rapu-Rapu Polymetallic Mining Project in Albay province. Last October 2007, another fish kill occurred in Rapu-Rapu Island, already the fifth major fish kill incident since Lafayette started its mining operation in 2005. The first two fish kills that occurred in 2005 were attributed to the toxic spill from Lafayette mining. After the fifth fish kill, a massive local protest ensued, which, coupled with Lafayette's financial problems, led to the company's voluntary suspension and bankruptcy.

Meanwhile, early last year, peasant and indigenous people's organizations in Siocon reported that Libutan River and Siocon Bay were contaminated with

“highly acidic and red-colored water.” Godofredo Galos, a leader of the Save Siocon Paradise Movement, a multisectoral alliance opposing TVI mining, suggested that this was a result of the collapse of the company's tailings dam.

TVI denied this and claimed that their tailings dam for copper is still in the construction stage, and said the reddening of the water was probably brought about by run-off red soil, from their ongoing dam construction, washed by rainwater into Siocon. Nevertheless, whether or not there was a dam collapse, the river and bay in Siocon was heavily contaminated, which affected the livelihood and health of the local people.

In Didipio, OceanaGold was allowed by the government to cut thousands of trees for their mining development project. The firm has already converted hundreds of hectares of agricultural land in preparation for its commercial operation in 2009. Also, it has already started its exploration activities in the adjacent community of Barangay Papaya in Malabing Valley.

Aside from OceanaGold, there are two more mining TNCs operating in the adjacent communities in Nueva Vizcaya—Royalco Phils in Barangay Pao, Kasibu, and FCF-MTL Metals in Barangay Runruno, Quezon. These mining activities are expected to impact on the three watershed areas of the province: the Dupax Watershed Reservation, covering 425 hectares; the Casecnan River Watershed, covering 85,519 hectares; and the Magat River watershed, which is yet to be proclaimed.

Currently there are also occurrences of massive land conversion, deforestation and/or soil erosion brought about by mining development and operation in Rapu-Rapu Island in Albay, Siocon in Zamboanga del Norte, Toledo City in Cebu, and Rio Tuba in Palawan. The Environmental Management Bureau (EMB) and MGB have not adequately monitored the environmental impact of mining activities in the Philippines. Until now, the government has not initialized rehabilitation work on any of the abandoned mines in the country.

UPSURGE IN RESISTANCE AGAINST MINING PLUNDER

Last 2007 and during the first half of this year, in response to the massive plunder and environmental destruction, communities and grassroots organizations spearheaded stronger and more sustained anti-mining resistance activities.

Among the notable movements of community resistance are those led by Sagip Isla Sagip Kapwa against Lafayette in Rapu-Rapu, Albay; by KIREG against Oxiana-Royalco in Kasibu, Nueva Vizcaya; by DESAMA against OceanaGold in Didipio, Nueva Vizcaya; and by Sibuyan Aton Mangad (SAM) in Sibuyan Island, Romblon. These struggles have led to the suspension or stoppage of several mining TNC activities.

Also, more provincial governments are becoming active in resisting mining entry and operation into their jurisdictions. The provincial government of North Cotabato last year declared its own mining moratorium on large-scale mining. South Cotabato is now pushing for a provincial resolution that will ban

the open-pit mining method in their area, which is currently the location of the Xstrata mining project.

But the most active in anti-mining resistance is the province of Nueva Vizcaya, headed by Gov. Luisa Cuaresma. The governor herself led other provincial officials and villagers in barricading the mining project of OceanaGold following its failure to reach an agreement with the provincial government on the payment of local taxes. In June 26, 2008, the provincial government passed a resolution withdrawing their support from the OceanaGold's mining project. There is also a pending resolution on banning open-pit mining operations in the province.

Currently, seven provincial governments have declared a moratorium on large-scale mining within their domain: Capiz, Mindoro Oriental, Marinduque, Samar, Western Samar, Northern Samar, and North Cotabato. Several municipal governments have likewise issued similar moratoria.

