

Mining in the Philippines – Concerns and Conflicts

Report Launch
House of Commons
25th January 2007

Report Launch Agenda

- **Introductory film from Philippines**
- **Introduction and Chair**
 - **Clare Short, MP**
- **Overview of Environmental and Social Impacts**
 - **Clive Wicks, Co-Chair of SEAPRISE-(CEESP), IUCN**
- **Impact on Philippines Indigenous Peoples**
 - **Cathal Doyle, Irish Centre for Human Rights**
- **Conclusions**
 - **Fr Frank Nally, St. Columban Faith and Justice Office**
- **Reading of messages of support from**
 - **Senator Aquilino Q. Pimentel, Jr., Philippines Senate Minority Leader**
 - **Episcopal Commission on Indigenous Peoples- (ECIP) Mindanao / Catholic Bishops' Conference of the Philippines .**
- **Open Discussion**

Mining in the Philippines – Concerns and Conflicts

Report Launch 25 01 07

Environmental and Social Impacts

MINING IN THE PHILIPPINES

IN TOP 13 COUNTRIES IN WORLD FOR BIODIVERSITY



**ESTIMATED 15,000 SPECIES OF PLANTS,
50% ARE ENDEMIC**

HARIBON
FOUNDATION

Philippines Overview

WATER

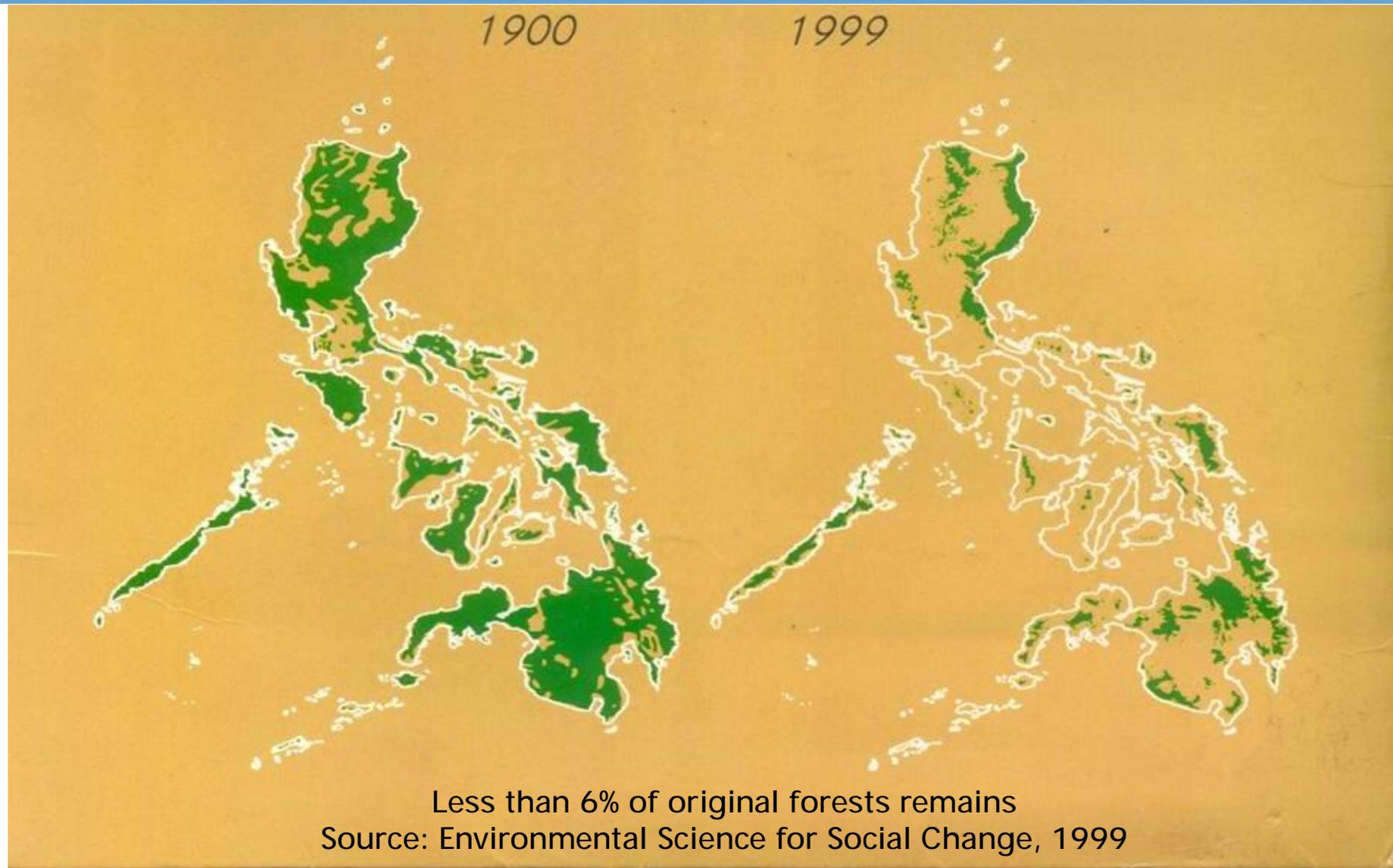
7,107
ISLANDS

MINDORO

MINDANAO



Extent of Forest Cover Loss in the last 100 years



Earthquake Potential

RING OF FIRE

MOUNTAINS

+

HIGH RAINFALL

+

LOSS OF FOREST COVER

+

SESIMIC ACTIVITY

+

OPEN CAST MINING

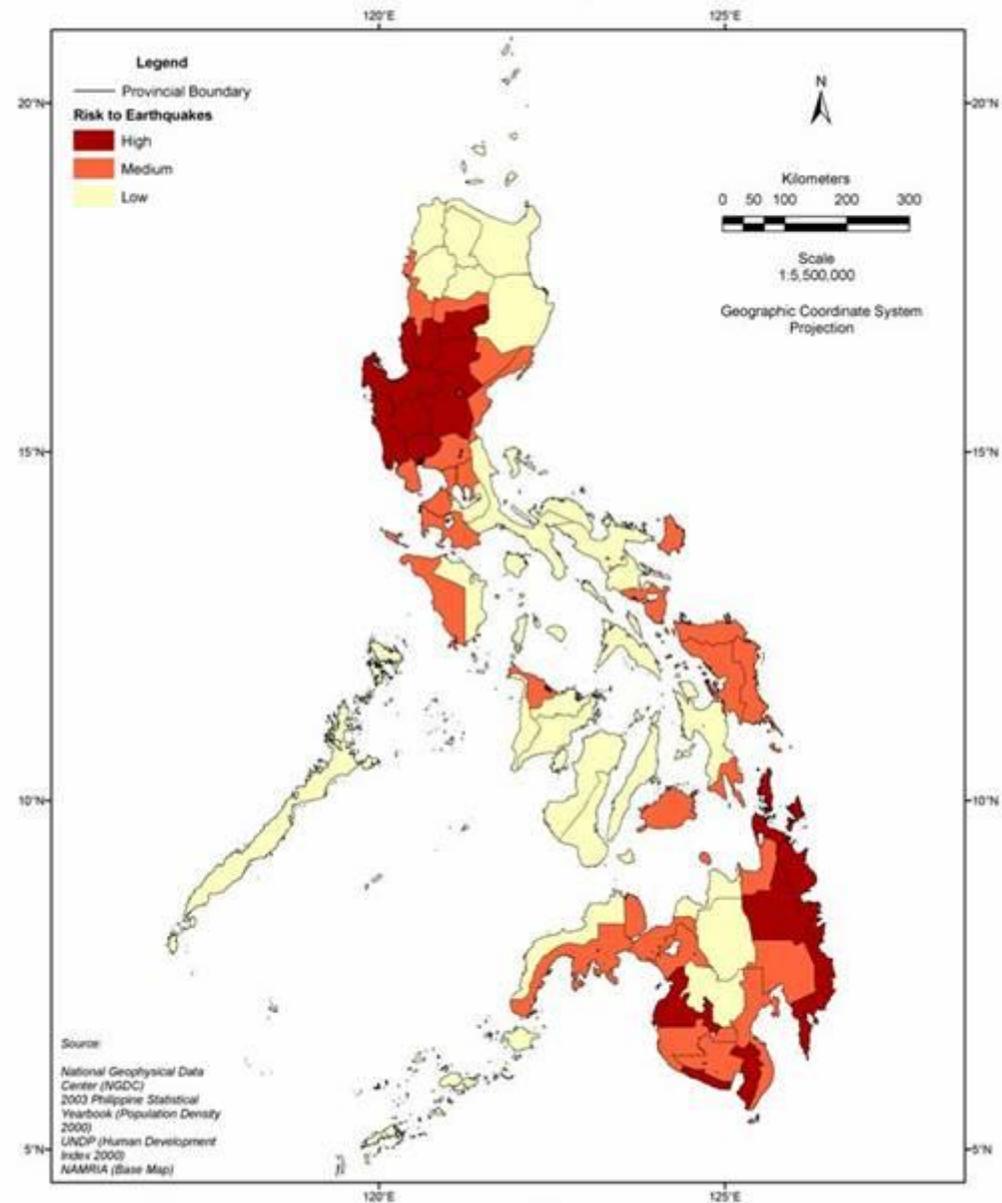
+

INDUCED SESIMIC ACTIVITY

CAN =

DEATH AND DESTRUCTION

Risk to Earthquakes



MANILA OBSERVATORY

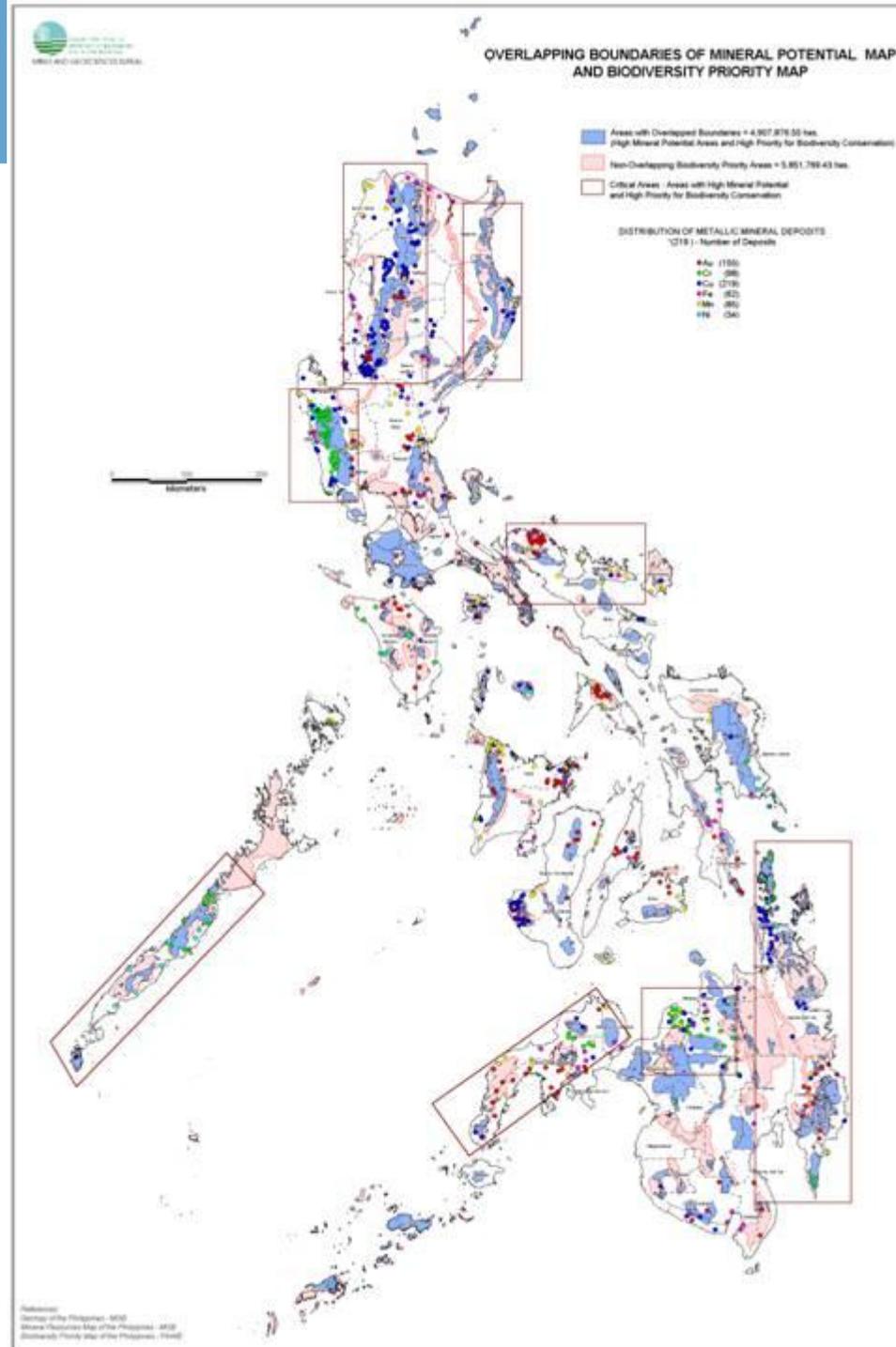


DEPARTMENT OF ENVIRONMENT AND
NATURAL RESOURCES

Philippine mineral reserves:

Gold
-Copper
-Nickel
-Chromite
-Iron
-Bauxite
-Marble
-limestone

- **Gold**
1Gm = 3-6 tons of waste



Mining Threats to Biodiversity

