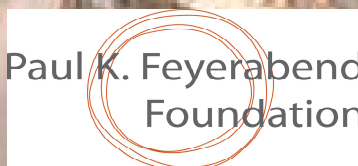


# Philippines

## Mining or Food ?

### Case Study 5: Mindoro Island



# **Philippines: Mining or Food?**

## **Case Study 5: Nickel Mining – Mindoro Island**

by

**Robert Goodland and Clive Wicks**

for

**The Working Group on Mining in the Philippines**

*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs*

The Brundtland Report, Our Common Future,  
UN World Commission on Environment and Development, 1987

*In a world overflowing with riches, it is an outrageous scandal that more than 826 million people suffer hunger and malnutrition and that every year over 36 million die of starvation and related causes. We must take urgent action now.*

Jean Ziegler  
UN Special Rapporteur on the Right to Food, April 2001

### **DEDICATION**

The Working Group on Mining in the Philippines and the authors respectfully dedicate this report to all the courageous and dignified people who have been killed while protecting the environment and upholding human rights in the Philippine archipelago.

### **Disclaimer**

The views expressed in this report are those of the authors and not necessarily those of the participating or supporting organizations. The authors have, however, done their utmost to reflect the views of the many people they met in the Philippines and the views and reports of the people and organizations who have commented on earlier drafts of this report.

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## **The Working Group on Mining in the Philippines**

The Working Group on Mining in the Philippines was established in 2007, after the publication in January that year of the report, *Mining in the Philippines: Concerns and Conflicts*. Based in Britain and chaired by the Right Honorable Clare Short MP, UK's former Minister of International Development it includes representatives from the Columban Missionary Society, the Ecumenical Council for Corporate Responsibility, Philippine Indigenous Peoples' Links and IUCN- CEESP.



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## **Acknowledgements**

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However, in view of the vast number of extrajudicial killings that have taken place since 2001, now believed to be over 1,000, including a Bishop of the Independent Church, the authors are reluctant to name people or organisations in the Philippines. The authors admire the many other people, including lawyers, some of whom have also lost their lives while trying to protect their people from mining industry abuses.

The authors admire the courage of the politicians, bishops, priests, sisters and pastoral workers of the Catholic Church and the leaders of many other faiths and none and human rights lawyers who have the courage to speak out against the destruction that mining is currently and will increasingly cause to their beautiful, fruitful and bio-diverse archipelago. It has been a great honour and a humbling experience for the authors to work with such brave and committed people.

They would like to thank the Local Governments Units, the Catholic Church, especially the Columban Missionaries and the bishops, priests, sisters and communities who welcomed them during their trip and provided accommodation, transport and food for the team.

The best help the authors could provide was to apply their long years of experience and professional knowledge of the extractive industry around the world and their knowledge of environmental and human rights 'best practise', laws and conventions in an impartial and professional way.

They would like to especially thank PAFID for their contribution to the mapping of the areas visited in their February 2008 Field Trip, LRC-KSK-Friends of the Earth for their expertise on the law and assisting Indigenous Peoples protect their rights, Professor Arturo Boquiren, Professor Ernesto Gonzales for their contribution and insights about the economics of mining versus environmental value and Cathal Doyle of the Irish Centre for Human Rights for input on the rights of indigenous peoples.

### **From The Working Group on Mining in the Philippines (WGMP):**

The Working Group would like to thank Robert Goodland and Clive Wicks for their dedication and passion for human rights and environmental justice, which has led them to generously give of their time and expertise to travel to the Philippines and answer the call of an ever increasing number of communities to help them protect their rights, their lands, their lives and livelihoods. We wish to thank Cordaid, the Holly Hill Charitable Trust, Paul K. Feyerabend Foundation, the Columbans, the IUCN-CEESP (Commission on Environmental Economic and Social Policy), for their financial support to realise this report and maps.

## **Case Study 5: Nickel Mining – Mindoro Island**

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## Map of the Philippine Archipelago

### Case Study Locations



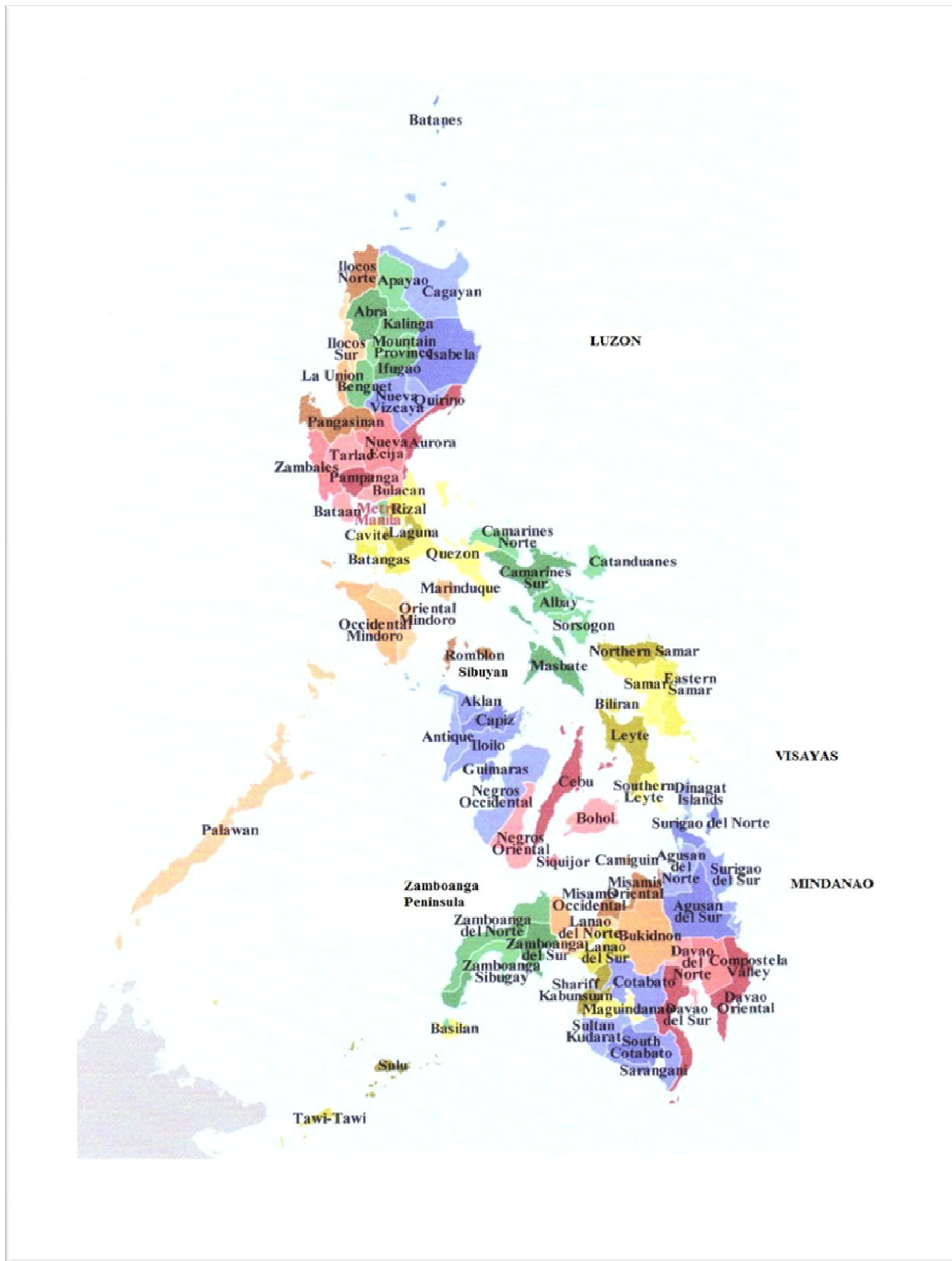
Report and Case Studies available in individual documents at:

<http://www.piplinks.org/miningorfood>

MAPS associated with these 6 Case Studies

are available at <http://www.piplinks.org/maps>

# Provincial Map of the Philippines<sup>1</sup>



<sup>1</sup> Source Wikipedia



## Case Study 5: Nickel Mining – Mindoro Island

*“... I welcome Intex to the Philippines for what promises to be one of the world’s biggest, if not the biggest, nickel mining projects . . . and echo what President Arroyo said, that nickel is to the Philippines as oil is to Norway.”*

Philippine Ambassador to Norway, Victoria Bataclan,  
speaking at Intex Resources’ shareholders meeting,  
Oslo, 26<sup>th</sup> March 2008 <sup>2</sup>

*“We, the Mangyan Indigenous People in Mindoro, are strongly opposing the entry of mining in our land because we will be very much affected, our land will be taken from us. We will be displaced and we have no other place to go. We owned the land from time immemorial, given to us by our ancestors, and we are determined to protect our land, because for us, land is life.”*

Mangyan Leader

### **Background<sup>b</sup>**

Mindoro Island is the 7<sup>th</sup> biggest island in the Philippine archipelago and is 200 kilometers south of Manila. It is one of the five bio-geographical zones that have been identified in the country, and is considered the seventh most important of such zones in the world. It is home to endangered species, such as the tamaraw (wild water buffalo) and Mindoro crocodile. The Halcon-Baco forested mountain range runs through the island, serving as a natural boundary between the island’s two provinces, Mindoro Occidental and Mindoro Oriental.

Mindoro is considered to be the food basket for the nearby mainland and Metropolitan Manila. In 2004, the Department of Agriculture ranked the Mindoro provinces as the second and third largest food-producing provinces in the country.

The Mangyan Indigenous Peoples have lived on Mindoro for centuries, the generic term Mangyan referring to eight ethnic groups. The legitimate Certificate of Ancestral Domain Claim (CADC) of 1995 is in the process of being converted to an ancestral domain title.

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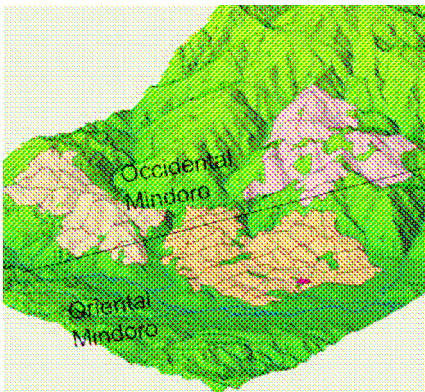
<sup>2</sup> [www.intexresources.com/\\_upl/Mindoro\\_nickel\\_march\\_2008.pdf](http://www.intexresources.com/_upl/Mindoro_nickel_march_2008.pdf) see also <http://stockpro.no/Msg.asp?GroupID=25&Group=Oslo+B%F8rs&TopicID=7032&Topic=Intex+Resources+ASA++>

<sup>3</sup> This chapter was compiled from visits to the proposed site and the Manila Intex Resources office; including a meeting with Intex Resources’s Senior Vice President Jon Peterson on 26<sup>th</sup> Feb 2008, at Pasig City; workshops with the Mangyan Indigenous People and with government officials in the municipalities of Calapan and Victoria. The most informative literature on the area and proposed project is that of Gariguez 1992, 2001, 2003, 2005, 2006, 2007 & 2008, but also useful is that of Almonte 2001, Bacudo 1999, Helbling and Schult 2004, Helle 1997, Javier 1987, Lopez 1976, Postma 1998, 2005, and Sayson 2004.

## Mining Proposal

MINDEX Resources Development Inc., a Philippines subsidiary of a Norwegian exploration company, Mindex ASA, was looking for gold in the mountains of Mindoro in 1997 when it found deposits of the nickel-containing ore, limonite, some 4-10 meters from the surface. It (and another Mindex subsidiary, Aglubang Mining Corporation) promptly lodged several claims.

Ten years later, after a checkered history of company takeovers and name changes (from Mindex to Crew to Intex)<sup>4</sup>, mining permissions being granted, revoked and then reinstated,<sup>5</sup> and claims of deception from all sides, the Mindoro Nickel Project is (as of early 2008) between the pre-feasibility and feasibility stage. The company's 2007 Annual Report indicates that Intex Resources completed the Pre-Feasibility study in December 2007; press releases posted on the company website mention the study, but it has not been made available to the Mindoro Local Government Units (provinces, municipalities and *barangays*). Intex Resources seems to assume, however, that the project will be operational by the year 2011 and will produce 80,000 tons of nickel per year once fully up and running. The estimated reserves would suggest any mine would have a lifespan of some 25 years.