ARMED STRUGGLE

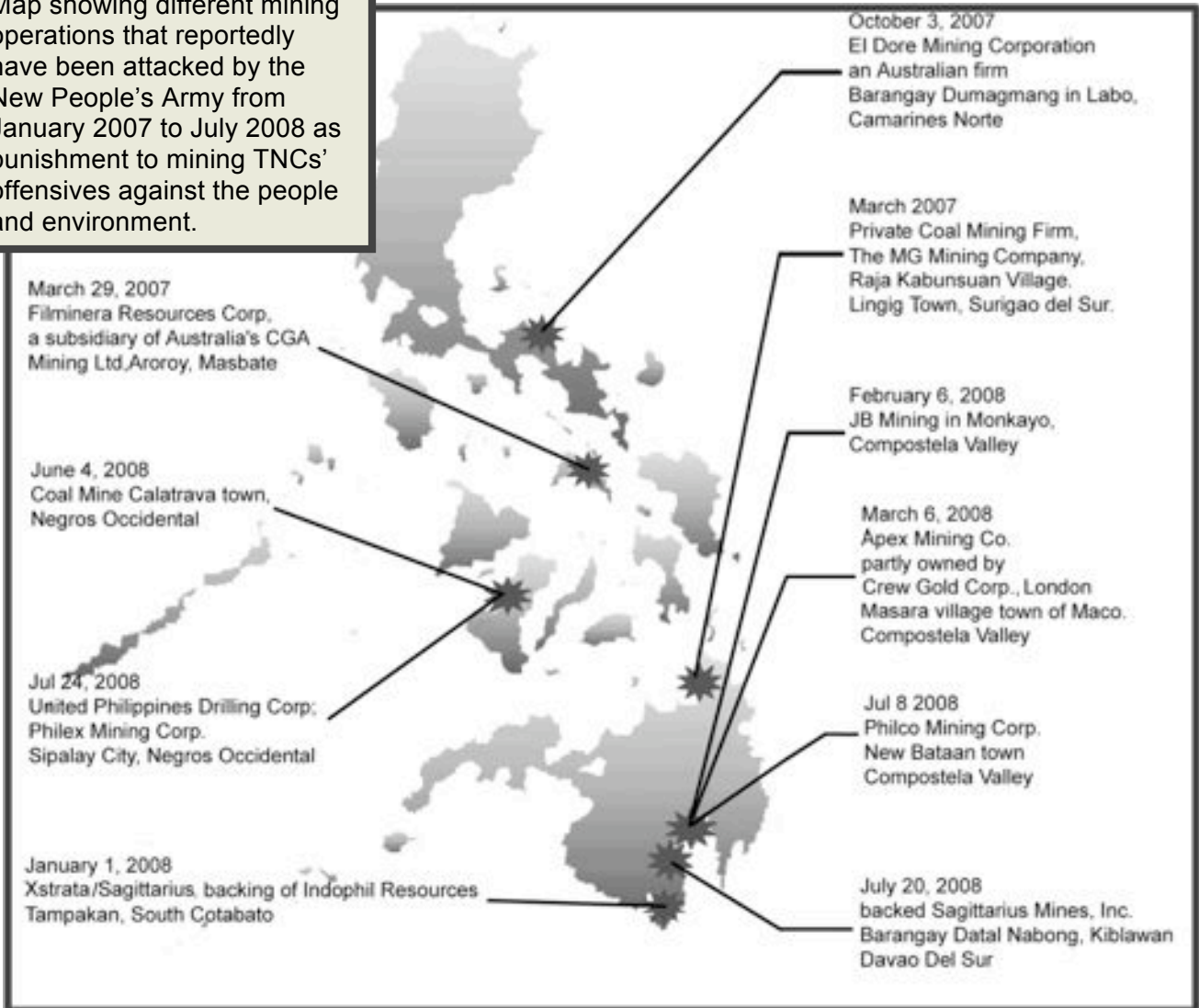
Under the extralegal framework, another major trend in the struggle against mining plunder is the rise in armed attacks of the revolutionary group, the NPA. From January 2007 to July 2008, at least ten attacks by the NPA were directed against mining projects. There was a significant increase in NPA attacks against mining TNCs this year, averaging at one attack per month, most of which were in Mindanao island, particularly, the mineral-rich area of Southern Mindanao and the CARAGA Region.