- **117** important biodiversity areas.
- **18** are threatened by existing mining permits*,
- **17** by active TLAs**, and **2** by both.
- **82** are potentially threatened by revitalized mining industry.

Mining in the Philippines

Concerns and conflicts

Fact Finding Mission to the Philippines Report

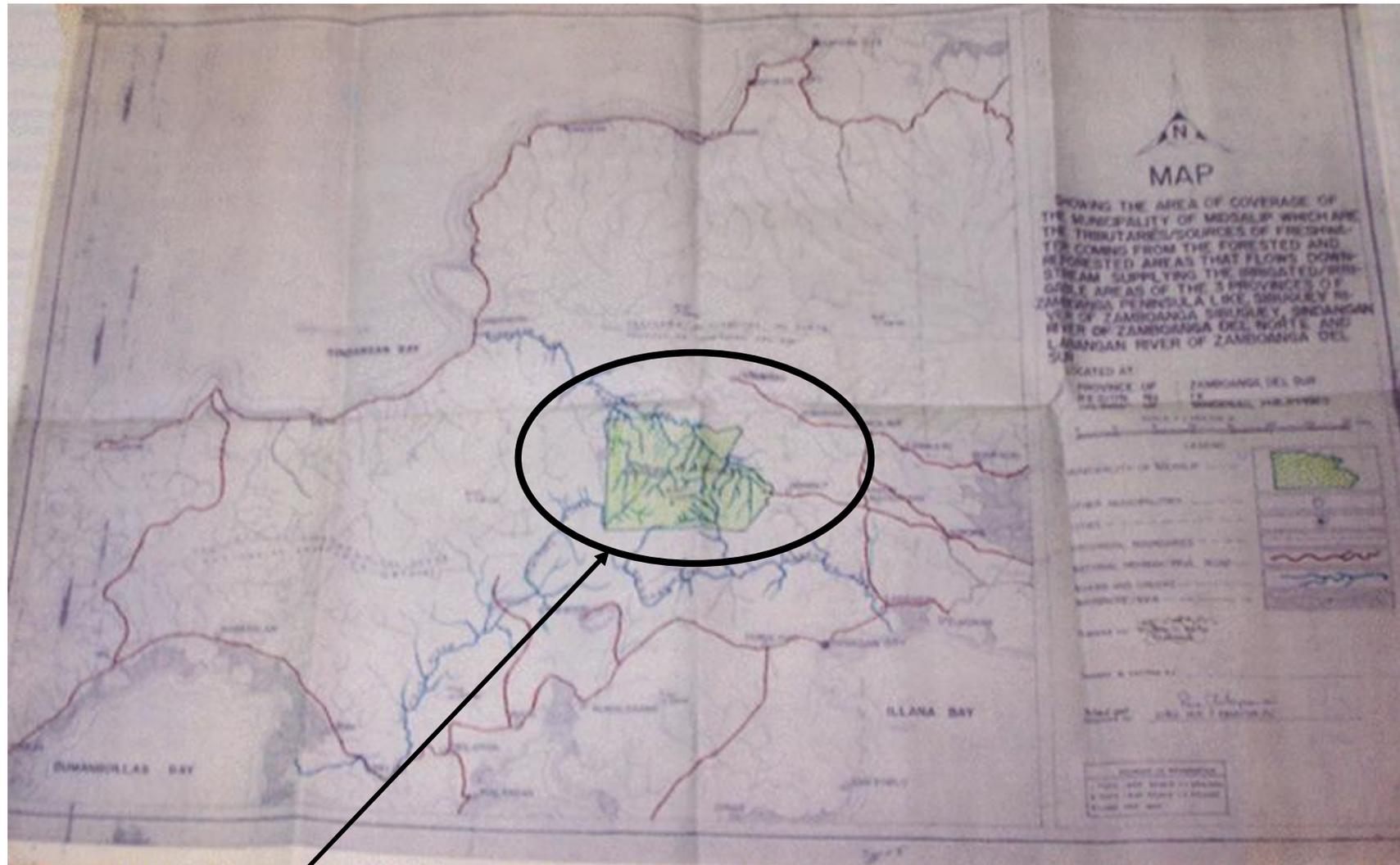


Midsalip Case –Home of the Subaanan, Tropical Forest and Endangered Philippines Eagles

- **70% of Filipinos depend upon Agriculture and Fishing for survival**
- The Midsalip farmland is currently well irrigated on rich volcanic soil with terraced productive rice fields.
- The proposed mining will destroy, the sacred Mt. Pinukis mountain and its tropical forests, through open cast mining depositing the mine waste, soil & (tailings) in the rice fields.
- People have made legal complaints



