



**Republic of the Philippines
REGIONAL DEVELOPMENT COUNCIL XI
Davao Region**

Economic Development Committee (EDC) XI

Resolution No. 04, Series of 2010

**Creating a Small Group to Initiate the Conduct of an Expanded Study on the
Environmental Impact of Mining and Sharing of Benefits from the Exploitation of
Mineral Deposits**

Whereas, two (2) policy issues on mining were presented before this Committee by its member, Dr. Edmundo B. Prantilla of RECORD Foundation, namely: 1) environmental impact of mining activities in Davao Region and 2) sharing of benefits from the exploitation of mineral deposits;

Whereas, with regard to the environmental impact of mining, Dr. Prantilla presented to this Committee the extent and sources of heavy metals contamination in the Davao Gulf and in rivers and lakes in Davao Region;

Whereas, results of related studies and reports show mercury, lead, and cadmium content in rivers and lakes which are above standards set by Department of Environment and Natural Resources, and similarly, heavy metals such as mercury and copper, were found in fresh and saltwater fish and shellfish caught in Davao Region's waters;

Whereas, the second issue pertains to the sharing of benefits from the exploitation of mineral deposits as provided for in DENR Administrative Order (DAO) No. 99-56, "*Guidelines Establishing the Fiscal Regime of Financial or Technical Assistance Agreements (FTAA)*" and DAO 2007-12, "*Revised Guidelines Establishing The Fiscal Regime of Financial or Technical Assistance Agreements (FTAA)*";

Whereas, DAO 99-56 was promulgated to: a) establish the fiscal regime for FTAA's which the Government and the FTAA Contractors shall adopt for large-scale exploration, development and commercial utilization of mineral resources of the country; and b) provide for the formulation of a Pro Forma FTAA embodying the fiscal regime established herein and such other terms and conditions as provided in the 1995 Mining Act and its Implementing Rules and Regulations (IRR);

Whereas, DAO 2007-12, on the other hand, was promulgated to revise the fiscal regime for FTAA established under DAO No. 99-56;

Whereas, based on the assessment made by Dr. Prantilla, neither of the two (2) DENR Administrative Orders result to equitable sharing among the government, both national and local, the FTAA contractor, and the concerned communities of the benefits

Whereas, this Committee finds that there is a need to further study the two (2) issues related to mining presented by Dr. Prantilla to enable this Committee to come up with appropriate policy recommendations to the Regional Development Council (RDC) XI; *now, therefore, be it*

Resolved as it is hereby resolved, that this Committee create a small group composed of the Department of Health (DOH) XI, Department of Science and Technology (DOST) XI, Department of Environment and Natural Resources (DENR) XI, Environmental Management Bureau (EMB) XI, Mines and Geosciences Bureau (MGB) XI, Department of Finance-Bureau of Treasury (DOF-BT), National Commission on Indigenous People (NCIP) XI, National Economic and Development Authority (NEDA) XI, the Local Government Units (LGUs) of Compostela Valley, Davao del Norte and Tagum City, and a representative from the academe to initiate the conduct of an expanded study on the environmental implications of mining and the sharing of benefits from the exploitation of mineral deposits.


Resolved further, that a copy of this resolution be forwarded to the entities concerned for information and appropriate action.

Approved unanimously this 21st day of April, Two Thousand and Ten at the NEDA-RDC XI Center, Bangkal, Davao City.


Certified True and Correct:


NOEL E. QUIRATMAN
Secretary

Attested:


MARIA LOURDES D. LIM
Vice-Chairperson

Approved by:


MARIZON S. LORETO
Chairperson and Presiding Officer