Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session

COMMITTEE REPORT NO. 961

Submitted by the Committees on Natural Resources and Appropriations on May 17, 2021
Re: House Bill No. 9345
Recommend its approval, in substitution of House Bill No. 430

Mr. Speaker:

The Committee on Natural Resources, to which was referred House Bill No. 430, introduced by Representative Rufus B. Rodriguez, entitled:

“AN ACT
DECLARING THE CITY OF CAGAYAN DE ORO A MINING FREE ZONE”

has considered the same and recommends that the attached House Bill No. 9345 entitled:

“AN ACT
DECLARING THE CITY OF CAGAYAN DE ORO A MINING-FREE ZONE AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF”

be approved in substitution of House Bill No. 430, with Representatives Rodriguez, and Barzaga as authors thereof.

Respectfully submitted,

REP. ELPIDIO F. BARZAGA JR.
Chairperson
Committee on Natural Resources

THE HONORABLE SPEAKER
House of Representatives
Quezon City
Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City  

EIGHTEENTH CONGRESS  
Second Regular Session  

HOUSE BILL NO. 9345  
(In substitution of House Bill No. 430)  

Introduced by Representatives Rufus B. Rodriguez and Elpidio F. Barzaga Jr.

“AN ACT  
DECLARING THE CITY OF CAGAYAN DE ORO A MINING-FREE ZONE AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF”

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

SECTION 1. Statement of Policy. – It is the policy of the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature. It is likewise the responsibility of the State to promote the rational exploration, development, utilization, and conservation of the mineral resources of the country in a way that effectively safeguards the environment and protects the rights of affected communities. Towards this end, the State shall institute measures to protect the people and the environment in the City of Cagayan de Oro from the adverse effects of mining.

SEC. 2. Declaration of the City of Cagayan de Oro as a Mining-Free Zone. – The City of Cagayan de Oro is hereby declared a mining-free zone. All forms of mining operations and activities, whether large-scale or small-scale, within the jurisdiction of the City of Cagayan de Oro are hereby prohibited. The provisions of Republic Act No. 7942, or the “Philippine Mining Act of 1995”, Republic Act No. 7076, or the “People’s Small-Scale Mining Act”, and other laws, rules and regulations on mining that are
inconsistent with this Act shall have no application within the territorial jurisdiction of the locality.

SEC. 3. Coverage. – This Act covers all mining operations and activities, including quarrying, within the territorial jurisdiction of the City of Cagayan de Oro: Provided, however, That the quarrying of gravel and sand for projects directly undertaken by the agencies of the national government or by the city government for basic services such as roads, bridges, school buildings, water and energy utilities, and similar public works, is exempted from the coverage of this Act, subject to the requirements of existing mining and environment laws: Provided, further, That the national government may pursue mineral resource development in any part of the city when the national interest so requires, such as in the case of strategic raw minerals for industries critical to national development for scientific, cultural and ecological values.

SEC. 4. Recognition of Existing Mining Contracts, Agreements and Permits. – All valid and existing mining contracts, exploration permits, licenses, technical and financial agreements and mineral production sharing agreements in accordance with Republic Act No. 7942, or the “Philippine Mining Act of 1995”, covering any area within Cagayan de Oro City at the date of effectivity of this Act, shall be recognized by the Government and shall remain valid until the expiration or termination thereof. Thereafter, no further extension or renewal of the contract, permit, license or agreement shall be granted. Moreover, the government shall not issue new exploration permits nor enter into new mineral agreements or similar other agreements covering lands within the jurisdiction of the City.

SEC. 5. Non-renewal of Small-scale Mining Contracts. – All small-scale mining contracts covering any area within the City of Cagayan de Oro shall not be renewed upon the effectivity of this Act.

SEC. 6. Quarry Operations. – Existing quarry permits issued by the city government at the time of the approval of this Act shall be recognized and shall remain valid until the expiration or termination thereof. Thereafter, issuance of quarry permits in the mining-free zone for instances provided in Section 4 hereof, shall be under the direct supervision
of the Department of Environment and Natural Resources (DENR). The maximum area which a qualified person may hold for quarrying purposes at any time within the territorial jurisdiction of the City of Cagayan de Oro shall be five (5) hectares. The DENR shall impose strict regulations in ensuring that no more than one (1) quarry permit is granted to the same person, corporation or its affiliate or subsidiary, or any entity that has essentially the same legal personality as the applicant or holder of an existing quarry permit in the City.

A quarry permit shall immediately be canceled by the DENR, upon finding after investigation that in the guise of quarrying activities, the holder of a quarry permit engages in activities that are properly authorized by exploration permits, mineral agreements, or mining contracts.

SEC. 7. Penal Provision. – Any person, natural or juridical, or any public officer, who violates the provisions of this Act shall be penalized with imprisonment of at least six (6) years but not more than twelve (12) years, and a fine of at least One hundred thousand pesos (₱100,000.00) but not more than Five hundred thousand pesos (₱500,000.00).

In addition, a public officer who violates this Act shall also be dismissed from service and perpetually disqualified from holding public office.

If the offender is a juridical entity, the highest ranking official and the members of its board of directors or board of trustees who authorized the violations therein shall suffer the penalty imposed under this Act.

SEC. 8. Implementing Rules and Regulations. – Within three (3) months from the effectivity of this Act, the DENR Secretary shall promulgate the necessary rules and regulations for its effective implementation.

SEC. 9. Separability Clause. – If any section or provision of this Act is held unconstitutional or invalid, the remaining sections or provisions with the provisions not affected thereby shall continue to be in full force and effect.
SEC. 10. Repealing Clause. – All laws, decrees, executive orders and rules and regulations contrary to or inconsistent with the provisions of this Act are hereby amended or modified accordingly.

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

Approved,