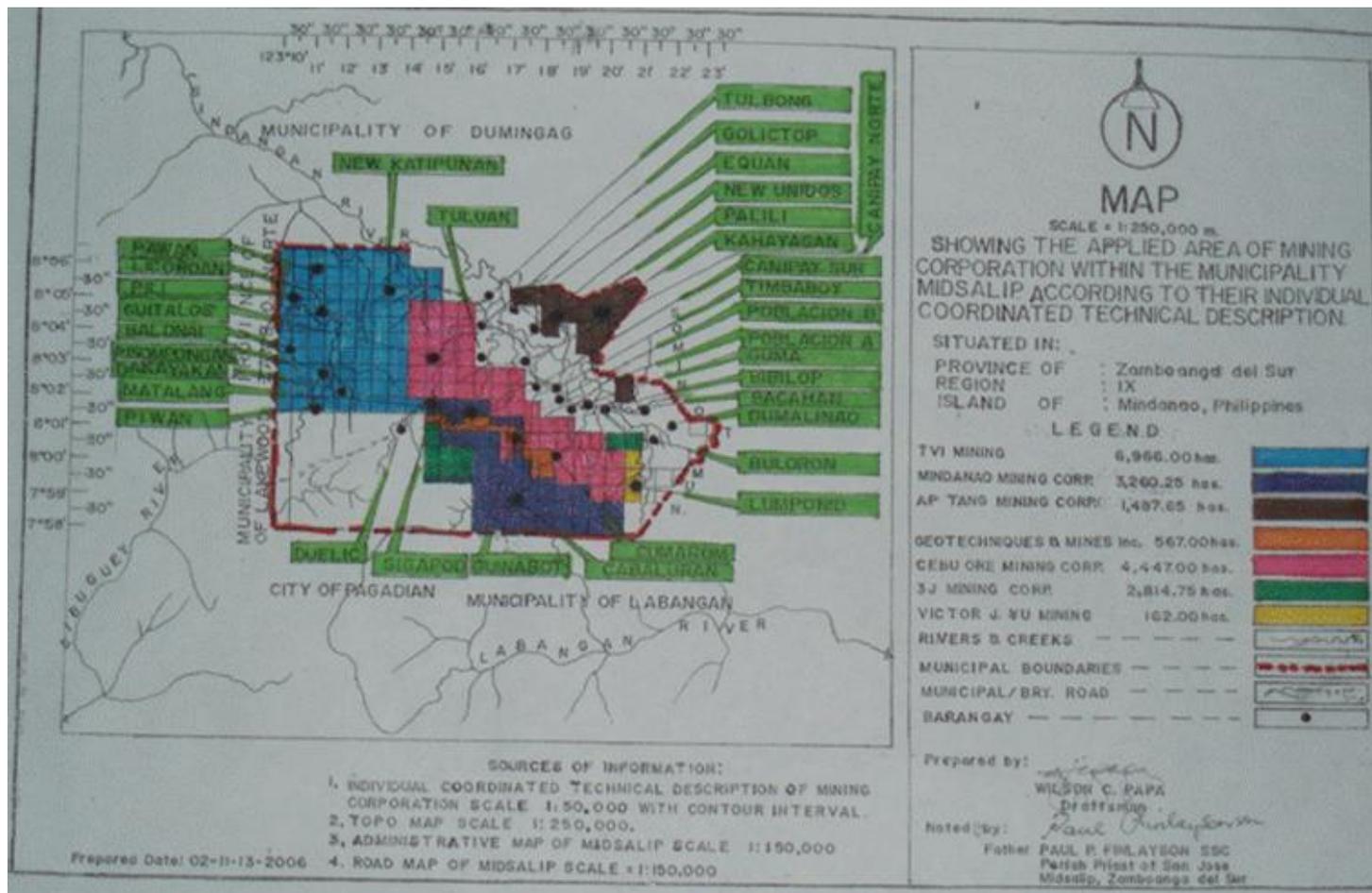
Midsalip Case - Location



The forest in the proposed mining sites is the source of tributaries for rivers for 3 provinces.

Midsalip Case – Mining Applications

- Midsalip 70 - 75% of municipality under application for mining exploration permits by 7 companies
- It is a microcosm of what is happening in other areas



Philex Mining - Libay



- Between Oct 1999 – 2002, mud slides from mine site destroyed rice fields, trees & houses
- Mud reached 200 meters out to sea
- People were afraid to buy fish
- Mangroves & coral died , fish and shell fish were killed
- Mercury levels monitored were 400 times the norm
- The mine was closed because of protests but may be opened again.
- Since the mine stopped the mangroves have been replanted and the sea is starting to recover?

TVI – Mt Canatuan



- US report dated 6th December 2006 reveals widespread failure to keep mines from polluting water
- 76 % of mines exceeded water quality standards
- 93% of mines near ground water have potential for acid drainage or containment leaching
- Recommends prevention of conflicts-of-interest between miners and consultants

