

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



EIGHTEENTH CONGRESS
First Regular Session

House Resolution No. 267

Introduced by **HON. ELPIDIO F. BARZAGA, JR.**

RESOLUTION

DIRECTING THE COMMITTEE ON NATURAL RESOURCES TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION, THE INCIDENT OF THE DREDGING BEING CARRIED OUT BY PACIFIC OFFSHORE EXPLORATION INC. (POEI), WHETHER OR NOT THE SAME IS MINING OR DREDGING OF CAGAYAN RIVER, THE POTENTIAL OF MAGNETITE MINING IN OUR ECONOMIC PROGRESS WITHOUT COMPROMISING OUR RESPONSIBILITY TO PROTECT OUR RICH NATURAL RESOURCES, DETERMINE IF THERE CAN BE A BALANCE BETWEEN THESE TWO SEEMINGLY CONFLICTING OBJECTIVES AND A REVIEW OF THE EXISTING LAWS RELEVANT THERETO.

WHEREAS, the Philippines, has a huge magnetite sand deposit that occurs naturally in black sand. This rich magnetite sand deposits can be found in the provinces of Pangasinan, Ilocos Sur, La Union, Ilocos Norte and Cagayan.

WHEREAS, magnetite, together with hematite are the two types of iron ore that are most commonly used in the production of steel worldwide. Other than its use in the production of steel, it can also be used to make heavy concrete that is used as building material for nuclear plants, x-ray facilities and uranium mining to limit radiation exposure, water filtration, heavy media process in coal mining, as mineral fillers among others.

WHEREAS, because of the depletion of hematite as a source of iron ore, there is an increase in the demand of magnetite worldwide. At present, magnetite has a huge market in China, Taiwan, India, Japan, Korea and the United States.

WHEREAS, sadly, in the Philippines, although we have a huge deposit of magnetite, the same are directly shipped to other countries with little or no value added, thus, failing to maximize the profits that we can derive from it. Worse,

magnetite mining is done surreptitiously, resulting to illegal mining and smuggling, robbing the country of much needed revenue.

WHEREAS, environmental groups are of the opinion that black sand mining are often destructive and poorly managed. They allege that it causes erosion along the shorelines, damages flora, fauna and to other coastal ecosystems associated with the beach and a loss of protection from storms surges associated with tropical cyclones and tsunamis.

WHEREAS, in an article entitled “Characterization of Black Sand Mining Activities and Their Environmental Impacts in the Philippines Using Remote Sensing” by Estelle Chausard, of the Department of Geology, State University in New York, Buffalo at Buffalo, New York, USA and Sara Kerosky of Department of Political Science, University of California, San Diego, La Jolla, California, USA, they concluded that, to wit :

“Our results highlight the threat posed to coastal towns nearby black sand mining activities. Since most mining sites are at low elevation, the rapid subsidence results in high exposure to flooding and seasonal typhoons, and amplifies the effect of climate change–driven sea level rise. We show that several coastal areas will be at sea level elevation in a few decades due to the rapid subsidence. Since subsidence likely continues to affect the areas even decades after the cessation of mining activities due to the disruption of the sediment budget, characterization of the temporal evolution of land subsidence with longer SAR temporal coverage will be critical to mitigate environmental and societal effects of black sand mining activities.”

WHEREAS, newspaper reports state that the Cagayan Provincial Board are saying that Pacific Offshore Exploration Inc. (POEI) is mining black sand in the guise of dredging at the mouth of Cagayan River. In the report, the Provincial Board of Cagayan sought President Rodrigo Duterte’s intervention to stop the operation. The Provincial Board issued a Resolution claiming that the dredging being carried out by POEI poses a threat to the environment and livelihood of villagers. Cagayan Provincial Board Member Mila Catabay-Lauigan was quoted as saying, “This is to be investigated...as the company has yet to comply with the requirements.” She also said that the dredging vessel is putting the waste or nonmineral sand back into the river, and transporting the dredged materials abroad. Another Provincial Board Member, Vilmer Vilorio, was also quoted saying that the dredging project had not been issued an environmental compliance certificate and other permits, which, he said, makes the contractor’s operation illegal. In the said Board Resolution, it was also alleged that the contractor earns about \$50 million or P2.6 billion a month from the project.

WHEREAS, newspaper reports also said that on 6 August 2019, the Aparri, Cagayan Municipal Council approved a separate Resolution asking the Department of Environment and Natural Resources to issue a cease-and-desist order against POEI. In the same Resolution, it alleged that, “With the absence of the dredging plan and a dredging permit, it is very apparent that there is no prior assessment of the possible environmental impact of the dredging activity despite the fact that there will be pernicious effects resulting [in] environmental degradation,” It added, “The

operation is illegal and must be stopped immediately to avoid environmental hazards and threats to life and livelihood.”

WHEREAS, newspaper reports also state that the Governor of Cagayan, Governor Manuel Mamba denied that the dredging project involved extracting black sand. Mamba said the dredging at the mouth of the Cagayan River would give way to the reopening of the Port of Aparri. He also said the project would “improve economic and trade relations between Cagayan and China, and other neighboring Asian countries.” He also said that “I would resign if they can prove that it is black sand mining. It is dredging, plain and simple,” In the same news report, it was stated therein that Governor Mamba, who is also chair of the regional development council’s infrastructure development committee, approved a resolution on the reopening of the Aparri port in 2018.

WHEREAS, at present, Executive Order No. 79 otherwise known as “Institutionalizing and Implementing Reforms in the Philippine Mining Sector, Providing Policies and Guidelines to Ensure Environmental Protection and Responsible Mining in the Utilization of Mineral Resources”, Executive Order No. 270 otherwise known as “National Policy Agenda on Revitalizing Mining in the Philippines, Philippine Mining Act of 1995 and Republic Act No. 7160 otherwise known as “The Local Government Code of 1991” are the pertinent laws on the issue of mining.

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, that the Committee on Natural Resources conduct an investigation, in aid of legislation, into the dredging operations of Pacific Offshore Exploration Inc., whether or not the same is mining or dredging of Cagayan River, the potential of magnetite mining in our economic progress, our responsibility to protect our rich natural resources, determine if there can be a balance between these two seemingly conflicting objectives and a review of the existing laws relevant thereto.



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