The proposed mine is in the Mindoro mountains, overlapping the island's two provinces, Occidental Mindoro and Oriental Mindoro (two-thirds of the proposed mine area are in Occidental, but many of those who would be affected live in Oriental Mindoro)

The nickel ores on Mindoro island are within the ancestral domain of the Mangyan Indigenous Peoples. Three of the eight ethnic groups, the Alangan, Tadyawan, and Bangon, would be affected by the Mindoro Nickel Project if it goes ahead. The mining concession overlaps with the Certificate of Ancestral Domain Claims of both the Alangan and the Tadyawan Mangyans (Gariguez 2008).

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<sup>4</sup> MINDEX Resources Development Inc was a Philippines subsidiary of Mindex ASA, a Norwegian company engaged in exploration and development of mineral resources. In 2000, a Canadian company, Crew Development Corporation, acquired 97.7% of the shares of Mindex ASA. MINDEX became Crew Minerals Philippines Inc. (CMI); it was directly managed, however, by Crew Minerals, non-gold division of Crew Development Corporation. Crew Minerals and was based not in Canada but in Norway. In December 2007, Crew Minerals was replaced by Intex Resources, stating that it is a new Norwegian company with a new board and shareholders.

<sup>5</sup> 14th March 1997: an exploration permit issued to MINDEX Resources Development Inc. (a subsidiary of Mindex ASA) for 9,720 hectares; 12th July 1998: A Mineral Production Sharing Agreement (MPSA) for exploration for 2,290 hectares issued to another Mindex subsidiary, Aglubang Mining Corporation, covering the same areas being explored by Mindex; 1999 (March): MINDEX's 1997 exploration permit was renewed. 2000: MPSA granted to Aglubang. 1st July 2001: DENR Secretary Heherson cancelled the Mindoro nickel MPSA. 10th March 2004: The MPSA cancellation was revoked by the Office of the President (OP). 10th November 2005: DENR Secretary Michael Defensor *reinstated* the MPSA.

### *Mag-asawang Tubig River*



The proposed mining area is also at the heart of a once-proposed Mangyan Heritage Park. It is densely forested, raising concerns of deforestation and increased flooding from siltation of the rivers. It is inhabited by many endemic and endangered species of flora and fauna. The proposed site encroaches on the Mag-asawang Tubig Watershed, which is the largest source of irrigation water for the 40,000 hectares of collective riceland downstream. The

watershed supplies four major rivers that provide water to 70% of Oriental Mindoro's rice fields. Further downstream, siltation and sedimentation would threaten mangroves, sea grasses, and coral reefs

The mine would produce some 4 million tons of waste, which would need to be disposed of somewhere somehow.

Under Philippine law, before any mineral exploration can begin, a company must submit for approval a detailed Environmental Work Program to the Mines and Geosciences Bureau (MGB) of the Department for Environment and Natural Resources (DENR). Intex Resources says it has complied with these requirements by continuously submitting and updating its environmental work programs during its exploration activities. These activities, they claim, include protection of waterways and full restoration and replanting of drill sites and all other areas affected. Mining exploration has already begun, despite the Provincial Government of Mindoro Oriental passing a moratorium against mining (see below). The Mines and Geosciences Bureau reported in January 2008 that 92 mining applications had been submitted on Mindoro Island.<sup>6</sup>

### **Opposition**

Intex Resources claims that *"the benefits [of the Mindoro Nickel Project] are endless."* The majority of Mindoreños have the reverse opinion. Indigenous Peoples, local government officials, mayors and many local people all oppose the Mindoro Nickel Project, and have built up one of the strongest, most sustained, collective oppositions to mining in the country. In May 1999, a broad coalition of civil society groups, Roman Catholic and Protestant church leaders, NGOs, peoples organizations, schools, teachers and students, mountaineers and environmentalists, peasant groups, human right advocates, Mangyan federations, and elected officials at various levels of government and villages formed ALAMIN – Alliance opposed to the mine.

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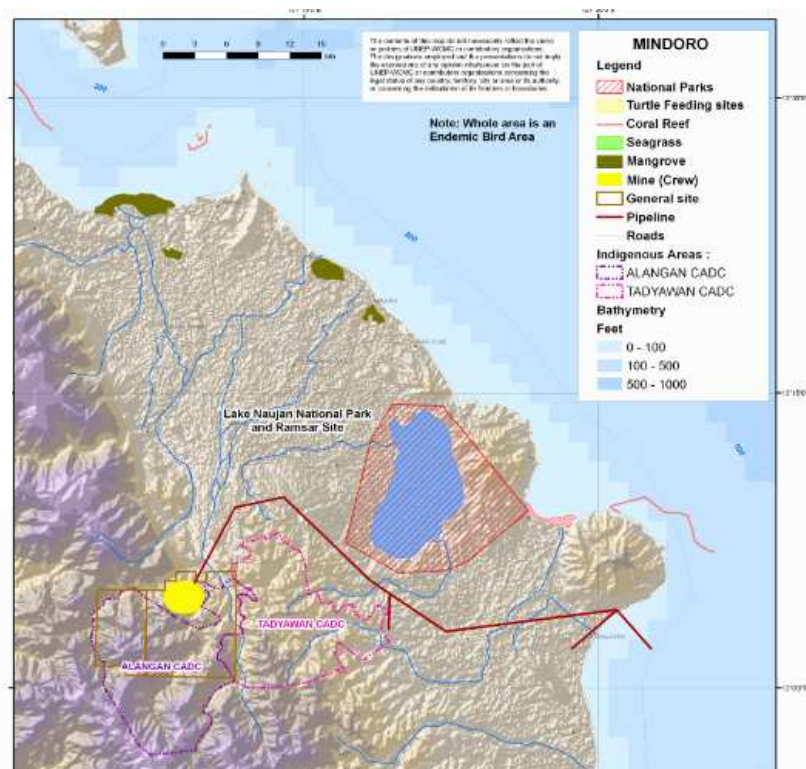
<sup>6</sup> See Box: Position paper on ecology, food security and the threats of large-scale mining in Oriental Mindoro.

There are many clear current statements and position papers from indigenous and civil society organizations rejecting the project. There are countless resolutions and moratoria from local government units. There have been numerous popular rallies, attended by thousands of people, and huge signature campaigns. Even the Norwegian Ambassador to the Philippines, Ståle T. Risa, who visited Mindoro in October 2007, concluded in a report to the Norwegian Ministry of Foreign Affairs “*that Crew Minerals [Intex Resources’ previous name] may encounter great difficulties in receiving EEC approval due to . . . massive local opposition to the project*” (emphasis added)<sup>7</sup>.

## Indigenous opposition

The Mangyans have rejected the project, having already suffered major impacts of environmental degradation on their lands since the late 1990s, especially as a result of logging of the forests. Respect for their human rights – or rather lack of – is one of the main issues regarding the proposed mining. The Provincial government in Mindoro Oriental intimates that the company has been behind the deracination of some Indigenous Peoples’ communities, and the subversion of others. During the exploration phase, for instance, indigenous burial grounds were desecrated in a clear violation of Indigenous Peoples’ rights.

Map by  
UNEP  
WCMC



<sup>7</sup> “Crew Minerals meets the Norwegian Ambassador in the Philippines”, 11th December 2007 <http://www.intexresources.com/news.cfm?id=48>

The fact that the mining concession overlaps with the Certificate of Ancestral Domain Claims should have been enough to stop the project going any further, according to both the 1995 Mining Act and the 1997 Indigenous People's Rights Act. The prior claims of the local communities, particularly Indigenous Peoples, are recognized in mainstream legal discourse as the "*native title*" claim. In a celebrated case before the US Supreme Court nearly a century ago (when the Philippines was under the administration of the USA),<sup>8</sup> the court recognized the long occupancy of land by indigenous communities as being as valid and legitimate as one of private ownership. Many foreign mining companies, however, with the blessing of the Philippine Government, have claimed that their legal rights are prior to the claims of local communities. Such legalized land grabbing is endemic and has become a specialty of corrupt lawyers and powerful élites.

US engineering corporation Dames and Moore carried out a scoping report for the company in 1999, which identified several potential impacts that the subsequent Environment and Social Assessment (ESIA) would have to address. These included that "*Mangyans' sacred places will be affected or destroyed by the construction activities . . . and by the project operation.*" Attending to sacred sites, spiritual areas, cultural patrimony and burial grounds is a critical part of the ESIA. A formal submission to the United Nations Special Rapporteur on Freedom of Religion or Belief addressing widespread failure to protect Indigenous Peoples' spiritual areas, including those of the Mangyan, is currently being compiled.

As part of the Indigenous Peoples' opposition to the Mindoro Nickel Project, a Mangyan indigenous leader, whose farm is right in the middle of the projected mine area, visited Britain and Norway in 2006.<sup>9</sup> He was accompanied by Father Edwin Gariguez, a priest who acted as translator and is active in the local alliance against the project.

In the view of the authors, the beliefs of Indigenous Peoples cannot be dismissed by the Government, the Department of the Environment and Natural Resources (DENR), the National Commission on Indigenous People (NCIP), or by mining companies. We advocate full respect for the beliefs of Indigenous Peoples and for their sacred sites, burial grounds and spirit abodes, as reflected in their oral traditions and practices. Indigenous People often take the view that disturbing an ecosystem will result in their own destruction and death.

### ***Watershed area***

Even if the proposed mine did not overlap with Indigenous Peoples' areas, another aspect of the Mindoro Nickel Project should have stopped the plans going further: the 1995 Mining Act prohibits mining in declared watersheds. The mining concession for the Mindoro Nickel Project covers the Mag-asawang Tubig Watershed, which is identified in Mindoro Oriental's Physical Framework Plan (1995-2025) as the largest source of irrigation water for 40,000 hectares of collective rice land in the Calapan

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<sup>8</sup> Carino vs. Insular Government (212 U.S. 449 of 1909, No. 72, argued 13th January 1909; decided 23rd February 1909.

<sup>9</sup> The parent company at the time, Crew Development Corporation, is registered at the UK Companies House as an overseas company. Crew Minerals that was directly responsible for the Mindoro Nickel Project is based in Norway.

area. The mining concession threatens combined rice production of nearly 170,000 metric tonnes in 2006 – about 50 percent of total provincial production, which is enough to feed more than 783,000 people for a year.<sup>10</sup>

This was one of several reasons why the then Secretary of the Department of the Environment and Natural Resources, Heherson Alvarez, ruled in July 2001 that the Mineral Production Sharing Agreement (MPSA) that had been granted to the company in 1998 violated Philippine laws. He stated:

*“What does it gain the nation to be short sighted and merely think of money, when an irreparable damage to the environment will cost human lives, health and livelihood capacity of our farmers and fisherfolks endangering the food security of our people.”<sup>11</sup>*

Investigations conducted by the DENR’s Mines and Geosciences Bureau came to the same conclusion. Even the President’s Office has stated that the mine encroaches onto a watershed in the Mindoro uplands, which is specifically a “No-Go” zone under Philippine law.

### **Moratoria**

On 28 January 2002, the Provincial Board (*Sangguniang Panlalawigan*) of Mindoro Oriental passed an Ordinance declaring a moratorium on all mining activities in the province for the next 25 years. It stated that:

*“it shall be unlawful for any person or business entity to engage in land clearing, prospecting, exploration, drilling, excavation, mining, transport of mineral ores and such other activities in furtherance of and/or preparatory to all forms of mining operations for a period of twenty-five (25) years.”*

In their view, large-scale mining is incompatible with the provincial sustainable development plan. The island’s Physical Framework Plan specifically rules out the development of the mining industry and stresses instead environmental-related strategies for sustainable land use. The island’s beauty, natural resources, biodiversity<sup>12</sup> and tourism, all of which have great potential for development, can be

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<sup>10</sup> <http://newsinfo.inquirer.net/breakingnews/regions/view/20081016-166764/Respect-mining-moratorium-in-Mindoro>

<sup>11</sup> Quoted in *Philippine Star*, 13th November 2001.