Mt Canatuan - TVI Case

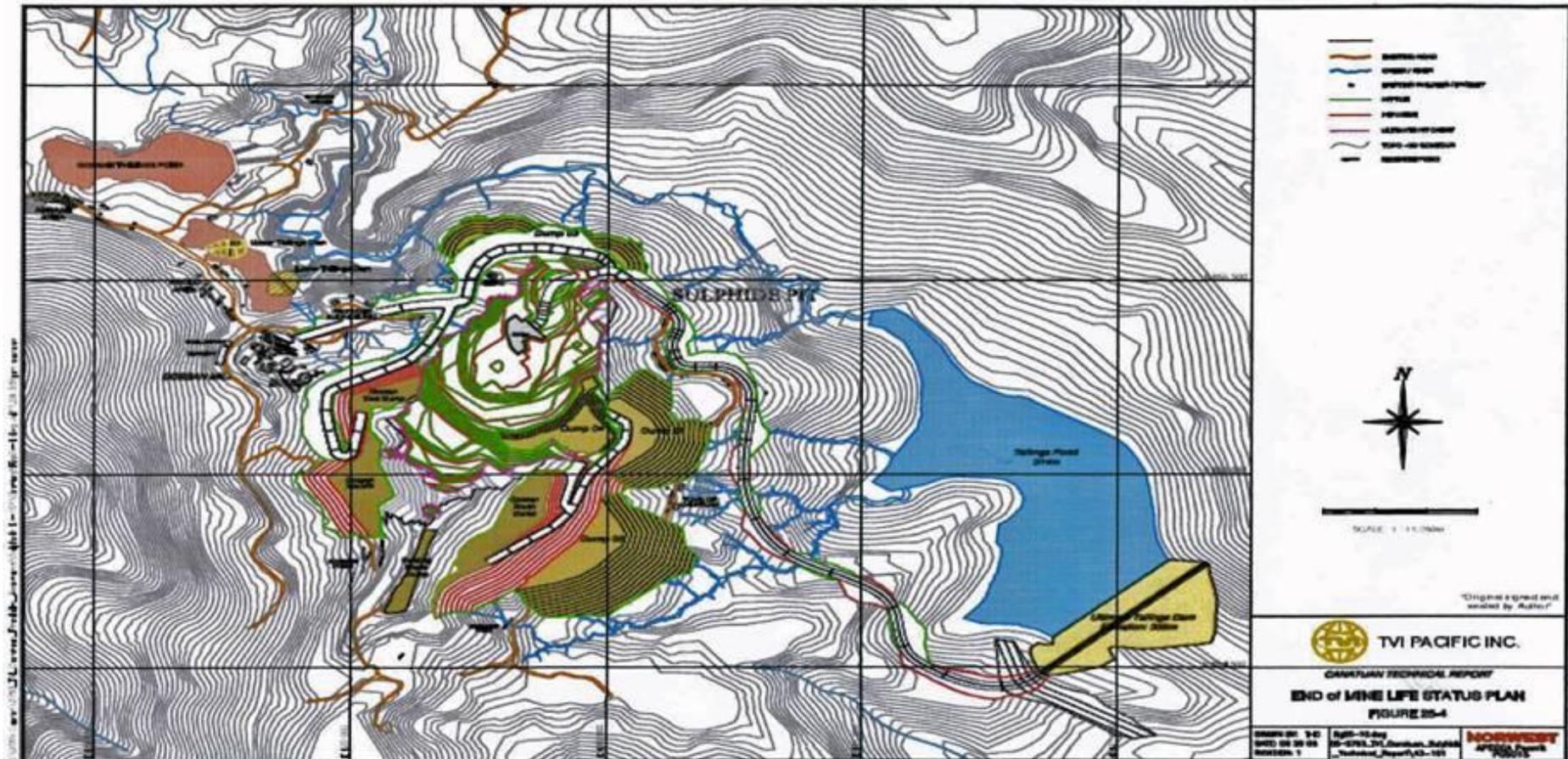
- Destruction of forest and farm land
- Notice depth of soil and amount being excavated



TAILINGS DAMS FAILURES IN PHILIPPINES

Technical Report 43-101 for the Canatuan Project of TVI Pacific Inc

Page 136



Geostat Systems International Inc.



- There have been 16 serious tailings dams failures in the Philippines in the past 20 years

Continuing Risk and Continuing Damage

Tapian Pit of Marcopper

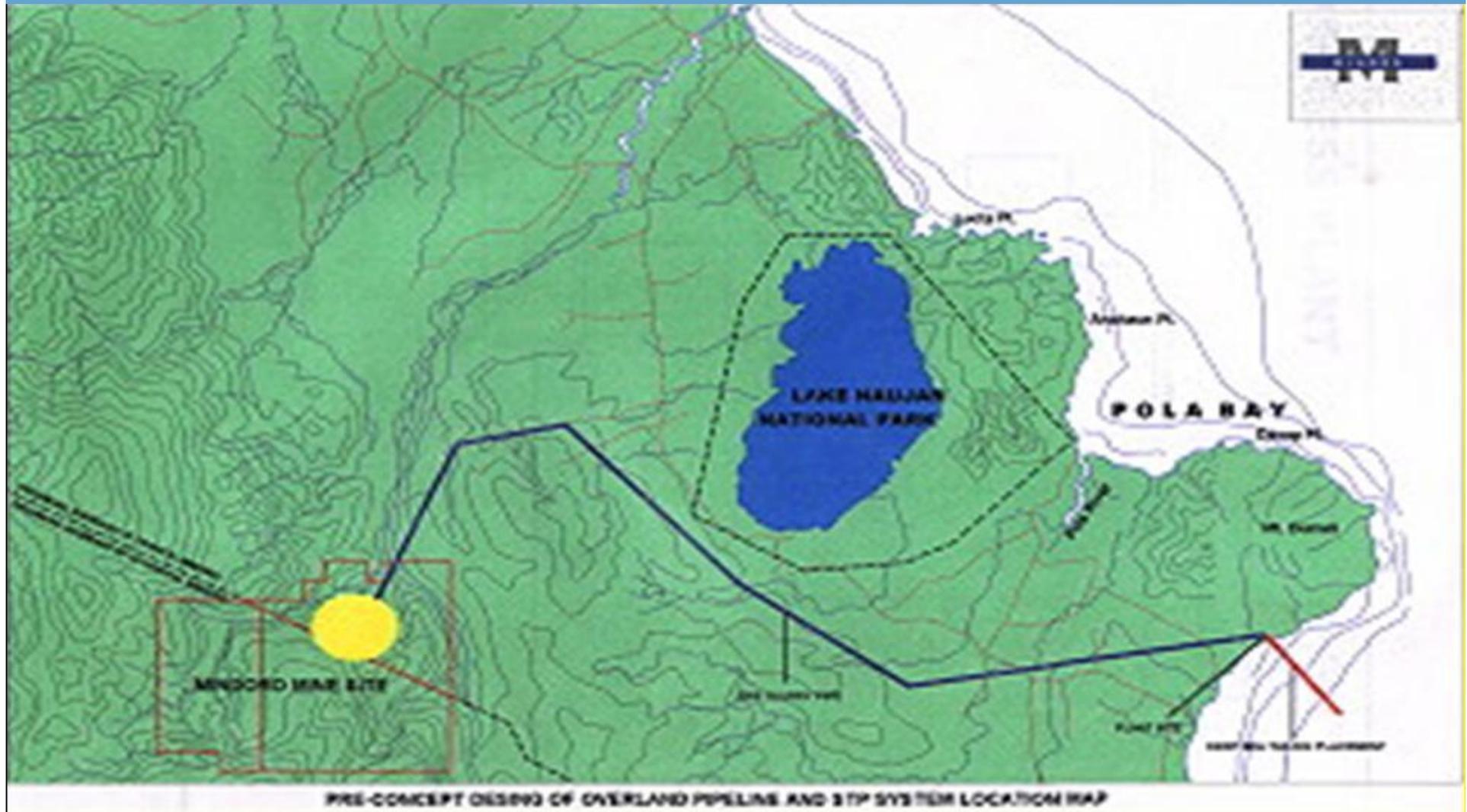


1996 collapse of drainage tunnel released 1.6 million cubic meters of toxic mine tailings in Boac River