Even the military has admitted that the NPA is becoming a major threat to the

implementation of mining projects in the island. Mindanao regional military spokesman Maj. Armand Rico said that Eastern Mindanao has seen “more than 100” attacks by the NPA against mining firms, telecommunications towers, and banana plantations in the first half of the year.

These armed attacks usually involve burning the companies’ mining equipment or facilities, causing millions worth of damage, and have resulted in delays of the mining projects, a rise in the cost of conducting TNC mining operations, and much insecurity in investing in mining within the country.

Map showing different mining operations that reportedly have been attacked by the New People’s Army from January 2007 to July 2008 as punishment to mining TNCs’ offensives against the people and environment.



DEFENDING NATIONAL PATRIMONY

The Defend Patrimony! Alliance and Kalikasan-PNE lead the strongest and broadest multisectoral alliance in the Philippines. Because of its strong link and coordination with people's organizations and regional alliances, Defend Patrimony! was able to lead several successful struggles and projects in relation to these issues at the national and international level.

Currently, there are 51 member organizations that belong to Defend Patrimony!, and 27 of these are regional, sectoral, provincial, and environmental alliances. Its members are leading the struggle against mining plunder in the regions of Cordillera, Cagayan Valley, Southern Tagalog, Bicol, Eastern Visayas, Negros, Southern Mindanao Region, Far-South Mindanao, and Western Mindanao.

Meanwhile, at the international level, more and more support is offered by different international organizations and individuals who back the anti-mining plunder campaign in the Philippines. Different international avenues such as the United Nations bodies, stockholders' meetings of mining TNCs, and even foreign parliaments, are persistently engaged by different anti-mining groups from the Philippines in the pursuit of their advocacies and struggles.

These developments in anti-mining plunder struggles at the community to the international level have exposed the social, economic, and political bankruptcy not only of particular mining projects, but of the mining program of the Arroyo administration. Such resistance by the mining-affected communities continues to frustrate the efforts of mining TNCs to smoothly and openly plunder the environment and patrimony of the country. Some of these mining TNCs, such as Lafayette Mining Limited, Oceana Gold, and Xstrata, have already closed down, suspended operations, or delayed their mining projects.



Different protest actions led by Kalikasan-PNE and Defend Patrimony! Alliance against foreign mining plunder in the Philippines.

MORE STRUGGLES AHEAD

There is little debate as to how little the mining liberalization program of the Arroyo government has benefited the country's economy and the people as a whole. Contrary to Arroyo's claims that mining will help resolve the economic crisis in the Philippines, facts and figures clearly show that its contribution to the national economy remains insignificant. Also, based on recent statistics and forecasts, the economic crisis continues to worsen and poverty continues to rise despite increased mining operations.

As part of the globalization policy of the Arroyo government, mining liberalization only benefits foreign capitalists, their local comprador partners, and corrupt bureaucrats in the government. Its main design is to extract mineral wealth from our patrimony to produce cheap raw materials for export. Furthermore, although the price of metals in the international market is starting to go down, the present level is still much higher than during the 1990s, and mining TNCs will continue to flock into the Philippines, facilitated by new policies implemented by Arroyo to entice foreign mining investments. In this scenario, foreign mining TNCs and financial oligarchs benefit at the expense of the people and the environment.

A closer analysis on the mining issue would reveal that the Arroyo administration bull-headedly pushes for mining liberalization in the country not only to follow the dictates of imperialist countries, financial oligarchs, and foreign TNCs, but also to advance her own self-interest.

The president is raking in millions of dollars through kickbacks from mining TNCs as well as through direct involvement in mining operations. Arroyo and her cronies have expanded their role from regulators of mining liberalization to direct players in the mining industry, supporting this are bits and pieces of information leading to her husband, Mikey Arroyo, and her mining honcho, former DENR Secretary Michael Defensor, who are fronting for her undertakings in mining-related activities.