<sup>12</sup> Significant numbers of endangered species, such as the Tamaran (*Bubalus mindorensis*) live in the region, some protected in the following conservation units: Key Biodiversity Area (KBA) No. 61. Mt Calavite Wildlife Sanctuary (Proc # 292), municipality of Paluan in Occidental Mindoro with 18,016 hectares. KBA No. 62. Puerto Galera, municipalities of Abra de Ilog, Puerto Galera, San Teodoro, Santa Cruz, in Mindoro Oriental and Mindoro Occidental with 37,306 hectares. KBA No. 63. Mt Halcon, municipalities of San Teodoro, Baco, Calapan, Naujan, Sablayan, Santa Cruz in Mindoro Oriental and Mindoro Occidental with 48,660 hectares. KBA No. 64. Lake Naujan National Park, municipalities of Naujan, Pola, Socorro, Victoria in Mindoro Oriental with 21,655 hectares. KBA No. 66. Iglit-Baco Mountains, municipalities of Sabalayan, Bongabong in Mindoro Oriental and Mindoro Occidental with 56,300 hectares. KBA No. 65. Siburan, municipality of Sablayan in Mindoro Occidental with 11,569.

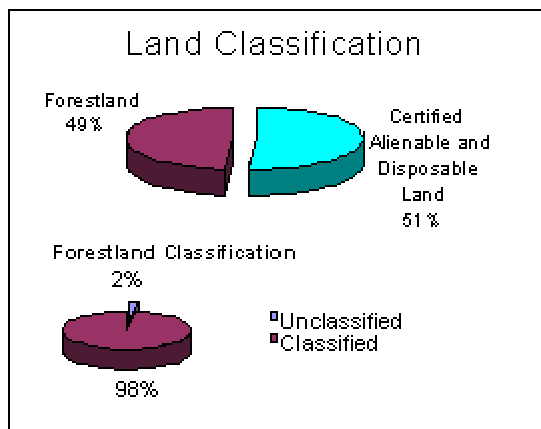
KBA No. 65. Malpalon, municipality of Sablayan in Mindoro Occidental with 14,093 hectares. KBA No. 68. Bogbog, Bongabong and Mt Hiding, municipalities of Gloria, Bansud, Bongabong, Mindoro

sustained long-term, while the mining industry is seen as short-term and ultimately destructive of the long-term benefits stemming from environmental protection.

In addition, Victoria, one of Mindoro's municipalities, has expressed its strong opposition both to the current exploration and to the proposed mining project. The Department of Interior and Local Government (DILG) Opinion No. 39, series of 2007, also favors the moratorium promulgated by the Provincial Board of Oriental Mindoro.

### **Visit to Mindoro**

The authors visited Mindoro Island in February 2008 where they met the Deputy Governor and Provincial Council, the Mayor and Council of Victoria District Council, many Government and church officials, and representatives of the Mangyan people. They visited a small part of the proposed mining area, but could not visit most of it because of river flooding, a result of previous deforestation. While they were there, the flooding covered many towns and villages and destroyed the province's main agricultural lands and rice paddies.



During the visit, the very strong objections to the proposed nickel mine from the local government, the Mangyan Indigenous People and the majority of the people were obvious. The District Council of the Victoria municipality had just passed its resolution against mining (see above).

The vast majority of Mangyans are opposed to the mine. The authors did meet, however, a small group of Mangyans from two villages who were

in favor of the mining. The company had given them a water supply and was employing them in tree nurseries, which appeared to be the only development activity in the area. The attempts to divide-and-rule the Indigenous Peoples, and to manufacture their consent to the mine, required under Philippine law, has become a highly contested issue in this project.

In addition, the military was already guarding the proposed mine site, and stopped and questioned the authors during the visit.

Almost all those the authors met told them that they lacked information about Intex Resources's plans and thus about the potential impacts on their lives and livelihoods if the project goes ahead. The absence of information naturally raises concerns and

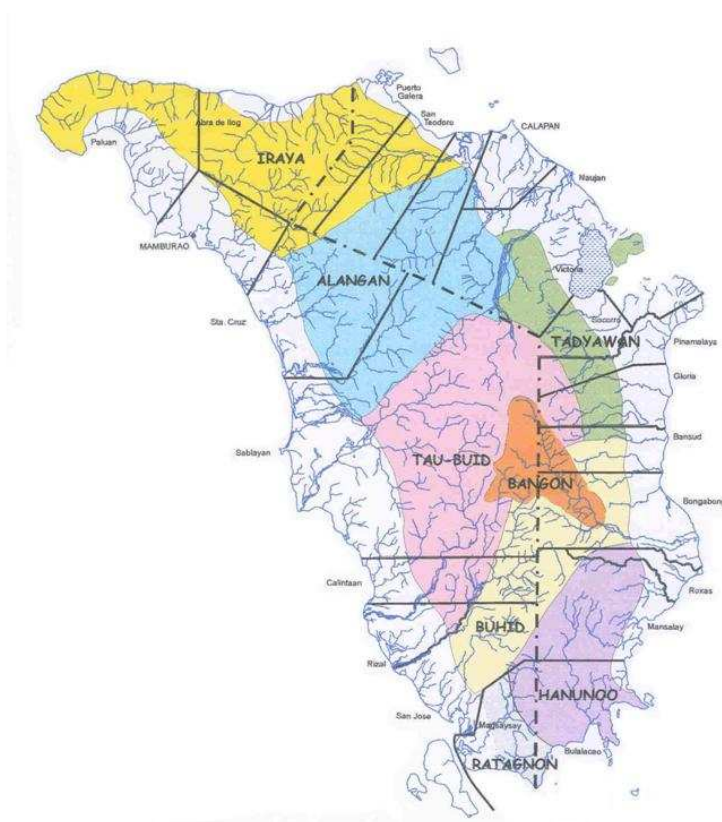
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Oriental with 17,768 hectares. KBA No. 69. Mt Hinunduang, municipalities of Bongabong, Rosas, Mansalay in Mindoro Oriental and Mindoro Occidental with 8,223 hectares. KBA 293. Apo Reef Marine Natural Park, (Proc #868) municipalities of Sablayan, Calintaan in Mindoro Occidental with 15,792 hectares.

suspicious. For instance, the December 2007 pre-feasibility study has been completed but not disclosed by Intex Resources on the grounds that it contained proprietary or confidential information. Intex Resources issued some press releases based on this study, some of which are available on its website,<sup>13</sup> but most Mindoreños have no ready access to the Internet. Plans and agreements with the national Philippine Government and its agencies are often shrouded in secrecy. As a result, however, Intex and its predecessors have been accused of deception.<sup>14</sup>

Intex Resources's shareholders and financial institutions considering supporting Intex should recognize that the company does not have a social license to operate, which could well impact on their investment.

### **Mindoro and the Mangyan Indigenous Peoples**



*From: Gariguez 2008*

### **Company continues to plan**

Although Intex Resources clearly lacks widespread support in Mindoro for its nickel mine, it continues to plan as if it had social acceptability and a social license to operate, filling in the details of its proposals and seeking finance for them. Of the five current projects that Intex Resources is pursuing internationally, the Mindoro Nickel Project is the largest and most far advanced. “*Our ambition*”, stated Intex Resources

<sup>13</sup> Intex Resources ASA of Oslo, Norway; website: <http://www.intexresources.com/news.cfm?id=381>

<sup>14</sup> Anabelle E. Plantilla, “*Deception in Mindoro*”, *Manila Times*, <http://www.manilatimes.net/national/2008/aug/16/yehey/opinion/20080816opi5.html>



Chair Kjell Almskog at the company's 2007 Annual General Meeting, "*is to prepare an operation which is up and running with normal production by 2011 to 2012*".<sup>15</sup> Managing Director Hans Christian Qvist has said, "*This project will be carried out. Sure thing.*"

Intex Resources anticipates that the mine would, during an initial first stage, produce 40,000 tons of nickel metal and 3,000 tons of cobalt metal per year (from an estimated 75,000 tons of mixed sulfide products). The amount of nickel would double in the second stage to 80,000 tons and 6,950 tons of cobalt metal per year (from 150,000 tons of mixed sulfide products). The project would also produce 4 million tons in tailings each year.

It is not just the strip mine itself that would have social and environmental impacts, but also the processing of the extracted ore. Having been extracted, the ore would be transported to a processing plant 50 kilometers away near the coast. Here it would be processed with sulfuric acid to produce nickel sulfide, which would either be shipped overseas for refining into nickel metal, or refined on Mindoro. The residue from the acid process needs to be neutralized with alkaline limestone before being put somewhere. Intex has stated that the project would provide regular employment for some 2,500 workers, a figure that would double for the construction phase to some 5,000 workers (after which 2,500 would presumably be laid off).

When the authors met with Intex Resources senior Vice President and chief geologist Jon Peterson in Pasig City on 26<sup>th</sup> February 2008, he stated that the company<sup>16</sup> intends to follow Norwegian social and environmental standards for mining fully, unless international standards (such as those of the World Bank's International Finance Corporation and the Equator Principles<sup>17</sup>) are higher, in which case it will follow these. Intex Resources says it will not follow double standards – have lower standards in the Philippines than it follows in Norway. On transparency, Intex Resources proposes to familiarize itself with the Extractive Industries Transparency Initiative (EITI),<sup>18</sup> and the UN Global Compact. The authors suggest that Intex Resources and

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<sup>15</sup> Intex Resources ASA 2007 Annual Report  
[http://www.intexresources.com/upl/annual\\_report\\_20071.pdf](http://www.intexresources.com/upl/annual_report_20071.pdf)

<sup>16</sup> Intex states that it is a new Norwegian company with a new board and shareholders, and has replaced Crew Mining Co.

<sup>17</sup> The Equator Principles are voluntary international investor standards governing environmental and social issues in development project finance. Since the Principles were launched in 2003, they have been adopted by more than 60 banks and investors. The Principles are derived from the social and environmental safeguard policies of the World Bank Group. Signatories to the Principles commit to refrain from financing projects that do not follow the Principles. Although their adoption is voluntary and there is little or no monitoring of violations, the Equator Principles have become a *de facto* standard for banks and financial investors for major development projects around the world.  
<http://www.equator-principles.com/index.shtml>

<sup>18</sup> The Asian Development Bank (ADB), on 29th February 2008, reiterated its support for the Extractive Industries Transparency Initiative (EITI) aimed at improving transparency and accountability in extractive sectors. EITI's website notes that 3.5 billion people live in countries rich in oil, gas and minerals. With good governance and equitable sharing of profits with host community governments, the exploitation of mineral resources can generate large revenues that can foster growth and reduce poverty. However when governance is weak, it may result in environmental degradation

their stockholders should also consider liabilities that could arise from the adoption in September 2007 of the UN Declaration on the Rights of Indigenous Peoples.

Intex Resources volunteered the comparison of a “best practice” nickel plant as Sumitomo’s Coral Bay plant in Palawan, an island several hundred kilometers to the south-west of Mindoro. The Coral Bay plant, like that proposed for Mindoro, recovers nickel from low-grade nickel oxide ore, using high-pressure acid leach technology (HPAL). This technology permits the metal to be extracted from low-grade laterite ores containing just 1% nickel that used to be uneconomic to mine. The Mindoro limonite ore contains slightly more than 1% nickel. Despite Mr. Peterson’s favorable description, the Coral Bay plant has come in for criticism (see Chapter 4 Box 1: Nickel Mining in Palawan Province: Some Bad Experiences).

The Intex Resources website states that, in 2008, the company will put more effort into informing and educating local stakeholders as to how the project will contribute to building sustainable communities. The Equator Principles mandate transparency and disclosure of information, especially on impacts potentially affecting people’s livelihoods. Information about plans should be disseminated in a readily accessible and understandable form. Brochures, pamphlets, posters, and radio and TV spots are all well-known methods of reaching Filipinos. The Governor of Mindoro, Arnan Panaligan, however, has stated in public forums that it is a waste of time to listen to Intex Resources’s presentations because the Provincial Council is resolved to reject the project through the Mining Moratorium the Council passed in March 2002 (see above).

Having completed its Pre-Feasibility study, however, Intex Resources expects to complete its Definitive Feasibility Study (DFS) in 2009: this should contain agreements with affected communities; location details of processing sites; a full environmental and social impact statement (EIS); a completed strategic impact assessment (SIA) including cumulative and regional impacts; all permission requirements; and an assessment of major contracting strategies. All of these are required for operation permits and for an environmental compliance certificate (ECC) to be issued.

Some of the challenges the company has already encountered cast doubt on whether it will meet its 2009 target.

