

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

'22 SEP -6 P 4 :08

SENATE

RECEIVED



P. S. RES. NO 189

Introduced by Senator JOEL VILLANUEVA

RESOLUTION

DIRECTING THE APPROPRIATE COMMITTEE/S OF THE SENATE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STATUS OF IMPLEMENTATION OF REPUBLIC ACT NO. 7076, OR “AN ACT CREATING A PEOPLE’S SMALL-SCALE MINING PROGRAM AND FOR OTHER PURPOSES”, AND OTHER RELEVANT LAWS PERTAINING TO SMALL-SCALE MINING, WITH THE END IN VIEW OF PROMOTING RESPONSIBLE MINING AND PROVIDING THE NECESSARY POLICY INTERVENTIONS FOR THE DEVELOPMENT OF THE SMALL-SCALE MINING SECTOR AND THE GENERATION OF QUALITY JOB OPPORTUNITIES FOR SMALL-SCALE MINERS

WHEREAS, the 1987 Constitution recognizes the importance of small-scale mining, providing under Section 2, Article XII therein that “Congress may, by law, allow small-scale utilization of natural resources by Filipino citizens;”¹

WHEREAS, in 1991, Republic Act No. 7076, otherwise known as the “People’s Small-Scale Mining Act of 1991,” was passed into law, which declares the policy of the State to “promote, develop, protect, and rationalize viable small-scale mining activities in order to generate more employment opportunities and provide an equitable sharing of the nation’s wealth and natural resources;”²

WHEREAS, the Department of Environment and Natural Resources (DENR) Administrative Order No. 2015-03, was recently repealed with the issuance of DENR Administrative Order No. 2022-03 dated March 14, 2022, to serve as the Revised Implementing Rules and Regulations of the People’s Small-Scale Mining Act of 1991, and aims to be a more effective and expeditious implementing rules for the law;

¹ Section 2, Article XII of the 1987 Constitution.

² Section 2, An Act Creating a People’s Small-Scale Mining Program and For Other Purposes, Republic Act No. 7076.

WHEREAS, as of 2022, based on data from the Mines and Geosciences Bureau, there are forty (47) declared small-scale mining or “Minahang Bayan” areas operating in the country,³ many of which indicate “gold” as the commodity;⁴

WHEREAS, based on the Mining Industry Statistics of the Mines and Geosciences Bureau of the DENR, the contribution of mining to the country’s gross domestic product (GDP) in 2019 was only 0.54% (Php105.1 Billion), 0.48% (Php83.9 Billion) in 2020, and 0.51% (Php94.4 Billion) in 2021;⁵

WHEREAS, in a study conducted by the Philippine Institute for Development Studies (PIDS), one of the findings is that data collection is not enough for the government to come up with a reliable dynamic picture of the impacts of small-scale mining at local and national levels;⁶

WHEREAS, citing various estimates by different bodies on the employment statistics of the small-scale mining sector, the same study shows that there are an estimated 200,000-500,000 workers working in the said industry, unfortunately, the figures include child laborers estimated to be around 6%, and largely informal, with around 2,000 to 3,300 estimated number of operations and 80% are unregistered;⁷

WHEREAS, the Occupational Health and Safety Center of the Department of Labor and Employment (DOLE), in collaboration with the International Labor Organization, conducted an assessment of occupational safety and health of workers in select small-scale gold mining and processing operations in 2018, and found that among others, there were various safety hazards that are easily identifiable but not given attention, no exposure monitoring or measurement of different health hazards, absence of risk-based programs for workers’ protection, and no risk-based health programs for “temporary” or “permanently” closed processing plants;⁸

WHEREAS, in view of the informality of the sector, support for value chain links for a formal small-scale mining organization is not available to unregistered operators, thus, depriving the latter of chances to be developed as a safe and economically productive livelihood and opening up labor-related abuses and trade dominance of black market;⁹

³ Mines and Geosciences Bureau, Evaluation of Applications or Petitions of Proposed Minahang Bayan Areas. Retrieved from <https://mgb.gov.ph/2015-05-13-02-02-11/mgb-news/1145-evaluation-of-applications-or-petitions-of-proposed-minahang-bayan-areas> (date last accessed September 5, 2022).

