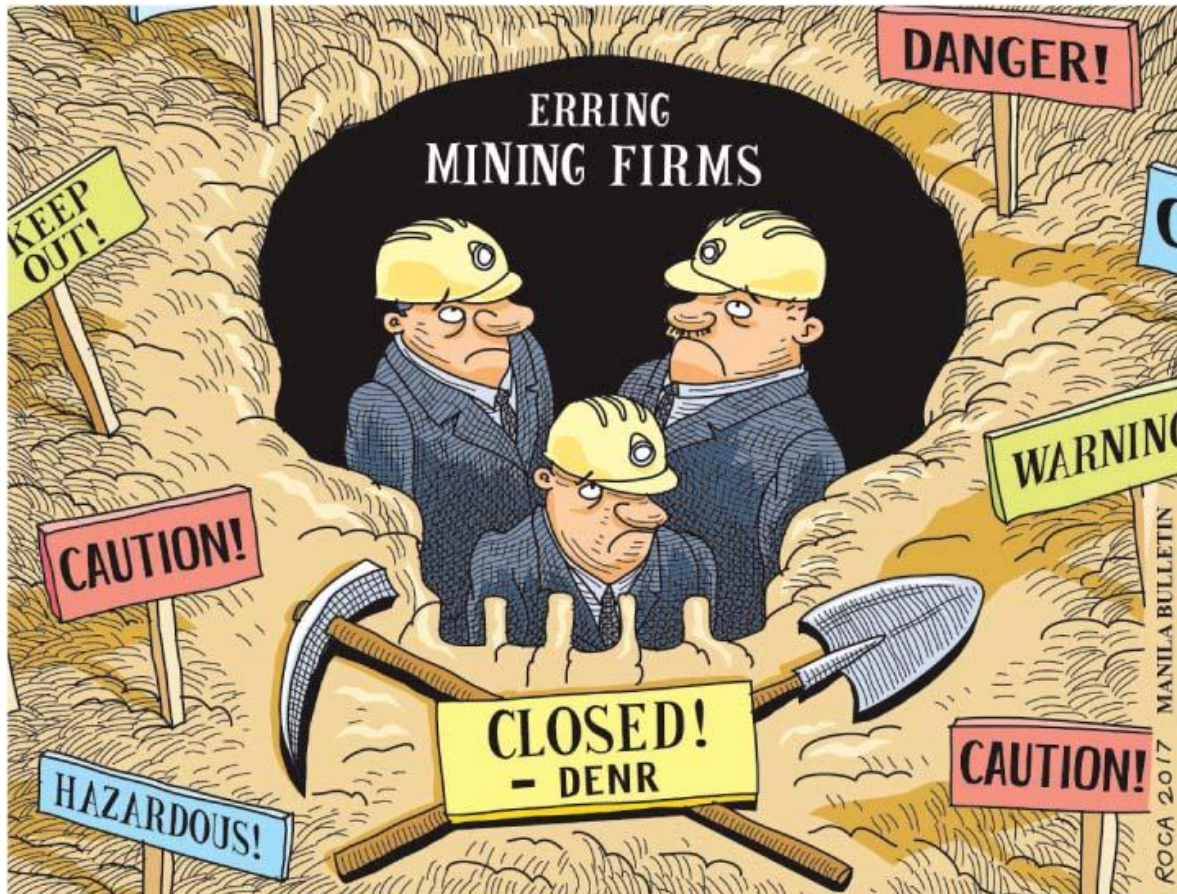


Mining firms run afoul of environmental laws

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The Department of Environment and Natural Resources (DENR) has ordered the closure of 23 mining firms and the suspension of five others for violations of environmental laws and regulations. As in all such major government actions, there are pros and cons that the government must now consider in the national interest.

DENR Secretary Gina Lopez ordered last July a review of the operations of the 41 metallic mines in the country. After three months, the Mines and Geosciences Bureau, which conducted the audit, reported its findings. Only 11 companies had passed the test, while 30 were either suspended or recommended for suspension for failing to meet environmental safety standards. This month, Secretary Lopez said 23 mines had been ordered closed for illegally encroaching on watersheds, leaking wastes into rivers, and destroying trees.

These are environmental violations that affected the lives of the people living near the mine sites, and Secretary Lopez, long known for her crusade to save the environment, acted quickly and decisively in her capacity as the new DENR secretary.

There are, however, certain ill effects of outright closure of the mines.

Most of the mines ordered closed were nickel mines, producing half of the country's exports of the ore, mostly to China. In 2015, the Philippines produced about 24 percent of the nickel used worldwide to produce steel. The companies have an annual production estimated at P66.6 billion a year. They pay the national government P16.7 billion in taxes.

Local governments in the provinces where the companies operate – Benguet, Nueva Vizcaya, Palawan, Cebu, Bulacan, Zambales, Eastern Samar, Dinagat Islands, Surigao del Norte, and Surigao del Sur – stand to lose a total of over P441 million yearly in real estate taxes, local business taxes, mayor's permit fees, regulatory and administrative fees, and occupation fees. The LGUs also stand to lose their P211-million share of mining taxes collected by the national government.

Over 1.2 million workers stand to lose their jobs if the 23 companies are closed down, according to Chamber of Mines of the Philippines Chairman Artemio Disini.

Environmentalists have come out in support of the DENR action, but the emerging ill effects of closure have moved President Duterte and his Cabinet to decide to listen to the mining companies as they respond to the charges or offer to make necessary remedies to comply with government standards. Of special concern to many are the thousands of jobs that will be lost, at a time when the country needs many more jobs to help solve the problem of mass poverty in the country.

Closure of the mines may not be the best answer. The violations came about and continued because previous officials did not do their jobs. This is specially true in the case of the mines found to be operating in watersheds. It may be expensive, but the mining companies, we are certain, are ready to institute the necessary remedies so they can continue operating in full compliance with all our environmental laws.

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