#### **Agreements with affected communities?**

Despite the forests and land providing livelihoods for many people, both directly and indirectly downstream, Intex Resources Vice President and chief geologist Jon Steen Petersen was reported in March 2008 as saying:

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compounding poverty, increasing corruption and conflict. EITI aims to strengthen governance by improving transparency and accountability in the extractives sector.

*“There is no conflict between the mining plans and the population. Only 180 families live in the area, and they are all nomadic. They don’t live where the mining operations will take place.”<sup>19</sup>*

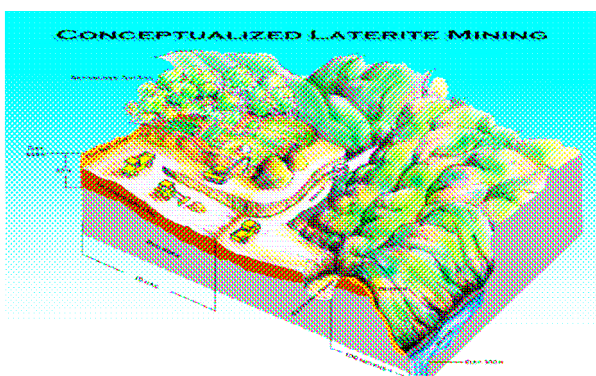
He has said that all meetings the company has had with tribal leaders have been positive.

Indeed, a Memorandum of Understanding has been signed between *some* indigenous peoples in the license area who have claimed to represent and speak for *all* the mine-affected communities. In the late 1990s, an unrepresentative Indigenous Peoples’ group, Kabilogan, was created by a company employee, Salomé Yedel, and it granted Free and Prior Informed Consent (FPIC) to the project, although its validity has been questioned. The group gave this consent in clear breach of the law. Salomé Yedel no longer belongs to this group, but went on to set up another organization called Sadaki. The majority of Mangyan, however, are totally opposed to the project.

Moreover, when then DENR Secretary Heherson Alvarez cancelled the Mineral Production Sharing Agreement (MPSA) (see above) in July 2001, he also noted the defective process of obtaining Indigenous Peoples’ consent:

*“The MPSA area is covered by ancestral domain claims of not only the Kabilogan tribe but of other Mangyan tribes. The pertinent rules and regulations of the Indigenous People’s Rights Act of 1997 provide that where a project affects a whole range of territories convening two or more ancestral domains, the consent of all affected Indigenous Cultural Communities Indigenous Peoples shall be secured. Aglubang has not secured such consent.”* (Gariguez 2005: 13)

The company has said that some (as yet unspecified) Indigenous Peoples may receive 1-2% of an unspecified royalty, an offer it regards as reasonable compensation for exploiting the nickel ore.<sup>20</sup>



#### **Location of processing sites**

The topsoil, which would have to be removed to access the ore, would be stored and covered for later rehabilitation of the mined-out area. The sites for these overburden dumps have not yet been decided upon. According to some documents, settling

<sup>19</sup> Norwegian Nickel Publicity on the Philippines, Norwatch (March 2008). <http://www.norwatch.no/20080330618/english/mines/norwegian-nickel-publicity-on-the-philippines.html>

<sup>20</sup> In September 1999, MINDEX became the second company in Philippine history to sign an agreement on the extraction of minerals with the Indigenous Peoples. The agreement was signed by 25 Indigenous Peoples’ leaders from the Alangan tribe, represented by the Kabilogan organization according to Intex. [http://www.intexresources.com/\\_upl/white\\_book\\_eng1.pdf](http://www.intexresources.com/_upl/white_book_eng1.pdf) but see also Norwatch view at <http://www.philsol.nl/pir/v2/Mindex-99b.htm>

ponds<sup>21</sup> will be placed at the mine to catch run off from the mine.

Beneficiation – the process whereby extracted ore is reduced to particles that can be separated into mineral and waste so as to process the mineral further or to use it directly – would take place at the mine processing plant.

The current proposal is to crush and wash the limonite so as to separate stones bigger than 2 millimeters from the fine laterite. The waste material separated out would be placed along drainage channels and escarpments. Submarine Tailings Disposal (STD) was at one stage considered, but has now been abandoned, not least because the sea coast around Mindoro Oriental is too shallow, which was pointed out by the Working Group on Mining in the Philippines.

To separate out the nickel, the company is proposing to use high-pressure-acid-leaching. The company is studying four as yet undisclosed potential sites where it would do this; the site would be about 5 kilometers upstream from a delta or estuary.<sup>22</sup> The residue depository or tailings dam for the waste left over after crushing and processing would need a site 1,000 hectares in area and 20 meters in height.

Intex Resources has short-listed four potential sites in both Mindoro Occidental and Mindoro Oriental for its port from which to export the nickel. The Silonay Delta, about 4 kilometers east of the city of Calapan, is the main candidate, as disclosed by Intex Resources consultant Ben de los Reyes to a meeting with Calapan's city council. The livelihoods of Calapan's population of some 3,000 people rely on fishing for Dunpilas, Manamsey, Tamban, Tawillis and Pulambuntot (red tail), and productive mangrove swamps containing nipa palms. The Calapan City Government sought approval for the mining project and infrastructure in late 2007, but all residents and *barangay* captains refused to give their consent.

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<sup>21</sup> A settling pond is an integral part of any processing plant that washes aggregate. Settling ponds can be permanent or semi-permanent structures, dugouts, impoundments or raised tanks.

<sup>22</sup> A port site in the vicinity of Lake Naujan (81.25 square kilometer) would be unwelcome. The Lake is a UN Ramsar Protected area, the fifth largest lake in the Philippines, a National Park, a migratory bird flight path, has important fisheries, and may still support the endangered Mindoro crocodile (*Crocodylus mindorensis*). The tributary rivers from the proposed mine site drain to the lake. <http://www.jawgp.org/anet/ph001ea.htm>

## **Social and environmental and impact assessment**

### **Exploration**

Intex Resources insists that it has a legal exploration permit, but acknowledges that it still needs a mining permit that it will seek after the environmental and social impact assessment (ESIA) is complete. Golder Associates of Australia has been contracted to conduct the ESIA. Norwegian standards, however, require an ESIA for the exploration phase and approval from the local government.

In addition, the cumulative impacts of the many other mining permits on the island have not yet been assessed. The original MPSA contained 9,720 hectares, which was granted to Aglubang Mining Corp. and was first approved for exploration in 1998. The approved MPSA No. 167-00-IV now covers 2,290.67 hectares, with the major stock holder being Shapa and Alagag Mining with foreign partner Crew Minerals AS Norway.<sup>23</sup>

### **Transport**

An assessment of the environmental and social impact of the access and exploration roads into the mountain has not been completed or has not been made available.

Intex Resources's contractor would deliver an estimated 3.8 million tons of limonite ore each year from the mine to the preparation plant some 50 kilometers away near the coast. The company has not yet decided whether to opt for road, rail, aerial/cable conveyor belt, or pipeline as the means of doing so. Road and rail have not been ruled out, but the company seems to favor a ski-lift type conveyor belt system. All the options have different pros and cons; an aerial conveyance system could reduce transport costs by 25%, but the impacts of dust on rice and other agriculture, aquatic resources, and humans would need to be assessed.

### **Processing Plant**

Before the high-pressure-acid-leaching process, the ore is first crushed and washed. It is then "pressure-cooked" with 98%-strength sulfuric acid, producing a mixture of nickel and cobalt sulfides. Sea water would be abstracted and used in the process. Developments and tests on the ores over the last few months suggest that more nickel metal can be extracted than previously thought and from a wider range of ores.

The company could then send the sulfides to Japan or elsewhere to be refined into nickel and cobalt. But it might consider carrying out the refining process in Mindoro. Refining involves adding ammonia to the mixed sulfides, a process that separates out the metals leaving a residue of ammonium sulfate, which is used as an agricultural fertilizer. The anticipated volumes of ammonium sulfate from the Mindoro Nickel Project, if it goes ahead, would roughly equal current Philippine current imports of ammonium sulfate.

To produce the sulfuric acid, Intex Resources proposes to import sulfur pellets bought on the international sulfur market and convert them to sulfuric acid on site. This chemical reaction is strongly exothermic: it would generate sufficient heat to power

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<sup>23</sup> <http://www.mgb.gov.ph/rppriorityminingprojects.pdf>

steam turbines that would in turn generate 80 MW of electricity. The processing plant would use most of this electricity, but some might be available for public/civil use (although less if metal refining were added.)

The ESIA would need to analyze the risks and occupational safety of importing sulfur, converting it to sulfuric acid, emissions of sulfur dioxide, and eventually neutralizing it.

### **Treatment of Residues and Tailings Pond**

Large volumes of ore result in similarly huge volumes of tailings or slag that need to be disposed of safely, while occupying a substantial land area for many decades, if not in perpetuity. The residue depository or tailings dam would need a site about 1,000 hectares in area and 20 meters in height.

Vast amounts of alkaline limestone, approximately 630,000 dry tons each year, would be needed to neutralize the acidity of the residues before they could be stockpiled. The company has yet to identify where its limestone would come from. The environmental and social impacts of opening or expanding a local limestone quarry and transporting these massive volumes to a stockpile near the port site would need to be assessed.

Intex Resources believes that its tailings pond would be harmless as, having been treated with limestone, it would consist only of inert iron oxides and hydroxides, mainly hematite with about 35% iron content. During the authors' meeting with the Intex Vice President, he postulated that this iron-rich residue could become a source of iron in the near future, if appropriate extraction technologies were developed. The main risk of the tailings pond would be siltation of fine particles into fish ponds, mangroves, fisheries, shell-fish, sea grass beds, corals and marine life; thus, even though its contents may seem harmless, care would have to be taken to ensure it would never leak. Intex Resources was adamant, however: No exchange of the residue materials with any surrounding environment will be allowed "*if chemical or physical effects are above environmental threshold values*". The Environment and Social Impact Assessment (ESIA) would need to verify this claim.

### **Use of Water**

Intex Resources is not proposing to use any water whatsoever at the mine extraction site. It would, however, use large volumes of sea water and possibly river water at its processing plant, but has stated that it would not release water back into the river and sea that was of a lower quality than it took into the plant. The Environment and Social Impact Assessment (ESIA) would need to verify this claim. Intex Resources has also said it would not take out river water in such large quantities that it would either cause saltwater to intrude or significantly lower river flows. This is one reason why Intex Resources is looking for a processing site about five kilometers upstream from a delta or estuary.

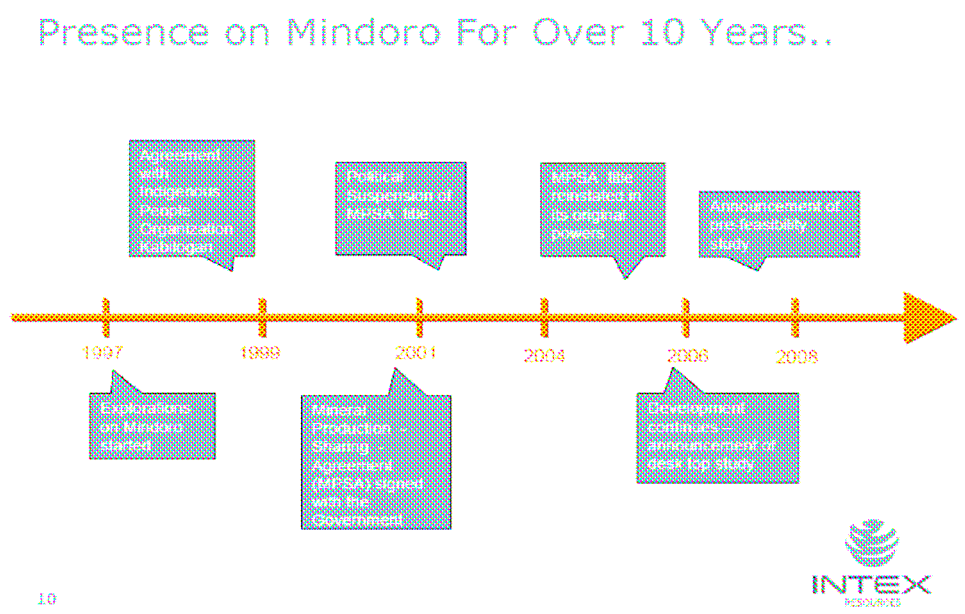
The ESIA would also need to consider the port expansion necessary to accommodate the increased shipping traffic of importing sulfur and exporting sulfides or metals.