One actual instance of GMA's mining entanglement in the industry is the \$150-million joint venture for geological mineral exploration and processing between Philippine-listed mining companies Nihao Mineral Resources International Inc. and Geograce Resources Philippines Inc., and Chinese-owned Jiangxi Rare Earth and Rare Metals Tungsten Group Co. Ltd. With Mike Defensor as chairman of Geograce and Nihao, both of which are owned by close relatives of high government officials, these small and inexperienced companies were able to acquire lucrative deals and were granted vast tracks of mining concessions and agreements in a very short period of time. The closing of deals between Defensor and the foreign mining firms was captured on film, with GMA literally in the picture. Shady deals such as these deals would be unlikely without intervention from Malacañang.

LESSONS AND RECOMMENDATIONS

On the other hand, much has been gained by the people's movement against imperialist mining in the country. All forms of struggle, from parliamentary to armed action, grow stronger every year; and the experiences and victories of the people's movement has provided lessons on how to further carry the people's campaign and struggle.

Based on experience, direct action—protesting in the street, barricading in the communities, and, for rebel groups, the staging of armed attacks—has been proven to be the most effective and militant way to stop or delay mining TNC operations in the Philippines.

But in the coming years, mining TNCs and the Arroyo government will not be the only main targets of the coming campaign. More and more campaigns will introduce private banks and financial institutions as the people's adversaries. As discussed above, private banks are now being exposed as the main providers of capital for mining TNCs, particularly the junior ones.

Legislative and judicial venues are also being maximized by mining-affected communities and their supporters. These venues provide opportunities to sustain local campaigns. The filing of legal cases and local ordinances to oppose or delay mining projects is now being done by local and national organizations to expose further the negative social, economic, and environmental impacts of large-scale mining projects. As costly nuisances for mining TNCs and the Arroyo government, these actions may broaden the opposition by involving patriotic and progressive LGU officials and potential allies such as local politicians who may take side with the people for particular mining issues.

One of the highlights of the legislative advocacy will be the pursuit of a Peoples Mining Bill, which contains the genuine aspirations and demands of the Filipino people on how mining should be done in the country. Based on the People's Mining Policy, crafted by Defend Patrimony! Alliance, the Bayan Muna Partylist, the strongest partylist in the Philippines, is formulating a mining bill. Though given present context, wherein legislative bodies such as the Philippine Senate and Congress are still dominated and controlled by big landlords and bourgeois compradors, the enactment of a People's Mining Bill is highly unlikely. But the struggle for it remains valuable in the overall campaign in exposing the moral bankruptcy of the Arroyo's mining policy and program.

At the national level, the rallying call will still be the scrapping of the Philippine Mining Act of 1995 and the stoppage of Arroyo's Mining Revitalization Program. The mining issue will again be one of the major electoral issues both at the local and national level. Anti-mining plunder advocates should use this to further expose and isolate Gloria Macapagal Arroyo, the number-one supporter of mining liberalization in the Philippines.

Anti-mining plunder advocates must hold the current head of the administration, as well her family and cronies, accountable not only at the policy and program level, but at the project level as well. There is a need to highlight the role of Arroyo and her cronies in mining operation, such as her direct involvement and stake in particular projects—her effort to establish her family and cronies' interests in the mining industry must be immediately exposed and resisted.

In the coming years, the Filipino people can expect more struggles in the communities against the projects of mining TNCs. Some of the flashpoints of the campaign against mining TNCs are the project of Xstrata in South Cotabato, OceanaGold, and Oxiana-Royalco in Nueva Vizcaya, LG International in Albay, ZTE mining in Compostela Valley, and mining projects in Negros Occidental. Along with other members of mining-affected communities, the struggle against imperialist mining will continue to reap victories.