⁴ Mines and Geosciences Bureau – Central Database, Minahang Bayan. Retrieved from <http://databaseportal.mgb.gov.ph/#/public/minahang-bayan> (date last accessed September 1, 2022).

⁵ June 1, 2022, Department of Environment and Natural Resources – Mines and Geosciences Bureau, Mining Industry Statistics. Retrieved from <http://databaseportal.mgb.gov.ph/mgb-public/api/attachments/download?key=1JSVCbYsxxwrmrGF9s1bMGMdhm4T4iT7DgrFjUj1Z8Lo11LCaSlwhMKqdaQOkLcYB> (date last accessed: September 1, 2022).

⁶ Philippine Institute for Development Studies, Answering Critical Questions on Mining in the Philippines: Phase 2, Discussion Paper Series No. 2019-22, December 2019. Retrieved from <https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1922.pdf> (date last accessed September 1, 2022).

⁷ *Id.*

⁸ *Id.*, p. 44.

⁹ *Id.*, p. 31.

WHEREAS, the *Bangko Sentral ng Pilipinas* (BSP), the only designated buyer by law for gold produced from small-scale mining activities, reported a peak of 32.38 metric tons of gold from small-scale mining activities in 2005. However, in 2018, the BSP only sourced 0.33 metric tons (330 kilograms) of gold from small-scale mining, or 98.9% drop, which may be an indicator of the sale of gold to black market routes.¹⁰ Players in the black market can easily compete with the BSP, including factors such as the lack of paperwork requirements or bank account details, and non-deduction of taxes;¹¹

WHEREAS, the use of mercury remains prevalent in mining operations in the country. In 2019, at least eighteen (18) sites across the country, including those located near or at several small-scale mining sites were contaminated with mercury, necessitating the need to regulate or eliminate the use of harmful chemicals in the mining process;¹²


WHEREAS, there is a need to further explore and identify areas where policy interventions can be introduced to support the development of the small-scale mining sector and its stakeholders, including, but not limited to, the alignment of the definition of small-scale mining and other types of mining operations with the current needs and realities of the industry, and establishing the clear delineation of roles of various government bodies and stakeholders;

WHEREAS, with the creation of job opportunities as one of the objectives of the People's Small-Scale Mining Act, there is a need to review the current institutional and policy frameworks to tap into the potential of the industry for employment generation, to eliminate all forms of child labor, and to bring small-scale miners within the ambit of formal employment and social protection;

WHEREAS, as a capital-intensive industry, there is a need to include in the overall framework a system for skilling, upskilling and reskilling of small-scale miners in the mining industry, including training on safety management, to ensure the optimum productivity and welfare of the workers, and ensure that they are able to transition to other jobs once the mining operations in the area have ceased;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE PHILIPPINES, that the appropriate Committee/s of the Senate, conduct an inquiry, in aid of legislation, on the status of implementation of the People's Small-Scale Mining Act of 1991, and other relevant small-scale mining policies, with the end in view of promoting responsible mining and providing the necessary policy interventions for the development of the small-scale mining sector and the generation of quality job opportunities for small-scale miners.

Adopted,


SENATOR JOEL VILLANUEVA

¹⁰ *Id.*, p. 27.

¹¹ *Id.*, p. 33.

¹² March 22, 2019, Mercury level rising in Philippine waters, mine sites; 18 hotspots tagged, Philippine Daily Inquirer. Retrieved from <https://newsinfo.inquirer.net/1098667/mercury-level-rising-in-philippine-waters-mine-sites-18-hot-spots-tagged> (date last accessed: September 1, 2022).