### Mine Site Rehabilitation

Intex Resources has already begun to plan the rehabilitation of the mined areas as soon as the ore is mined-out using coco-netting techniques. Biotextiles, especially coco-netting, are already widely used in the Philippines, and are recommended for use in land restoration on site. The University of the Philippines at Los Baños is advising Intex Resources on scientific aspects of biodiversity and forest research, possibly related to rehabilitation. Intex told the authors that WWF Philippines had been contacted to advise on wildlife restoration, but as WWF has denied this, we cannot corroborate. The company has established tree nurseries where various hardwood (mahogany and narra *Pterocarpus indicus*) and fruit tree species are being grown for its extensive replanting program (more than 100,000 plants have been replanted to date as part of its exploration, according to Intex Resources). The company says it will eventually fully restore all the areas affected by its exploration activities (as exploration is only an investigation-stage activity, it must provide full restoration with respect to the environment). International good practice is to plant a multiple of trees to replace those cut during exploration.

### Governor Issues Order to Stop Mining Activities

Intex Resources does not seem concerned that Mindoro’s provincial government issued a 25-year moratorium against mining in 2002.



Intex Resources claims that its Mineral Production Sharing Agreement (MPSA) is not covered by the moratorium. The company also argues that its exploration and mining permits were granted before the moratorium was issued. They noted that in other parts of the Philippines, such political decisions have subsequently been reversed and that lawyers have advised the company that resolutions cannot be issued with retroactive effect. This would seem to be a case of “Gaps between Law and Justice” raised by Justice Antonio Carpio (2007). Intex appears to ignore the fact that the DENR had

issued a notice of cancellation of the MPSA prior to the enactment of the ordinance providing for a 25 year mining moratorium. Therefore at the time of the enactment of the ordinance the MPSA had already been suspended on a number of grounds. When the Office of the President subsequently reinstated the MPSA the moratorium was already in place. Furthermore none of the grounds for cancelation of the MPSA were ever addressed.

There seems to be legal uncertainty about moratoria against mining at provincial government level. Usually national government priorities override Local Government Unit (LGU) powers and policy. In mining, provinces and municipalities have to be consulted, but eventually it appears they have to give their consent by law. On October 20<sup>th</sup> 2008 the Governor of Mindoro Oriental issued a letter to Intex and Aglubang Mining Corporation stating that they were in violation of the ordinance providing for a 25 year moratorium on mining. The letter ordered a halt to on-going public scoping of the mining project and threaten criminal charges should the company continue to proceed with this activity.

#### **Assessment of major contracting strategies**

Most or all of the actual mining will not be carried out by Intex Resources itself, but by unknown, yet to be commissioned, contractors or subcontractors, which would provide all the equipment, materials and labor for the operation. If mining goes ahead, it would be essential that the contractors are adequately trained for the job. Special contractual clauses would be needed to ensure that the contractors closely follow the Equator Principles and National Commission on Indigenous People (NCIP) legislation. Permanent on-site monitors equipped with reliable mobile phones and video cameras would be essential to ensure that contractors do not ignore the well-being of the Indigenous Peoples, and that they follow previously-agreed rules. Performance bonds or industrial insurance must be in place before any mining takes place, along with effective training for contractors' personnel. Financial institutions providing funding for these operations should be held liable for breaches in contracts.

#### **INTEX Continue to Plan**

Despite the unresolved controversy in relation to its failure to obtain the consent of all of the impacted indigenous communities, the lack of clarity regarding the potential downstream impact and the questionable legality of its activities as a result of the mining moratorium, Intex appears to be intent on proceeding with its operations as evidenced by extracts from its plans below.

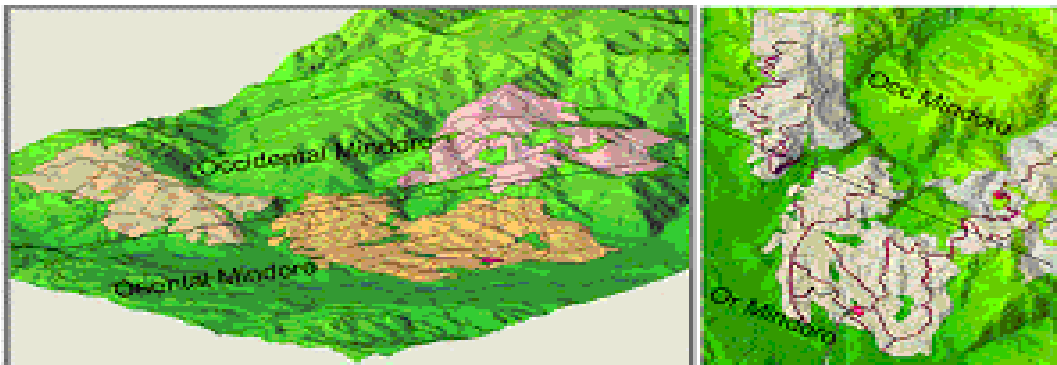


### Residue Storage

- The solid residue after processing is neutralized and treated before final storage in a permanent facility
- The residue has the appearance of a red colored toothpaste which can be stored in a valley behind a dam or in a stacked impoundment, surrounded by impermeable dikes
- Final storage options depend on actual terrain features in a site near the plant.
- The storage facility will require careful engineering, geotechnical, and environmental studies
- The annual amount of treated residue will be approximately 8 million tonnes

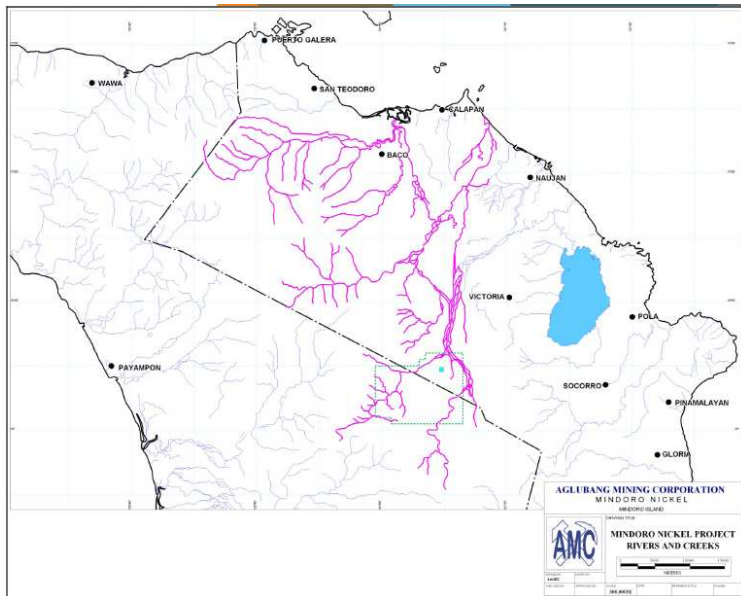
### Mine plan showing proposed mine blocks

- Two blocks will be affected by operations per year and immediately replanted and restored after operation.
- Initial area (see yellow Diagram below) will take 12 years to complete and provide approximately 500,000 tonnes nickel ( 1,000,000 lb nickel metal )



<p><b><u>Mindoro Nickel Milestones and Tasks 2007</u></b></p> <ul style="list-style-type: none"> <li>• Desktop study of the economic viability</li> <li>• Pre-feasibility Study</li> <li>• Environmental Baseline data gathering</li> <li>• Social end Environmental Impact Assessment</li> <li>• Community development and information programs</li> <li>• Environmental enhancement (eg. reforestation)</li> <li>• Permitting (National and Local)</li> <li>• Continued resource drilling and metallurgical test work</li> <li>• Establish workgroups with LGU and stakeholders</li> </ul>	<p><b><u>Mindoro Nickel Milestones and Tasks 2008</u></b></p> <ul style="list-style-type: none"> <li>• Definitive Feasibility Study</li> <li>• Social and Environmental Impact Assessment</li> <li>• Ongoing environmental enhancement</li> <li>• Prepare Mine closure plan</li> <li>• Environmental Impact Statement for ECC</li> <li>• Location of plant site and transport route</li> <li>• Continued resource drilling and ore test work</li> <li>• Test mining and pilot-plant testing</li> <li>• Information, Education and Communication (IEC)</li> </ul>
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<p><b><u>Mindoro Nickel Milestones and Tasks 2009</u></b></p> <ul style="list-style-type: none"> <li>• Environmental Compliance Certificate</li> <li>• Permitting (National and Local)</li> <li>• Coordinate development plans with LGU'S</li> <li>• Development of local skills and enterprises</li> <li>• Appointment of main contractor</li> <li>• Commence detailed engineering design</li> <li>• Award of local fabrication contracts</li> <li>• Ordering of long-lead items as e.g. Titanium autoclaves</li> </ul>	<p><b><u>Mindoro Nickel Milestones (2010-2012)</u></b></p> <ul style="list-style-type: none"> <li>• Prefabrication and Assembly of processing plant</li> <li>• Preparation of mine site and plant site</li> <li>• Construction of infrastructure facilities (harbour, roads)</li> <li>• Preparation of residue storage facility</li> <li>• Ramp up of mine operation to 15,000 tpd (4-8 mill tpy)</li> <li>• Ongoing mine site rehabilitation and replanting</li> <li>• Organizing environmental monitoring committees</li> <li>• Ongoing community development and personnel training</li> <li>• Direct employment of over 4,000 nationals during construction</li> </ul>
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### **Mine closure (projected life time 20-50 years)**

- Decommission of mine and plant site
- Finalize rehabilitation of mine and plant sites
- Transfer of sustainable infrastructure elements
- Monitoring of mine and plant site rehabilitation

### **Environmental Safeguards (2)**

#### Requirements during **Commercial Production**

- Setting up of a Contingent Liability and Rehabilitation Fund inclusive of Mining Rehabilitation Fund and Rehabilitation Cash Fund
- Environmental Protection and Enhancement Program approved by Government
- Organization and implementation of a Multi-Partite Monitoring Team
- Payments to the Mine Waste and Tailings Reserve Fund
- Adherence to the Industry's Environmental Code of Conduct

### **Environmental Safeguards (3)**

#### Requirements for **Decommissioning** and Final **Mine closure**

- Plan for decommission and mine rehabilitation to be submitted and approved prior to start of any mine development
- The plan to be formulated in consultation and coordination with the national and local Governments, as well as the host communities
- Responsibility and liability of the Company for maintenance and monitoring at least ten (10) years after closure
- Provision for socio-economic measures to reduce impact of mine closure  
Implementation of Environmental Protection Enhancement Program (EPEP)

Source : all above - INTEX

*“Mining will expose areas to the risk of erosion and also the establishment of overburden stockpiles will create additional areas prone to erosion.”*

Kvaerner Metals, engineering consultants regarding the pre-feasibility studies of the Mindoro Nickel Project in 1998.

VISION	EIGHT-POINT PRIORITY DEVELOPMENT PROGRAM
A province with protected and well-managed environment where peace and growth are enjoyed by a healthy culture-sensitive and empowered citizenry sustained by a responsive and participatory governance	<ol style="list-style-type: none"><li>1. Agricultural Development</li><li>2. Infrastructure Development</li><li>3. Social Services Delivery (Health, Education and Manpower Development, Housing and Social Welfare)</li><li>4. Livelihood and Employment Generation</li><li>5. Tourism Promotion</li><li>6. Environmental Management and Protection</li><li>7. Peace and Order</li><li>8. Local Governance</li></ol>

Source: Official Website Province of Oriental Mindoro  
<http://www.ormindoro.gov.ph/>

### ***Mindoro Conclusion, Recommendation and Map***

The authors recommend that Intex and all mining companies should comply with the mining moratoria in place on the island and immediately cease all activities in line with the order issued to it by Governor Arnan C. Panaligan of Mindoro Oriental. The authors can sympathise with the mining moratoria as they can see little justification for mining on the Island of Mindoro. The Vision and Eight-Point Development Program of the Province is commendable. Mining is likely to damage the island's important food production capacity, its fisheries and its eco-tourism potential and is clearly inconsistent with its sustainable development plan. In the light of other factors, including seismic and climatic conditions, the proposed Intex Nickel project has the potential to cause massive damage for the water catchment area, impacting up to 40,000 hectares of rice producing lands and exasperating flooding of towns and villages.