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PHILIPPINE MINING INDUSTRY STATISTICS

Table 1. Number of operating metallic mines

	2001	2002	2003	2004	2005	2006	2007	2008
Copper (with gold & silver)	3	1	1	1	1	1	1	2
Gold (with silver)	2	2	6	7	7	7	7	7
Metallurgical chromite (ore & concentrate)	1	1	1	2	2	2	2	2
Refractory chromite	1	1	1	1	1	1	1	1
Chemical grade chromite	-	1	-	1	1	1	1	1
Nickel	3	3	4	4	4	5	10	10
Iron ore	-	-	1	1	1	1	1	1
Total Operating metallic mines	10	9	14	18	17	18	23	24

Table 2. Number of operating non-metallic mines

	2001	2002	2003	2004	2005	2006
Sand and gravel	2071	1900	2358	1744	2490	1830
Cement	16	17	16	16	16	17
Other non-metallics	474	585	609	533	688	525
Total operating non-metallic mines	2561	2502	2983	2293	3194	2375

Note: Number of operating mines was based on production reports submitted.

Table 3. Number of approved and registered mining tenements

	2001	2002	2003	2004	2005	2006	2007	2008
MPSA	162	164	175	198	216	209	236	265
FTAA	2	2	2	2	2	2	2	2
EP	9	13	16	13	28	33	44	43
IP	109	104	101	103	120	161	185	196
MPP				7	26	26	37	38

TOTAL	282	283	294	323	392	431	504	544
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Table 4. Number of applications under process

	2001	2002	2003	2004	2005	2006	2007	2008
MPSA	1578	1529	1374	1337	1403	1318	1111	1092
FTAA	43	42	41	40	56	56	54	54
EP	380	274	348	366	474	720	1074	1148
IP	346	372	310	302	251	266	288	291
MPP				31	40	37	36	41
TOTAL	2347	2317	2073	2076	224	2397	2563	2626

Table 5. Gross production value in mining (in billion pesos)

	2001	2002	2003	2004	2005	2006	2007	2008
Large-scale metallic mining	P 7.8	P 6.7	P 7.5	P 8.0	P 13.2	P 27.4	P 48.5	P 6.9
Small-scale gold mining	P10.0	P14.3	P 19.9	P 21.5	P 24.2	P 28.1	P 32.2	P10.0
Non-metallic mining	P11.2	P 14.2	P 13.7	P 13.7	P12.8	P 17.0	P 20.8	nya
TOTAL	P 29.0	P 35.2	P 41.1	P 43.2	P 50.2	P 72.5	P101.5	P 16.9

Table 6. Gross value added in mining

	2001	2002	2003	2004	2005	2006	2007+	2008+
At constant prices	P10.0 Billion	P11.0 Billion	P 12.4 Billion	P 14.1 Billion	P 14.8 Billion	P14.1 Billion	P18.0 Billion	P 5.4 Billion
Mining contribution to GDP	1.00%	1.10%	1.20%	1.20%	1.20%	1.10%	1.30%	1.60%

+Preliminary; Gross Value Added (GVA) - measures the contribution of a particular sector to the country's GNP; computed by subtracting the cost of production inputs from the gross output of a particular industry.

Table 7. Mining contribution to total exports

2001	2002	2003	2004	2005	2006	2007+	2008+
Total exports of minerals & mineral products (in millions of dollars)							
\$537	\$519	\$637	\$797	\$820	\$2,058	\$2,548	\$2,548 Million
Mining contribution to total exports							
1.60%	1.50%	1.80%	2.00%	2.00%	4.50%	5.20%	5.20%

+Preliminary

Table 8. Total paid-up investments in mining (in millions of pesos)

2001	2002	2003	2004	2005	2006	2007+	2008+
P268.6	P363.9	P80.6	P282.7	P5,969.9 +	P504.8 +	nya	nya

+Preliminary; nya - not yet available

Table 9. Mining contribution to total employment

2001	2002	2003	2004	2005	2006	2007+	2008+
Employment in mining and quarrying							
104,000	101,000	104,000	118,000	123,000	141,000	149,000	152,000
Mining contribution to total employment							
0.32%	0.30%	0.30%	0.30%	0.40%	0.40%	0.40%	0.40%

nya - not yet available

Table 10. Taxes, fees and royalties from mining (in millions of pesos)

