

Miners rethink strategies amid uncertainties

By Jed Macapagal
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The mining industry has been on a roller-coaster ride since the Duterte administration took over in 2016.

A series of crackdowns led by then environment chief Regina Lopez pushed a reorganization in the Chamber of Mines of the Philippines (COMP).

Along with the changes in its leadership, COMP has since focused on initiatives that monitor the overall performance of its members as well as on efforts that would police its own ranks.

One of the initiatives newly-installed COMP chairman Gerard Brimo had put in place the adoption of a series of protocols developed by the Mining Association of Canada called Towards Sustainable Mining (TSM).

TSM requires mining companies to annually assess their performance in various areas like tailings management; indigenous peoples and community outreach; safety and health; biodiversity conservation; and crisis management, among others.

“(TSM) is a set of tools and indicators (that) ensures key mining risks are managed responsibly. Part of the protocols is for third-party audits. We will be studying this carefully,” Brimo said.

The newly-reorganized COMP also prioritized the creation of an oversight committee which will handle investigations on allegations of bad mining operations of its members.

But Brimo said the oversight committee will not impose sanctions on members, leaving actions as such to the regulators, the Department of Environment and Natural Resources (DENR) and the Mines and Geosciences Bureau (MGB).

Delisting from COMP is a possibility.

Amid President Duterte’s pronouncement retaining the ban on open-pit mines, the Mining Industry Coordinating Council (MICC) recommends otherwise.

The MICC’s findings recommend the lifting of the ban while tightening rules enforcement.

“(Open pit mining) is employed in all countries. Open pit is used as a mining method...It can be safely done, but the recommendation was we have to tighten enforcement,” said Bayani Agabin, undersecretary of the Department of Finance (DOF).

The MICC, co-chaired by the DENR and the DOF, is a multi-stakeholder team created to review the operations of 23 mining firms ordered close by the Lopez-led DENR last year.

But amid all the criticisms hurled at the mining industry, two local mining firms were recognized in the first-ever Asean Minerals Award (AMA).

Rio Tuba Nickel Mining Corp. (RTNMC), a subsidiary of listed Nickel Asia Corp. (NAC) was recognized in the Best Practices in Mineral Mining category, beating entries from other member-countries in the region.

Another entry from the Philippines, OceanaGold, won in the category of best practices in mineral processing in AMA.

Both RTNMC and OceanaGold are members of COMP.

AMA recognizes contributions involving actual impacts on community development, implications on Asean minerals supply, human resource development, productivity and resource efficiency, and actual measures to address health, safety and environmental performance.

Despite the still unclear future of mining in the Philippines, the MGB said as of the first nine months of 2017, the country's metallic production value grew by 6.06 percent to P81.48 billion compared with P76.82 billion in the same period in 2016.

The agency attributed the better performance to the more favorable metal price levels during the period. With the exception of gold, which went down by almost \$5 from \$1,256.71 per troy ounce in 2016 to \$1,251.72 year-on-year, prices of copper, nickel and silver went up.

Silver reported an average price of \$17.17 per troy ounce for the said period from \$17.05 per troy ounce in 2016.

The nine-month averages for copper and nickel stood at \$2.60 per pound and \$4.49 per pound, respectively.

DENR secretary Roy Cimatu, meanwhile, is hopeful that the decision on the appeals filed by miners ordered either shut or suspended by his predecessor would finally be released by March this year.

The environment chief stressed that the long awaited closure on whether to reverse or uphold former DENR secretary Lopez' order will be final and executory and would also no longer need approval by the MICC or the Office of the President (OP).

"We are just following due process on the appeal by miners. This doesn't concern a presidential decision. Since the department ordered it, the reversal or upholding of decision will be by the department as well," Cimatu expressed.

"The president will only act if it involves policies. But Gina's decision (to suspend) is not a matter of policy-making. The result of the audit is not a policy matter," he further added.

However, the official urged mining companies "to get their acts together" to counter the negative public perception towards mining activities by promoting responsible mining and ensuring their operations have minimal impact on the environment and local communities.

"It's not about money; it's about the attitude of the mining company to show that you are doing something, not only in greening, but also with your water discharge and tailings disposal," he told representatives of the COMP.

His statement came after the presentation of the MGB showing the shortcomings of mining companies, especially those who failed the mining audit earlier conducted by the DENR.

According to the MGB, several mining companies are guilty of the following: damage to land and private properties; siltation and discoloration of water bodies; dust generation; non-submission of reports; inadequate information, education and communication campaign; poor implementation of social development and management program; and operation beyond or outside their declared feasibility areas.

"The areas you disturb are visible or shown to the public and this easily causes a bias against you. Do not disturb areas which you do not plan on using immediately, so that you minimize the damage," he told the COMP.

In response, miners agreed to undertake "progressive rehabilitation" in order to accelerate restoration of disturbed areas which will require miners to expose only the maximum area allowed by the MGB at any given time and prescribes a standard time in leaving areas exposed.

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