1993 collapse of Maguila-guila dam
Contaminated Mogpog River



Crew Gold Nickel Mining, Mindoro



The mining site on Mindoro is in the headwaters of Ibulo, Aglubang and Buraboy, tributary rivers to Mag-asawang Tubig

SILTATION/SEDIMENTATION



**All sea areas including coral reefs and deep rifts
can be damaged badly by mine pollution**

Philippines Fish Life

- **about 4,000 species in the Indo-Pacific region**
- **2,177 recorded species in the Philippines (Herre, 1953)**
- **1,300 species coral reef and reef-associated species**
- **225 deep sea species**
- **75 open sea – pelagic species**
- **385 estuarine and coastal non-reef associated species**
- **170 freshwater species**



Mining in Philippines

Consistency with Development Goals?

- The World Bank highlights that the *'successful development [of mining] will depend very much on improving environmental and social practices which caused substantial problems in the past'*.
- The lack of adherence to international best practices is blatant in the Philippines and appears to be worsening

ADVANTAGES

- Short term employment
- Increased exports and FDI
- Potential tax revenue
- Benefits mining companies / investors

DISADVANTAGES

- Displacement of long term employment in agriculture and fisheries
- Reductions in long term sustainable Agriculture and Tourism Industries
- Destabilization of indigenous communities livelihoods
- Conflicts, health risks, damage to
- Displacement of small scale miners
- Militarization and human rights abuses
- Increased Corruption
- Irreparable environmental damage to biodiversity and endemism
- Accidents, tailing dam failures, floods, damaging land & marine resources
- High legacy costs
- Risk of increased/induced seismic activity
- Unproven macro economic benefits – export led, repatriation of profits, low taxes and high incentives
- Potential distortion of exchange rates – Dutch disease

Recommendations:

All PARTIES

1. **Adhere to the recommendations of the Extractive Industries Report 2004**

GOVERNMENT

- 1 **Withdraw all Mining Applications in Watercatchments, Important Agriculture, Marine Eco Systems and Areas of Conflict --- No Riverine or Marine Tailings Disposal**
- 2 **Give priority in all planning to protecting the rights to livelihood and subsistence of the poor and marginalized and to developing natural resources in a sustainable manner.**
- 3 **Protect natural resources for future generations - population 150 Million by 2036
Adopt a Strategic Approach including (SEAs) for islands where mining is proposed**
4. **Revoke Mining Act – Perform a Mining Sector Review - Enforce National Laws & International Standards**
5. **Stop Extra-judicial Killings**
6. **Halt erosion of Indigenous Peoples Rights Act (IPRA) and legal protections afforded to indigenous peoples such as Free Prior Informed Consent (FPIC).**
7. **DENR- Remove Conflict of Interest between Licensing and Enforcement - Let other Ministries Enforce Laws - e.g. an EPA, Dept of Health**

Recommendations:

WORLD BANK AND FINANCIAL INSTITUTIONS

1. ***The World Bank Group - Finance a Mining Sector Review and SEAs . Strict adherence with WB Mandate, MDGs, EIR recommendations, IFC safeguards and other internal Bank safeguards and procedures.***
2. ***Investors stop Investing in Mining until Laws are Respected and Controls are in Place***
 - ***Require Independent Inspection before Investment.***
 - ***Ensure Compliance with National Laws and International Mining Standards***

MINING COMPANIES

1. ***Withdraw all Exploration and Mining Applications which will severely damage the Environment or Human Rights
(Crew withdraw from Mindoro, All mining companies withdraw from Midsalip etc.)***
2. ***Respect all Laws & International obligations and follow international standards and best practice ensuring social license to operate is appropriately obtained this includes the avoidance of corruption and association with paramilitaries***

NGOs & GOVERNMENTS

1. ***Support expansion of independent monitoring of mining***
2. ***Improve access to justice for all, up to the level of international arenas if necessary***