2001	2002	2003	2004	2005	2006	2007+	2008+
Fees, charges & royalties collected by DENR-MGB							
P 66.3	P 58.5	P 79.8	P120.1	P210.2	P 192.1	P 774.0	P 87.3
Excise tax collected by BIR							
P 129.8	P 303.6	P 155.8	P 232.5	P 251.4	P 489.6	nya	nya
Taxes collected by Nat'l. Gov't. Agencies							
P647.6	P823.8	P1,039.2	P2,769.1	P4,733.6	P5,313.2	P3,948.7	nya
Taxes and fees collected by LGUs							
P215.5	P204.8	P226.9	P358.5	P453.5	P395.0	P307.2	P13.1

TOTAL							
1,059.2	1,390.7	1,501.7	3,480.2	5,648.7	6,389.9	5,029.9	100.4

+Preliminary; nya - not yet available

Table 11. World metal prices

2001	2002	2003	2004	2005	2006	2007+	2008+
Average world price of copper (WMS)							
\$0.72 / lb	\$0.71 / lb	\$0.81 / lb	\$1.58 / lb	\$3.02 / lb	\$3.20 / lb	\$3.20 / lb	\$3.54 / lb
Average world price of gold (WMS)							
\$271.10 / oz	\$310.20 / oz	\$363.38 / oz	\$431.35 / oz	\$600.71 / oz	\$696.37 / oz	\$696.37 / oz	\$898.30 / oz
Average world price of silver (WMS)							
\$4.37 / oz	\$4.60 / oz	\$4.87 / oz	\$7.04 / oz	\$11.55 / oz	\$13.38 / oz	\$13.38 / oz	\$16.40 / oz
Average world price of nickel							
\$2.70 / lb	\$3.07 / lb	\$4.37 / lb	\$7.00 / lb	\$10.88 / lb	\$16.84 / lb	\$16.84 / lb	\$13.15 / lb
Peso to US Dollar exchange rate							
P 50.99	P51.62	P54.26	P55.02	P51.32	P46.15	P46.15	P40.85

Table 12. Priority mineral development and exploration projects (as of 4th Qtr 2007)

Project Name	Region	Location	Tenement holder/permittee/operator	Country of foreign partner	
A. Operating/expansion stage					
1	Palawan Nickel Project	4B	Rio Tuba, Bataraza, Palawan	Coral Bay Mining Corp./Sumitomo	Japan
2	Rapu-Rapu Polymetallic Project	5	Rapu-Rapu Island, Albay	Rapu-Rapu Mineral/Lafayette	Australia
3	Canatuan Silver- Gold Project	9	Sitio Canatuan, Brgy. Tabayo, Siocon, Zamboanga del Norte	TVI Resources Devt. Phil., Inc.	Canada
4	Sto. Tomas II Copper Expansion Proj.	CAR	Tuba, Benguet	Philex Mining Corporation	Philippines
5	Teresa Gold Project	CAR	Mankayan, Benguet	Lepanto Consolidated Mining Corp.	Philippines
6	Berong Nickel Project	4B	Berong, Quezon, Palawan	TMM Management Inc (TMM Plc)	Philippines/

