



HOUSE OF REPRESENTATIVES

H. No. 7871

BY REPRESENTATIVES UNGAB, GARCIA-ALBANO, SY-ALVARADO, TY AND
ZARATE, PER COMMITTEE REPORT NO. 790

AN ACT DECLARING THE CITY OF DAVAO A MINING-FREE
ZONE AND PROVIDING PENALTIES THEREFOR

*Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:*

1 SECTION 1. *Mining-Free Zone.* – The City of Davao is
2 hereby declared a mining-free zone. All forms of mining operations
3 and activity, whether large-scale or small-scale, within its
4 jurisdiction are hereby prohibited. The provisions of Republic
5 Act No. 7942, otherwise known as the Philippine Mining Act of
6 1995; Republic Act No. 7076, otherwise known as the “People’s
7 Small-scale Mining Act of 1991”; and other laws, rules and
8 regulations on mining inconsistent with this Act shall have no
9 application within the territorial jurisdiction of the locality.

10 SEC. 2. *Coverage.* – This Act covers all mining
11 operations and activities, including quarrying, within the
12 territorial jurisdiction of the City of Davao.

13 For the purpose of this Act, “mining” refers to the extraction
14 of valuable minerals or other geological materials from the

1 earth and shall include such mining activities as exploration,
2 feasibility, development, utilization and processing, as well as
3 quarry operations involving cement raw materials, marble,
4 granite, sand and gravel construction aggregates, and other
5 resources.

6 SEC. 3. *Recognition of Existing Mining Contracts, Agreements*
7 *and Permits.* – All valid and existing contracts, exploration
8 permits, licenses, technical agreements and mineral production
9 sharing agreements in accordance with Republic Act No. 7942,
10 otherwise known as the Philippine Mining Act of 1995 covering any
11 area of the City at the date of the effectivity of this Act shall
12 be recognized by the Government and shall remain valid until
13 the expiration or termination thereof. Thereafter, no further
14 extension or renewal shall be granted. Moreover, the Government
15 shall not issue new exploration permits nor enter into new
16 mineral agreements or similar other agreements covering lands
17 within the jurisdiction of the City.

18 SEC. 4. *Prohibition Against Exploration Activities in Mineral*
19 *Agreements.* – At the date of the effectivity of this Act, no
20 exploration permit to conduct further exploration activities or
21 an application for extension thereof shall be granted even
22 during the lifetime of existing mining contracts, technical and
23 financial assistance agreements and mineral production sharing
24 agreements.

25 SEC. 5. *Dormant Exploration Permits and Mineral*
26 *Agreements.* – Exploration activities and mining operations under
27 existing exploration permits, mineral agreements and other

1 similar agreements shall be undertaken immediately by the
2 permittee or contractor. In case of failure to initiate or undertake
3 any exploration activity or mining operation within two (2) years
4 from the effectivity of this Act, the exploration permit or mineral
5 agreement shall be declared dormant by the Department of
6 Environment and Natural Resources (DENR).

7 Dormant permits or agreements shall *ipso facto* be cancelled
8 upon declaration of dormancy.

9 SEC. 6. *Cancellation of Small-scale Mining Contracts.* – All
10 small-scale mining contracts as enunciated in Republic Act No.
11 7076, otherwise known as the “People’s Small-scale Mining Act of
12 1991” in the City are hereby cancelled upon the effectivity of this
13 Act. Affected small-scale mining contractors have one (1) year from
14 the time this Act takes effect to undertake the rehabilitation,
15 regeneration and reforestation of mineralized areas, slope
16 stabilization of mined out and tailing covered areas, watershed
17 development and water preservation.

18 SEC. 7. *Quarry Permits.* – Existing quarry permits issued
19 by the City Government at the time of the effectivity of this
20 Act shall be recognized. Thereafter, quarry permits issued by
21 the city mayor shall be reviewed and monitored by the DENR
22 after the applicant shall have complied with all the requirements
23 as prescribed by the rules and regulations. The maximum area
24 which a qualified person may hold at any one time within the
25 territorial jurisdiction of the City shall be five (5) hectares. The
26 DENR shall impose strict regulations in ensuring that not more
27 than one (1) quarry permit is granted to the same person,

1 corporation, its affiliates, subsidiary or any entity that has
2 essentially the same legal personality as the applicant or holder of
3 an existing quarry permit in the City.

4 A quarry permit shall immediately be cancelled by the city
5 mayor upon the recommendation of the DENR, when, in the guise of
6 quarrying activities, the holder of a quarry permit engages in
7 activities that require an exploration permit, mineral agreement or
8 mining contract.

9 SEC. 8. *Penal Provisions.* – Any person, natural or juridical,
10 or any public officer who violates the provisions of this Act
11 shall suffer the penalty of imprisonment of not less than six (6)
12 years but not more than twelve (12) years and a fine of not less than
13 One million pesos (P1,000,000.00) but not more than Ten million
14 pesos (P10,000,000.00).

15 Any public officer who violates this Act shall also be dismissed
16 from the service and perpetually disqualified from holding public
17 office.

18 If the offender is a juridical entity, the highest ranking
19 official and the members of its board of directors or trustees
20 who authorized the violations shall suffer the penalty imposed
21 under this Act. The operator or owner thereof shall not be allowed
22 to undertake mining activities or operate similar establishments
23 in a different name or in a different location.

24 SEC. 9. *Implementing Rules and Regulations.* – Within
25 ninety (90) days after the effectivity of this Act, the DENR, in
26 consultation with the Sangguniang Panlungsod of the City of

1 Davao, shall promulgate the necessary rules and regulations for the
2 proper implementation of this Act.

3 SEC. 10. *Repealing Clause.* – Any law, presidential decree
4 or issuance, executive order, letter of instruction, administrative
5 order, rule or regulation contrary to or inconsistent with any
6 provision of this Act is hereby amended or modified accordingly.

7 SEC. 11. *Effectivity.* – This Act shall take effect fifteen (15)
8 days after its publication in the *Official Gazette* or in any newspaper
9 of general circulation.

 Approved,

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