Mining in the Philippines – Concerns and Conflicts

Report Launch 25 01 07

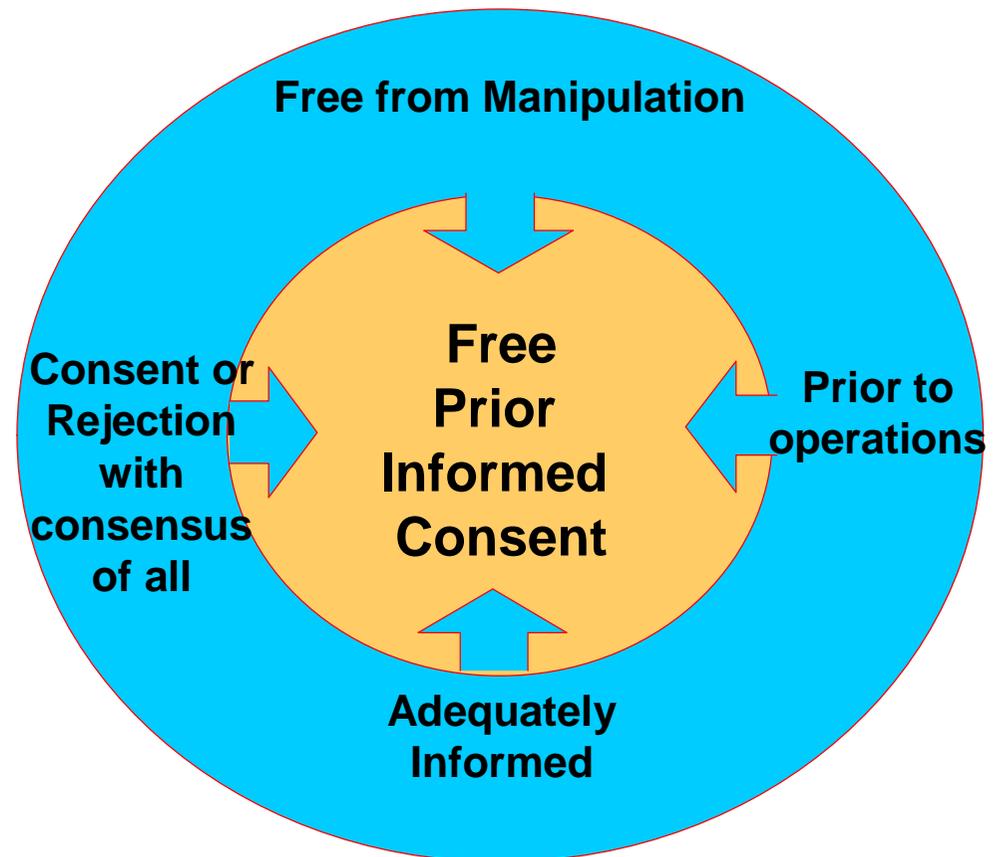
Mining & Indigenous Peoples

Human Rights: Context

- Extrajudicial Killings: Estimate over 800 since 2001
 - Includes human rights and environmental activists
- Corruption: Transparency International (TI) described the Philippines in 2004 as suffering from '*rampant corruption*'.
 - European Commission (2005): Corruption has been '*traditionally notorious*' w.r.t. mining concessions in the Philippines
- Militarization: Special Rapporteur on Indigenous Peoples, '*militarization of indigenous areas is a grave human rights problem*'. Extractive Industry Review echoed this point.
- Indigenous peoples: Over 10 million in the Philippines
 - Mostly living in the uplands
 - Overlap with areas where mineral deposits are located
 - 16 of 23 Priority Mining projects are on indigenous lands

Indigenous People Rights Act (IPRA) & Free Prior Informed Consent (FPIC)

- Expansion of Mining poses a threat to their survival as peoples
- 1987 Constitution and obligations under International Law
- IPRA enacted in 1997
 - Indigenous Peoples right to Self-Determination & Native Title
 - No mining permits issued without the consent (FPIC) of indigenous peoples impacted



Systematic undermining of IPRA and the FPIC in Mining Application Process

- Subaanen of Midsalip & Mangyan of Mindoro
- Engineering consent
 - Tactics include
 - Misrepresentation,
 - Bribery,
 - Misinformation,
 - Intimidation
- Process repeated until '*consent*' is obtained
- Erosion of IPRA's protections by Government
- Indigenous peoples feel powerless & fear for their livelihoods, food security and their very existence



Mt Pinukis - range of mountains
Held sacred by the Subaanen People

Example of Effects - Mt Canatuan, Siocon

- Ancestral domain & sacred mountain of the Subanon
- Dubious acquisition of land & mineral rights
 - Created divisions within community
 - Undermined the Subanon traditional structures
- Desecration of their sacred mountain
- Damaged livelihoods and caused health impacts
- Evicted people from their homes - 40 Families



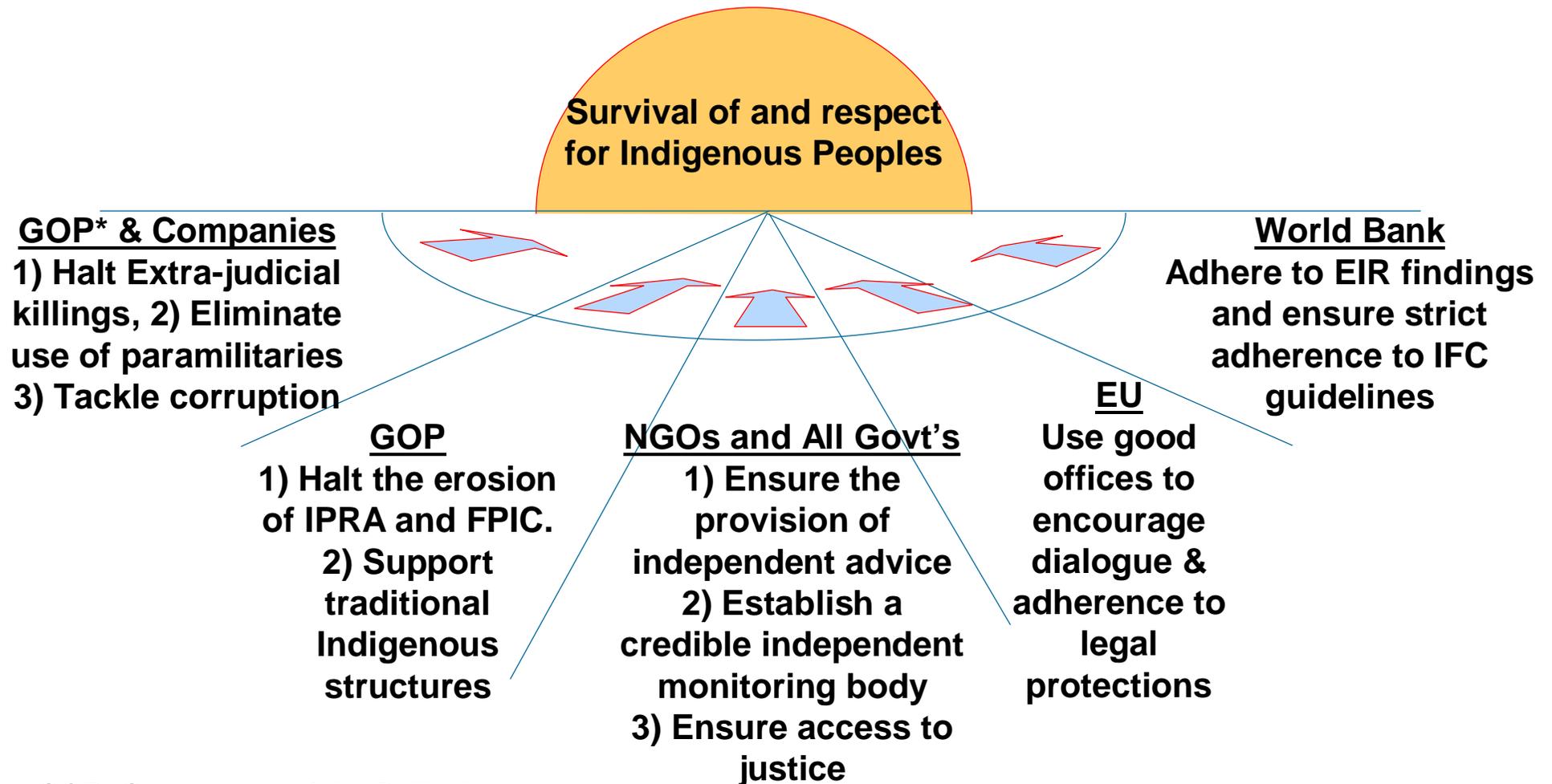
Mt Canatuan - History of Human Rights Violations