					United Kingdom
7	Maco (Masara) Gold Project	11	Maco, Compostela Valley	Apex Mining Corp. Inc (Crew Gold)	Philippines/ Canada
8	SIRC Nickel Project	13	Carrascal, Surigao del Sur & Claver, Surigao del Norte	Surigao Integrated Resources Corporation	Philippines
9	PASAR Copper Smelter Exp. Proj.	8	Isabel, Leyte	PASAR	Philippines/ Switzerland
First-tier priority mineral development projects					
B. Construction and development stage					
1	Carmen (Toledo) Copper Project	7	Don Andres Soriano, Toledo City	Carmen Copper Corporation	Philippines
2	Didipio Copper-Gold Project	2	Didipio, Kasibu, Nueva Vizcaya	OceanaGold Phils., Inc.	Australia
3	Palawan Nickel Expansion Project	4B	Rio Tuba, Bataraza, Palawan	Coral Bay Mining Corporation	Japan
4	Canatuan Base Metal Project	9	Sitio Canatuan, Brgy. Tabayo, Siocon, Zamboanga del Norte	TVI Resources Devt. Phil., Inc.	Canada
5	Masbate (Aroroy) Gold Project	5	Aroroy, Masbate	Filminera Resources Corp./PGPRC	Australia
6	Iligan Ferronickel Smelter Plant	10	Iligan City	Platinum Group of Metals Corp.(PGMC)	Philippines
7	Manticao Ferronickel Smelter Plant	10	Manticao, Misamis Oriental	Platinum Group of Metals Corp.(PGMC)	Philippines
8	Philsaga Gold Project	13	Bayugan 3, Rosario, Agusan del Sur	Philsaga Mining Corporation (Medusa Mining Ltd)	Philippines/ Australia
C. Feasibility/financing stage					
9	Tampakan Copper Project	12	Tampakan, South Cotabato	Sagittarius Mines (Xstrata Copper)	Philippines/ Switzerland
10	Surigao HPAL Project	13	Surigao del Norte	Taganito Mining Corporation/Sumitomo Metals	Philippines/ Japan
11	Itogon Gold Project	CAR	Mankayan, Benguet	Itogon Suyoc (Anvil Mining)	Philippines/ Australia
12	Nonoc Nickel Project	13	Nonoc Island, Surigao del Norte	Philnico Processing Corp.(Citic UAA Group)	Philippines
13	Acoje PGE/Nickel Project	3	Santa Cruz, Candelaria, Zambales	Crau Minerals (Rusina Mining Ltd.)	Australia
14	Boyongan Copper Project	13	Surigao del Norte and Agusan del	Silangan Mindanao Mining Co./Anglo	Philippines/

			Norte	American Expl. (Phils)	Australia
15	Mindoro Nickel Project	4B	Victoria, Mindoro Oriental	Crew Minerals	Canada
16	Akle Cement Project	3	Akle, San Ildefonso, Bulacan	Eagle Cement Corporation	Philippines
D. Advanced exploration stage					
17	Colet Copper-Gold Project	6	Manlucahoc, Sibalay City, Negros Occidental Province	Colet Mining (Copper Resources Corporation)	Philippines/ South Africa
18	Siana Gold Project	13	Cawilan, Tubod, & Siana, Mainit, Surigao del Norte	Greenstone Resources/Red 5	Australia
19	Agata Project (Copper-Gold-Nickel)	13	Jabonga, Santiago, Tublay, Agusan del Norte	MRL Gold Phils., Inc.	Canada
20	Balabag Project	9	Balabag, Bayog, Zamboanga Sibugay	TVI Resources Devt. Phil., Inc.	Philippines/ Canada
21	Runruno Gold Project	2	Brgy. Runruno, Quezon, Nueva Vizcaya	Metex Minerals Resources Corp.	Australia
22	Bayugo Copper-Gold Project	13	Surigao del Norte	Manila Mining Corp./Anglo-American Expl. (Phils)	Philippines/ Australia
23	Pujada Nickel Project	11	Mati, San Isidro & Gov. Generoso, Davao Oriental	Hallmark Mining Corp./Austral-Asia Link (BHP Billiton Nickel)	Philippines/ Australia
24	Sta Cruz Nickel Project - Benguet	3	Sta. Cruz, Zambales	Benguet Corporation	Philippines
25	Dinapigue Nickel Project - PGMC	2	Dinapigue, Isabela	Platinum Group Metals Corporation	Philippines
Second-tier priority mineral development projects					
26	Amacan Copper-Gold Project	11	Mabini, Compostela Valley	Philippine Mining Development Corporation	Philippines
27	Batong-Buhay Copper-Gold Project	CAR	Pasil, Kalinga-Apayao	Philippine Mining Development Corporation	Philippines
28	Diwalwal Direct State Dev. Proj.	11	Diwata, Monkayo, Compostela Valley	Philippine Mining Development Corporation	Philippines
29	Far Southeast Gold Project	CAR	Mankayan, Benguet	Lepanto Consolidated and Mining Corporation	Philippines
30	King-King Copper-Gold Project	11	Pantukan, Compostela Valley	Benguet Corporation	Philippines