The Intex Mindoro Nickel Mining Project, and the other 91 mining applications being considered for the tropical island, would damage most of the water catchment area and the possibility of sustainable food production in the foreseeable future of Mindoro.

## Nickel: Implications for the Philippines

Until about 1998, most of the world's nickel came from sulfide, which was highly polluting. Sulfide nickel is declining while the extraction of laterite nickel is soaring. Laterite often contains limonite (hydrated iron oxides), some of which contain 1-2% nickel. The rest of the laterite mainly consists of iron, aluminum, clays and some quartz, and so is generally considered relatively harmless to the environment and human health (for a discussion of the toxicity of nickel compounds, see Nieboer, Evert & Nriagu 1992). Of all the world's estimated land-based nickel contained in laterites, some 70% have now become economic, although laterite nickel accounts for only 40% of the world's nickel production so far.

Global nickel resources plus reserves stood at 194 million tons nickel in 2002, of which Australia's share was 25.1% (48.6 million tons), making it the world's largest holder of nickel reserves/resources. In second place is Russia with 12.7% (24.6 million tons) followed by Indonesia with 11.6% (22.5 million tons). Other countries reporting nickel reserves plus resources in excess of 5 million tons are New Caledonia (7.1%), Canada (6.7%), Cuba (6.0%), Philippines (5.1%), Papua New Guinea (4.6%), Brazil (3.6%) and China (2.8%).<sup>24</sup>

Nickel production is not keeping up with world demand, about 75% of which is used in the manufacture of stainless steel and nickel alloys. Demand is growing for nickel-based battery cathodes, especially in electric cars. Production in China accounts for some 70% of recent growth in nickel demand. Nickel prices, historically less than \$10/tonne, reached record highs of \$30-\$40/tonne in 2007.

In tropical areas such as the Philippines, nickel is typically found in laterites produced by intense weathering of igneous rocks. The commonest limonite laterite occurs over saprolite. Limonite usually lies not far below the ground's surface, at a depth of around 2 meters, hence relatively little top soil and vegetation (overburden) has to be scraped off to expose the ore. Compared with mining for underground nickel-containing sulfide ores or deep ores, laterite mining is much less costly.

In 1998, a low-cost technology was developed to recover nickel (and cobalt) from limonitic laterite ores: "high-pressure acid leaching" (HPAL). HPAL involves cooking the ore in sulfuric acid at high temperatures (up to 270°C) and under very high pressures (600 psi) in titanium-lined autoclaves resembling large metallic cigars. The advantages over previous extraction technologies are that far less fresh and sea water, and sulphuric acid are required, which means correspondingly less limestone is needed to neutralize the residual acidity; and far less water is released to the environment once the process is complete.

The southern Philippine Surigao Region in north eastern Mindanao is now emerging as a major nickel producer with at least eight nickel laterite projects, including those by Filipino companies SR Metals and Agata Nickel. To date, the Surigao nickel laterite ores have been shipped unprocessed to Japan, Australia and China. Local Bishop Juan de Dios Pueblos has reported the illegal exploitation of minerals in his diocese and illegal shipments to Hong Kong. Cases have been filed by him in Manila and with the Department of Justice (DoJ) and pleas for action by the Department of the Environment and Natural Resources (DENR) to stop the illegal mining and exports. Despite much local concern and fear of what will happen when heavy rains comes, local and national political interests supporting and abetting the nickel mining are exacerbating the social and environmental problems

But HPAL plants are now starting up in the country to process the ore, such as that proposed at Sumitomo's Mitsui Coral Bay plant in Palawan (see Box: "Nickel Mining in Palawan Province"). Value-added and domestic processing could bring more benefits to the nation if a nickel mine had a long life expectancy and if all social and environmental costs had been fully internalized from the outset.

<sup>24</sup> [http://www.em.csiro.au/news/facts/nickel/ni\\_prod\\_reserves.htm](http://www.em.csiro.au/news/facts/nickel/ni_prod_reserves.htm)

Sumitomo/Mitsui's mine at Coral Bay in Palawan is often portrayed as a good example of such cost internalization, although its reputation is disputed. The Coral Bay mine has a capacity of 10,000 tonnes/year that is presently exported as mixed nickel-cobalt sulfide to Niihama in Japan to be refined into electro-nickel. It is generally agreed, however, that Marinduque/Freeport Co's nickel operation, which began in Surigao 1974 and has a capacity of 35,000 tonnes/year, has a questionable reputation.

As limonite is widespread in the Philippines and if the nickel price stays high, nickel mining could proliferate in the country. This is of concern, particularly when the limonite lies under forested land where Indigenous Peoples live, because its extraction is bound to cause further deforestation and damage rice and fisheries downstream from the excavations and processing. Moreover, if nickel-rich saprolite becomes economic, the impacts would be greatly intensified.

### **Nickel Mining in Palawan Province Some bad experiences**

Abbreviated from: Grizelda Mayo-Anda and Katherine Mana-Galido, Ateneo de Manila University School of Government and the Environmental Legal Assistance Center, 2008 (in press).

What are the likely impacts of the Index Mindoro Nickel Project? Consider the following data from elsewhere in Palawan Province.

The Rio Tuba Nickel Mining Corporation (RTNMC) of Bataraza, Southern Palawan is 54% owned by Sumitomo Corp. It was established in the early 1970s under a policy regime that gave it a virtual blank check in amassing profit. However, Palawan Province – which includes Mindoro Island - is one of the world's biodiversity "Hot Spots". Most of these areas are also populated by indigenous peoples (IPs) or indigenous cultural communities (ICCs) who have lived on the land for generations.

The Strategic Environmental Plan for Palawan (special law RA 7611), was designed to protect Palawan's extraordinary biodiversity and IPs. Despite the law, most (73%) of the mining is inside non-allowable areas (Core Zones or Restricted Use Zones of the SEP Law) and most of these are inside ancestral domains. The mandatory Free and Prior Informed Consent (FPIC) process has been either absent or questionable. There has been no successful rehabilitation program in eleven (11) abandoned mining operations. Negative environmental and socio-cultural impacts have remained unresolved. Endorsements given by local government units in early stages of mining projects have not conformed to the social acceptability requirement of applicable laws.

From 1995 to present, RTNMC paid P76.2 million<sup>25</sup> (~US\$ 1,595,143 ) in excise taxes, but only P14.8 million (~US\$ 309,817) has been remitted to the province of Palawan corresponding to the collection for the years 1992-1994. The LGU's pending share of P31 million (~US\$ 648,942) is still to be released to the municipality by the national government. In addition, real property tax assessment for RTNMC (lands) and CBNC (structures and machineries) in 2006 are P1,775,871.00 (~US\$ 37,175) and P4,390,407.20 (~US\$91,907), respectively. RTNMC has been delinquent in paying its real property taxes for two years.

RTNMC has complied with its legal obligations to the government, in terms of excise tax payments and real property taxes, but the host communities hardly benefited development of the municipality. Current policies on mining provide more incentives for the investors such as tax holidays and exemptions on anti-pollution devices. As for the RTNMC and CBNC, more tax exemptions were given because of the proclamation of the HPP complex inside an Economic Zone.

<sup>25</sup> \$ equivalent based on <http://www.xe.com/ucc/convert.cgi> 12 October 2008 where 1 USD = 47.7700 PHP .

The RTN Foundation (RTNFI) coordinates the CRA and the Social Development Management Program (SDMP). This P89 million (~US\$1,863,094) 5-year plan covers 11 barangays and 12 ICCs supporting basic needs and donating equipment and vehicles, and a useful scholarship program. Creation of 586 jobs is one of the main benefits of the HP. But data at the beginning of 2008 show that only 281 are the current employees of the HPP; the rest are migrants. Small salaries and lack of benefits for the contractual and seasonal employees exacerbate relationships. Labour dispute cases have been filed at the Department of Labour and Employment (DOLE).

The following are the negative impacts: (a) the surge in prostitution. (b) Deforestation and loss of wildlife habitat the mined out areas and the Gotok limestone quarrying area. (c) Decrease in quantity and quality of water supply. (d) Adverse impact on irrigation systems and decrease in agricultural productivity. (e) Erosion and flashfloods. (f) Threats to coastal resources brought by erosion and effluents. (g) Water and air pollution. (h) Health impacts such as skin lesions.

As the Bataraza municipality became dependent on mining incomes, traditional non-mining sectors (fisheries, agriculture) have not prospered.

In 2001, the average annual income of a Bataraza family was lower than the average household income in Palawan. In a poverty mapping exercise conducted by the Peace and Equity Foundation, Bataraza was at the bottom of the list of the poorest municipalities in the province. Mining benefits in Bataraza are not equitably and efficiently distributed, because the national government exercises discretion in the release of LGU shares. RTNMC business incentives had not produced any positive impact on the economy of Bataraza. While Bataraza has suffered the tradeoff, the company had more than recouped its investments to the disadvantage of the country in general.

RTNMC's corporate social responsibilities measures are not safeguards to ensure equitable direct benefit to the communities. Identification of community projects did not undergo an effective review. No criteria were developed to promote the standard of being sustainable and feasible for the communities. The projects were identified based on the preference and judgment of few non-representative leaders and do not represent the needs of the majority. Impacts to the environment are not effectively monitored and the environmental costs are undervalued. The impacts to the environment are evident but the communities lack the technical skills and resources to monitor the impacts. The planned expansion of the mining operations to Mt. Bulanjao presents a conflict in the interpretation of policies concerning natural growth forests. While it is clearly to be considered a protected area under the *ECAN* zoning system of RA 7611, there have been compromises made in favor of the company and in apparent contradiction with existing regulations.

**These Recommendations following were made for Palawan's Rio Tuba Nickel Project. They are relevant for Index's Nickel Project in Mindoro:**

1. An assessment of the Strategic Environmental Plan for Palawan (SEP special law RA 7611) vis-à-vis current mining policies should be conducted. Since the SEP prohibits the destruction of natural forests as these areas have been declared as core zones or areas of maximum protection, the government must determine to what extent commercial mining operations can still be allowed in Palawan.
2. Clear rules and regulations on the implementation of 1% royalty share for the affected indigenous peoples (IPs) are needed. In the case of IPs/ICCs in Bataraza, the royalty payment was integrated in the SDMP. Mining companies use the royalty payment as a strategy to influence the IPs and get their consent. The payment and beneficial use of such royalty must be monitored and evaluated.
3. Transparent and participatory monitoring and evaluation of social development projects of mining companies are needed. Identification of community development projects must be by a transparent, representative and independent multisectoral group that will manage the funds.
4. The MMT (Multi-Sectoral Monitoring Team) must be strengthened and made as the main mechanism for ensuring compliance of environmental laws, and ensuring the utmost beneficial impacts.