- Paramilitary force: 169 armed guards financed by TVI
 - Violence and intimidation resulting in an atmosphere of fear
 - Investigations conducted by
 - The Philippine Human Rights Committee
 - Canadian Parliamentary Committee
 - The Congress of the Philippines
 - Representations by Subanon at the United Nations
 - UN Special Rapporteur refused access to site by government



Recommendations

- The following are a subset of the recommendations pertaining to indigenous peoples



*GOP: Government of the Philippines

Mining in the Philippines – Concerns and Conflicts

Report Launch 25 01 07

Statement from Senator Aquilino Q. Pimentel
Jr, Senate Minority Leader

Statement from Senator Aquilino Q. Pimentel Jr, Senate Minority Leader



I read the Report and found it not only accurate but comprehensive.

As the only senator from Mindanao and as the author of the Local Government Code that is cited in the Report, I can attest to the veracity of the complaints of the tribal groups in Mindanao who are being oppressed by government policies relating to two extractive industries, Mining and Logging. The scarred landscapes of the barangays and the municipalities the report mentions are obscene reminders of the devastations that Mining and Logging have caused to the island and the people of Mindanao.

Statement from Senator Aquilino Q. Pimentel Jr, Senate Minority Leader



Also since the Marcos years, I have denounced and will continue to denounce the use of force – now mainly through the civilian paramilitary units – to compel tribal groups that oppose the entry into their ancestral domains of mining and logging interests without engaging them in honest-to-goodness consultations. No country claiming to be democratic should allow that to happen within its territory.

Mining in the Philippines – Concerns and Conflicts

Report Launch 25 01 07

Statement from the Episcopal Commission on
Indigenous Peoples-Mindanao and the
Conference of the Catholic Bishops

ECIP-MINDANAO Episcopal Commission on Indigenous Peoples-Mindanao



ECIP-MINDANAO
Episcopal Commission on Indigenous Peoples-Mindanao
Bishop's House
Butuan City
Philippines

Reading the ***Mining in the Philippines - Concerns and Conflicts***, Fact Finding Mission to the Philippines Report, I deplore and lament with the prophets of old what is happening to our beloved land. Our own experiences here in Mindanao validate the report.

*“Remember, O Lord, what has come upon us; look, and behold our reproach! **Our inheritance has been turned over to aliens, and our houses to foreigners.** We have become orphans and waifs, our mothers are like widows. **We pay for the water we drink, and our wood comes at a price.** They pursue at our heels; we labor and have no rest. **We have given our hand to the Egyptians and the Assyrians, to be satisfied with bread.** Our fathers sinned and are no more, but we bear their iniquities.” (Lamentations 5:1-5)*

Episcopal Commission on Indigenous Peoples- (ECIP) Mindanao



I chair the Episcopal Commission on Indigenous People – Mindanao and have been to many workshops with our indigenous peoples representatives all over Mindanao in the past three years. I heard their stories of anguish, saw them cry as they narrate their deplorable state, and I feel their anger against the game that our power-hungry national and local government officials are playing with them in alliance with greedy corporations. The situation is at its worst at the present moment.

The very government that is supposed to protect their rights is the very one abusing them, manipulating them, turning many of their leaders into “Tribal Dealers”. The very people, save a few, we elected to supposedly ensure their basic need of food, shelter and clothing, created laws that instead further the interests of foreigners, investors, multi-national corporations and have turned these laws into a “machinery of death” for our indigenous peoples and their precious culture.

What is worst is their deception. They are the modern Trojans bringing gifts of empty promises of progress and development. TIMEO DANAOS DONA FERENTES! I fear the Greeks bringing gifts ... to our people.

Episcopal Commission on Indigenous Peoples (ECIP) Mindanao



I also condemn all forms of harassment by government agencies against the people, foreigner and local, who are working in whatever way to help the situation of our indigenous peoples.

I strongly endorse the Statement on Mining Issues and Concerns of our Catholic Bishops Conference of the Philippines (CBCP), President:

- To support, unify and strengthen the struggle of the local Churches and their constituency against all mining projects, and raise the anti-mining campaign at the national level;
- To support the call of various sectors, especially the Indigenous Peoples, to stop the 24 Priority Mining Projects of the government, and the closure of large-scale mining projects, for example, the Rapu-rapu Polymetallic Project in Albay, HPP Project in Palawan, Didipio Gold-Copper Project in Nueva Vizcaya, Tampakan Copper-gold Project in South Cotabato, Canatuan Gold Project in Zamboanga del Norte, and the San Antonio Copper Project in Marinduque, among others;
- To support the conduct of studies on the evil effects of mining in dioceses;
- To support all economic activities that are life-enhancing and poverty-alleviating.



God help our indigenous brothers and sisters Our precious land ... all of us!

Bp. Zacarias C. Jimenez, DD

Chair

Coordinating Team

ECIP – Mindanao

24 January 2007

Conclusion of Extractive Industry Review

Not only have the oil, gas and mining industries not helped the poorest people in developing countries, they have often made them worse off. Scores of recent academic studies and many of the bank's own studies confirmed our findings that countries which rely primarily on extractive industries tend to have higher levels of poverty, child morbidity and mortality, civil war, corruption and totalitarianism than those with more diversified economies. Does this mean extractive industries can never play a positive role in a nation's economy? No, it simply means that the only evidence of such a positive role we could find took place after a country's democratic governance had developed to such a degree that the poorest could see some of the benefits...”.

Dr Emil Salim, World Bank Extractive Industries Review 2004 (EIR). UK Financial Times on 16 June 2004