Priority exploration projects					
1	Batoto Gold Project	11	Brgy. Camanlangan, New Bataan, Compostela Valley Province	Philco Mining Corporation (Sur American)	Philippines/ Canada
2	Conner Apayao Gold Project	CAR	Conner, Apayao Province	Anglo American Exploration	Australia
3	Capcapo Project	CAR	Sitio Capcapo, Licuan-Baay, Abra	Jabel Corporation (Kadabra Mining Corp./Olympus Pacific Minerals, Inc.)	Philippines/ Canada
4	Macro Asia Palawan Project	4B	Palawan	Macro Asia Mining	Philippines
5	Celestial Nickel Project	4B	Brookes Point, Palawan	Celestial Nickel Mining Exploration Corp.	Philippines
6	Nalesbitan Gold Project	5	Brgy. Dumagmang, Labo, Camarines Norte	El Dore Mining Corp.	Philippines
7	Vista Buena Mining	13	Libjo and Tubajon, Dinagat Province	Vista Buena Mining Corp.	Philippines
8	Mt. Mines Copper- Gold Project	CAR	Lubuagan, Kalinga	Phelps Dodge Exploration	USA
9	Archangel Gold Project	4A	Brgy. Balibago, Lobo, Batangas	MRL Gold Phils., Inc.	Canada
10	Lobo Gold Project	4	Brgys. Balibago, Lobo, Batangas	MRL Gold Phils., Inc.	Canada
11	Pao Gold Project	2	Nueva Vizcaya	Royalco	Australia
12	Gambang Gold Project	2	Nueva Vizcaya	Royalco	Australia
13	Colossal Offshore Magnetite Project	1 & 2	Ilocos Sur & Norte, Pangasinan, La Union, Cagayan	Colossal Mining	Philippines
14	Citinickel Palawan Nickel Project	4B	Palawan	Citinickel Corporation	Philippines
15	Barlo Copper Project	1	Pangasinan	Montague Resources	Australia
16	Panaon Gold Project	8	Panaon Island, Leyte	Royalco	Australia
17	Century Peak Nickel Project	13	Dinagat Province	Century Peak	
18	Surigao Nickel Project - Oriental Synergy	13	Dinagat Province	Oriental Synergy	
19	Del Gallego Gold Project	4 & 5	Tagkawayan, Quezon and Del Gallego, Camarines Sur	Kumakata Mining Co. Inc. (Phelps Dodge Explo. Corp.)	Philippines/USA
20	Hixbar Copper-Gold Project	5	Canogcog, Sta. Barbara Rapu - Rapu Island, Albay	Rapu-Rapu Minerals Inc.	Australia

21	Panag Gold Project	11	Camanlangan, Panay and Fatima New Bataan, Compostela Valley Province	Philco Mining Corporation (Sur American)	Philippines/ Canada
22	Tagpura Copper Project	11	Brgy. Camanlangan, New Bataan, Compostela Valley Province	Philco Mining Corporation (Sur American)	Philippines/ Canada
23	Tapián San Francisco Project	13	Malimono and Mainit, Surigao del Norte	MRL Gold Phils., Inc.	Canada

Source: Department of Environment & Natural Resources, Mines & Geosciences Bureau, *Mining Industry Statistics*, 15 July 2008.

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Kalikasan People's Network for the Environment (Kalikasan-PNE) is a Philippine-based network of non-government organizations (NGOs), grassroots organizations, and environmental advocates.

Acting as a nationwide campaign center on a broad spectrum of environmental concerns since its founding on November 25, 1997, Kalikasan-PNE places primacy on addressing environmental issues from the perspective of advancing foremost the welfare of the grassroots-level populace. Kalikasan-PNE believes that the struggle for the environment is the struggle for the people's welfare, and frames its campaigns, advocacy, education, and international network initiatives accordingly.



The Defend Patrimony! Alliance is a national and broad multisectoral network of mining-affected communities, grassroots organizations, and alliances united against the globalization of the mining

industry, plunder, and destruction of natural resources in the country. Defend Patrimony! is currently composed of 51 anti-mining alliances representing 4 provinces, 9 regions and 2 sectors (Church and legislators), and 27 sectoral organizations, NGOs and individuals.