## Chronology of the Mindoro Nickel Project

- 1997 National Commission on Indigenous People (NCIP) began processing the claim of ancestral domain in the watershed region between Mindoro Oriental and Occidental.
- 1997 14<sup>th</sup> March: MINDEX Resources Development Inc (a subsidiary of Mindex) was issued an exploration permit by Mines and Geosciences Bureau (MGB) of DENR Region IV, for 9,720-hectares.
- 1998 February: Certificate of Ancestral Domain Claim (CADC) application; Certificate of Ancestral Domain Title (CADT) pending.
- 1998 12<sup>th</sup> July: A Mineral Production Sharing Agreement (MPSA) was issued to Aglubang Mining Corporation (as Contractor) (another Mindex subsidiary) covering the same areas being explored by MINDEX.
- 1999 17<sup>th</sup> February: MINDEX's 1997 exploration permit was renewed but only for 2,290 hectares.
- 1999 29<sup>th</sup> June: Memorandum of Understanding (MOU) signed between Mindex/Aglubang Mining Corp. and some of the Alangan and Tadyawan Mangyans with NCIP.
- 2000 29<sup>th</sup> February: Crew Development Corporation, a Canadian company, acquired 97.7% of the shares of Mindex ASA; MINDEX became Crew Minerals Philippines Inc. (CMI).
- 2000 Crew Gold's website reports MPSAs granted to Aglubang.
- 2001 18<sup>th</sup> March: Mindoro Bishop Warlito Cajandig letter to the President urging that the Mindoro nickel MPSA be revoked
- 2001 21<sup>st</sup> March: NCIP office of the President of the Republic rules that the 1999 MOU is invalid because it violates national legislation.
- 2001 11<sup>th</sup> April: DENR Secretary Heherson Alvarez writes a letter to President Macapagal-Arroyo urging her to cancel the Mindoro nickel MPSA.
- 2001 1<sup>st</sup> July: DENR Secretary Heherson Alvarez revokes the Mindoro nickel MPSA.
- 2002 1<sup>st</sup> March: Provincial Ordinance declaring a 25-year moratorium on all mining in Mindoro signed by Thaddeus Veenturanza and Secretary SP Elvin Matatangay.
- 2004 10<sup>th</sup> March: The July 2001 MPSA cancellation was revoked by Manuel Domingo, assistant to the President.
- 2004 March: Bishop Cajandig, Provincial Governor, Mayors, Clergy & many other signatories issue a position paper on the revocation of the cancellation of the Mindoro nickel MPSA.
- 2004 19<sup>th</sup> August: League of Municipalities, Calapan, strongly oppose reinstatement of the MPSA. Signed by 14 municipal Mayors.
- 2004 5<sup>th</sup> October: House of Representatives Resolution proposed by Congressman Rodolfo Valencia of Oriental Mindoro, urging DENR to uphold its cancellation of MPSA167-2000-IV.
- 2004 17<sup>th</sup> December: Jon Steen Petersen, Crew's senior vice-president, issued a 9-page Memo on the project's social acceptability, including a section on "Aggressive anti-mining misinformation, deception and misleading claims". It repeats the "only 100 hectare" claim, omits mention of impacts of access or other roads, of the major coastal processing plant and terrestrial dumps.
- 2005 June: Memo by Crew CEO Jan Vestrum & 2 senior vice-presidents makes two striking claims: (1) "Social acceptability has successfully generated public support for the project locally". (2) "Wildlife.... is limited due to immature forest growth in entire concession area".
- 2005 10<sup>th</sup> November: The then DENR Secretary Michael Defensor reinstated the Mindoro nickel MPSA by falsely claiming that the Mindoro Oriental province supported Crew/Aglubang Corp.
- 2005 19<sup>th</sup> November: Lauron De Los Reyes law firm representing Crew Nickel wrote to Mindoro Oriental Governor Arnan Panaligan claiming that the project is "outside the realm of its efficacy considering that MPSA ante-dates the SP (*Sangguniang Panlalawigan*) moratorium". Offers PHP 27 million (US\$ 565,200) to the impacted Indigenous Peoples, and PHP 570 million (US\$ 12 million) to the local village Villa Cerveza in local taxes. States that the three municipalities of Victoria, Socorro, and Pola will gain PHP 200 million (US\$ 4.2 million ) to PHP 600 million (US\$12.6 million ) from local taxes, and the national government to gain PHP 1 billion (US\$21 million) to PHP 1.2 billion (US\$25.1 million) from taxes.



## Chronology of the Mindoro Nickel Project Contd.

2006	29 <sup>th</sup> January: Archbishop of Jaro, Angel Lagdameo, presents the Statement on Mining for the Catholic Bishops Conference of the Philippines (CBCP), which demands the repeal of the 1995 Mining act; and states that mining is encroaching on 17 important biodiversity areas, 35 national conservation areas, and 32 national integrated protected areas. It reaffirms 1998 “Statement of Concern” and urges President Macapagal-Arroyo to recall all approved mining concessions, and to support Indigenous Peoples by stopping 24 priority mining projects.
2006	1 <sup>st</sup> August: The local group ALAMIN (Alyansa Laban sa Mina) writes letter to the UK Ambassador appealing for the UK Government not to support Crew because it is violating Philippines law.
2006	18 <sup>th</sup> October: Mindoro Oriental Governor Arnan Panaligan and Bishop Warlito Cajandig write letter to DENR Secretary Angelo Reyes urging cancellation of the Mindoro nickel MPSA, because it is: (a) in a No-Go watershed, (b) in an Ancestral Domain, (c) opposed by both Congressional Districts, 15 city/municipal Mayors and all provincial officials, including the Governor and the Bishop; and (d) because Crew Minerals Corp “has not one iota of social acceptability”.
2007	Crew Minerals creates Intex Resources which it lists as a separate company having Mindoro Nickel Project as its main asset
2007	October 20 <sup>th</sup> Letter of the Provincial Governor of Mindoro Oriental, Arnan Panaligan, declaring that continuation of the scoping activity will cause the arrest of those involved and the filing of criminal cases against them for violating the Ordinance providing for mining moratorium in the province.

## **POSITION PAPER ON ECOLOGY, FOOD SECURITY AND THE THREATS OF LARGE-SCALE MINING OF INTEX RESOURCES/AGLUBANG IN ORIENTAL MINDORO**

(Submitted to Her Excellency, President Gloria Macapagal-Arroyo, October 16, 2008)

We, pastors of different parishes, leaders of peoples organizations, together with our partners in the civil society, are alarmed by the prevailing situation of ecological crises and imminent destruction of the environment occasioned by a lack of respect for nature and the plunder of our natural resources by large-scale mining, with Mindoro island having a total of 92 mining applications as reported by Mines and Geosciences Bureau (MGB) in January 2008.

We are particularly concerned about the continuing exploration of the **Mindoro Nickel Project of Intex Resources and Aglubang Mining**, which critically threatens the food security and ecological integrity of Oriental Mindoro since the mining concession covers one of the province's actual watershed areas as duly declared and identified in its Provincial Physical Framework Plan. The mining site encroaches on the Mag-asawang Tubig Watershed, which is the largest source of irrigation water for the 40,000 hectares collective rice land in the city of Calapan, Municipalities of Naujan, Baco and Victoria, Oriental Mindoro. The threatened municipalities and the City of Calapan have a combined rice production of 169,608 metric tons in 2006, which is 51% of the total provincial production, enough to feed 782,805 people for a year. In 2000, the estimated agricultural productivity of Oriental Mindoro at farm-gate price is PhP 11,414,553,000.<sup>26</sup> Assuming that mining will adversely affect only 30% of the total productivity, the total loss of the province would be PhP 4.027 Billion!<sup>27</sup>

Admittedly, Intex will have to dispose 8 million tons of mine waste annually. According to Jon Petersen, Senior Vice President of Crew (now Intex), land based storage is a environmentally unsafe: "*A concern for land based tailings deposit is the risk of erosion and unwanted displacement of the materials as a result of natural hazards, as with all tailings deposits . . .*" However, land based tailings dam is now being considered to be constructed in any of the targeted municipalities of Pola, San Teodoro, Pinamalayan and Calapan City.

The 9,720 hectare-mining area is within the ancestral domain claim of the Alangan and Tadyawan indigenous Mangyan communities. The mining operation of Intex/Aglubang will result to the displacement of several Mangyan communities. The Mangyan Indigenous Peoples' organizations of SANAMA and KAMTI, whose CADCs (Certificate of Ancestral Domain Claims) fall within the mining concession, had expressed their written opposition. However, the mining company, in collusion with some officials of the NCIP, organized a new tribal group, the Kabilogan, from whom they maliciously manufactured the document of consent to the mining activities.

The Mindoro Nickel Project threatens the extremely rich biodiversity of the province, considered as the 7<sup>th</sup> most important biogeographic zones in the world. The 2002 Final Report on Philippine Biodiversity Conservation identified Mindoro, particularly the mining site, as extremely high conservation priority areas for plants and birds and terrestrial animals. In terms of importance level, the area belongs to extremely high terrestrial and inland water areas of biological importance.

In July of 2001, for all of the above reasons, the Department of Environment and Natural Resources revoked the mining concession considering the environmental and social impacts of the project. The rejection of the mining project on the premise of preventing ecological destruction and socio-economic dislocation was articulated by the former DENR Secretary, Heherson Alvarez himself: "*The Mindoro Nickel Project is one case where*

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<sup>26</sup> US\$241,936,263.00: <http://www.xe.com/ucc/> Live rates at 14 October 2008 1 USD = 47.2611 PHP

<sup>27</sup> US\$85,207,571.00: <http://www.xe.com/ucc/> Live rates at 14 October 2008 1 USD = 47.2611 PHP

*sustainability is bound to fail...President Arroyo is fully aware of the situation. ...what does it gain the nation to be short sighted and merely think of money, when an irreparable damage to the environment will cost human lives, health and livelihood capacity of our farmers and fisherfolks endangering the food security of our people.”*

However, on March 10, 2004, the Office of the President revoked and set aside the Notice of Termination/Cancellation earlier issued against the MPSA (Mineral Production Sharing Agreement) of Aglubang Mining Corporation. The decision of promoting mining, applauded by the foreign transnational corporation, had caused indignation and anguish among our people. The present maneuvering of mining corporations to forcibly make their re-entry by taking advantage of the national policy for the revival of the mining industry is totally irreconcilable to the genuine welfare and interest of the people of Mindoro.

The people’s unified stand against the Mindoro Nickel Project and their opposition to the entry of any mining operation in the province, for the time being, were clearly articulated in the Ordinance promulgated by the Sangguniang Panlalawigan of Oriental Mindoro on January 28, 2002, declaring a mining moratorium<sup>28</sup> in the province. Since the economic thrusts of the Provincial Government of Oriental Mindoro are anchored on food sustainability, eco-tourism and the development of the agri-industry, the entry of mining operations is found to be detrimental to the sustainable development agenda of the province. Oriental Mindoro’s Provincial Physical Framework Plan specifically rules out the development of mining industry.

We join our people in making an appeal to President Gloria Macapagal-Arroyo to ensure that our mining moratorium is respected and to save our critical watershed presently being threatened by the mining operation of Intex and Aglubang Mining.

The large-scale mining operations fail to bring genuine development to the poor countries. The World Bank, in its commissioned report, Extractive Industry Review (EIR) released in July 2004 confirmed that extractive industry contributes to greater poverty rather than easing it! The report reveals that “*countries relying primarily on extractive industries tended to have higher levels of poverty, conflict and corruption than countries that had more diversified economy.*”

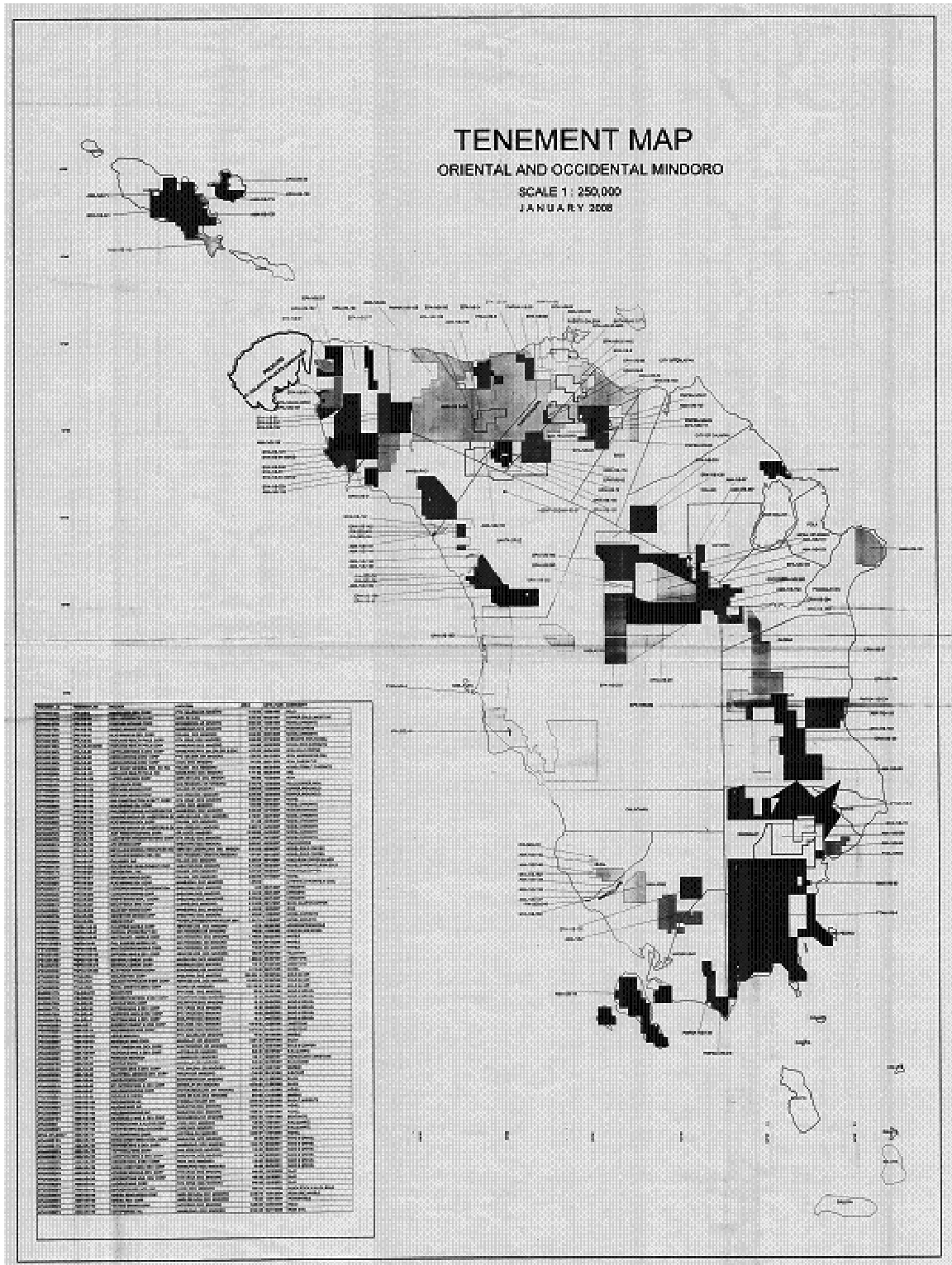
As Christians committed to our vision to promote life, justice and equity in an ecologically sustainable and people-oriented communities, we believe that environment should never be sacrificed - that “*an economy respectful of the environment will not have the maximization of profit as its only objective, because environmental protection cannot be assured solely on the basis of financial calculations of cost and benefits. The environment is one of those goods that cannot be adequately safeguarded or promoted by market forces.*” (John Paul II, Encyclical Letter *Centesimus Annus*, 40)

We entrust all our endeavors to God, our Creator, who gives us the mission to care for the earth and all of creation, of which we are part (Gen. 1:28).

Signed this 14<sup>th</sup> and 15<sup>th</sup> day of October 2008,  
Oriental Mindoro.

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<sup>28</sup> Provincial Ordinance No. 001-2002 declares that “*it shall be unlawful for any person or business entity to engage in land clearing, prospecting, exploration, drilling, excavation, mining, transport of mineral ores and such other activities in furtherance of and/or preparatory to all forms of mining operations for a period of twenty-five (25) years.*”



**Sustainable Development and the Intex Nickel Mine and other proposed Mining Projects on Mindoro Island, Philippines**

Mindoro, “the Golden Island,” has a wild mountain terrain which was covered by forests that protected the ancestral domain of the Mangyan indigenous peoples, watersheds and wildlife. In the 1950’s forest cover was 967,400 hectares and only about 50,000 remain today mainly due to logging. Mining will increase the damage. The Philippine Biodiversity Conservation Priorities Report (2002) identified the Intex mining concession area as “extremely high terrestrial and inland water areas of biological importance.” **According to Mines and Geosciences Bureau, dated January 2008, there are a total of 92 mining applications. This information was received after the map opposite had been prepared. It only shows the Intex, formerly Crew Mine. 92 mines would be a complete recipe for disaster for Mindoro and seriously damage its ability to produce food.**

There is a world shortage of rice. Mindoro is acclaimed as the “Food Basket of Southern Tagalog.” Its fertile soils, good growing climate and irrigation water from the mountains make it ideal for growing crops including rice, all season vegetables and for fish pond farming. Oriental Mindoro produced 332, 000 metric tons of rice (2006). Communities likely to be affected by the Intex mine produced 51% of that total. Virtually all food producing areas will be affected by 92 Mines.

Mindoro has vital fish breeding and fishing grounds and the Verde Island Passage is a global center for marine biodiversity. The island attracts tourists to its sandy beaches, small islands, coral gardens and fishing. Easy access from Manila makes it suitable for eco-tourism development.

Oriental Mindoro’s Provincial Board’s Ordinance (2002) explicitly forbids all forms of large scale mining in the province for a period of 25 years. Similar ordinances were promulgated by Municipal Councils including Victoria (April 2008) where Norwegian company Intex seeks to mine nickel. Alamin (a Provincial-wide coalition of Civil Society, NGOs, POs, Church networks, individuals and local governments) oppose mining in the Province.

National and International experts commissioned by the WGMP visited the area in 2008. They produced a report “Philippines: Mining or Food?” and this map which clearly shows how the Nickel mine will overlay the watersheds and indigenous peoples’ land. The experts believe the Human Rights of the Mangyans, already affected, will be further affected by mining on their ancestral domain. The mine will displace some communities and adversely affect others. Flooding, due to deforestation, is already occurring. Mining in head waters of rivers is likely to make flooding worse. Siltation and pollution is likely to damage crops, fish farming, marine fisheries and eco-tourism. Watersheds need immediate protection and reforestation not mining..

*Mag-asawang Tubig*



*Flooding from proposed Mine area*



*Miners drilling in mountain forest*

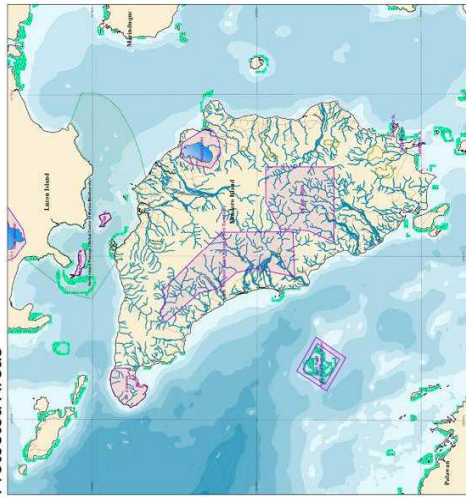


*Protest against mining*



# Sustainable Development and the Nickel Mining Project in Mindoro Island, Philippines

## Potential threats to sustainable development from mining activities



Mindoro, "The Golden Land", has a wild mountain terrain which was covered by forests that protected the ancestral domains of the Mangyan indigenous people. The Mangyan people have lived in the mountains for centuries. The Philippine Biodiversity Conservation Strategy Report (2002) identified the mangrove ecosystems as "extremely high terrestrial and inland water areas of biological importance".

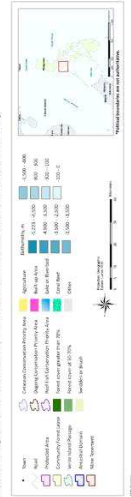
There is a world heritage of rice fields in Mindoro ascertained as the "Food Basket of Southern Luzon". Its fertile soils, good growing climate and irrigation water from the Mindoro River and its tributaries have made it a major rice producing area for the island. Over 200,000 hectares of rice fields are currently under cultivation.

Mindoro has rich fish breeding and fishing grounds and the Great Island Passage is a global center for marine biodiversity. The island attracts tourists to its sandy beaches, small islands, coral gardens and fishing. Live areas from Manila mainly a variety for rice become development.

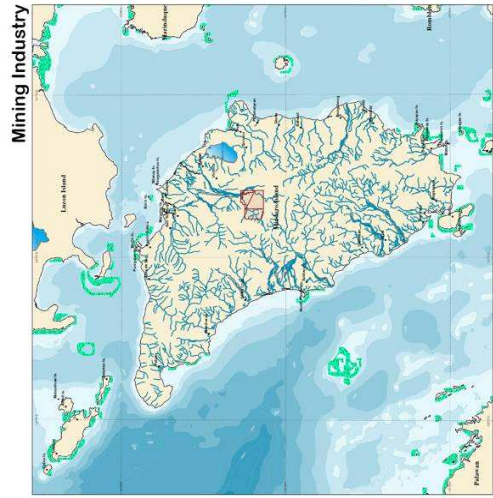
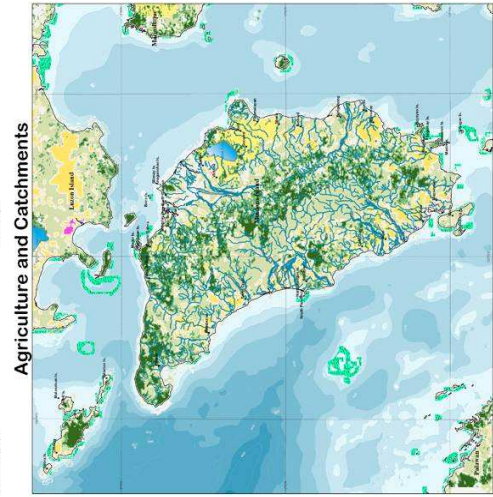
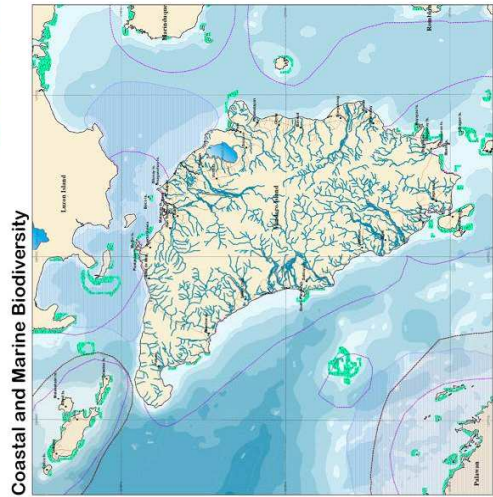
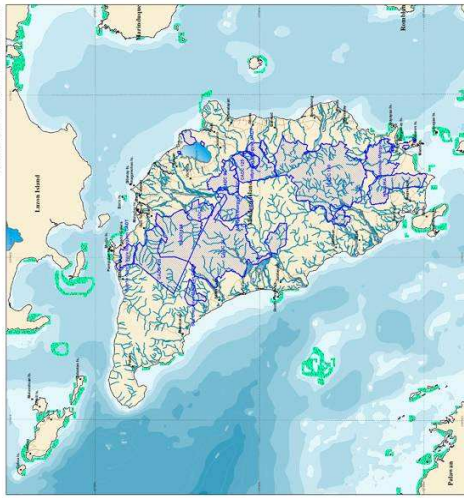
Global Biodiversity Strategy (2002) identifies Mindoro as a global center for marine biodiversity. The island attracts tourists to its sandy beaches, small islands, coral gardens and fishing. Live areas from Manila mainly a variety for rice become development.

National and international projects commenced by the MDRP in 2008. They produced a report "Philippines: Mining or Molder?" and this report which clearly shows that the mine will destroy the ancestral domains and indigenous people's land. The report believes the human rights of the Mangyans, who are the indigenous people of Mindoro, will be further affected by mining in their ancestral domains. The mine will damage water resources and primary forest areas.

There is a world heritage of rice fields in Mindoro ascertained as the "Food Basket of Southern Luzon". Its fertile soils, good growing climate and irrigation water from the Mindoro River and its tributaries have made it a major rice producing area for the island. Over 200,000 hectares of rice fields are currently under cultivation.



Protected Areas



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**Clive Wicks** has 48 years of experience of working in engineering, agriculture and environment, specializing in the impact of extractive industries on the environment. He is a vice chair of IUCN-CEESP (IUCN's Commission on Environmental, Economic and Social Policy) and co-chairs SEAPRISE (IUCN-CEESP's Working Group on the Social and Environmental Accountability of the Private Sector). He worked in the international environmental movement for the last 24 years, mainly with WWF UK. He headed WWF UK's African, Asian and Latin American programs, and represented WWF at G8, World Bank, International Finance Corporation, UNEP and UNDP meetings on extractive industries. (Clivewicks@googlemail.com)

*.. Perhaps reluctantly we come to acknowledge that there are also scars which mark the surface of our earth: erosion, deforestation, the squandering of the world's mineral and ocean resources in order to fuel an insatiable consumption. Some of you come from island nations whose very existence is threatened by rising water levels; others from nations suffering the effects of devastating drought. God's wondrous creation is sometimes experienced as almost hostile to its stewards, even something dangerous. How can what is "good" appear so threatening? ...My dear friends, God's creation is one and it is good. The concerns for non-violence, sustainable development, justice and peace, and care for our environment are of vital importance for humanity.*

His Holiness Pope Benedict XVI, 23rd World Youth Day, Sydney, Australia, July 12-21, 2008

Photos if the fact-finding trip can be found on:  
<http://workinggrouponmininginthephilippines.blogspot.com>

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