



**ADMINISTRATIVE ORDER**  
**No. 2021 - 25**

AUG 02 2021

**SUBJECT: IMPLEMENTING RULES AND REGULATIONS OF EXECUTIVE ORDER NO. 130 ENTITLED: AMENDING SECTION 4 OF EXECUTIVE ORDER NO. 79, S. 2012, INSTITUTIONALIZING AND IMPLEMENTING REFORMS IN THE PHILIPPINE MINING SECTOR, PROVIDING POLICIES AND GUIDELINES TO ENSURE ENVIRONMENTAL PROTECTION AND RESPONSIBLE MINING IN THE UTILIZATION OF MINERAL RESOURCES**

Pursuant to Sections 1 and 2 of Executive Order (E.O.) No. 130 dated 14 April 2021, entitled: ***Amending Section 4 of E.O. No. 79, S. 2012, Institutionalizing and Implementing Reforms in the Philippine Mining Sector, Providing Policies and Guidelines to Ensure Environmental Protection and Responsible Mining in the Utilization of Mineral Resources***, the following rules and regulations are hereby promulgated for the guidance and compliance of all concerned:

**Section 1. Title**

The title of this Administrative Order shall be "The Implementing Rules and Regulations of Executive Order No. 130."

**Section 2. Objectives**

These implementing rules and regulations are promulgated toward the attainment of the following objectives:

- a. To clarify the procedure and requirements for the receiving, processing and approval of mining applications upon the lifting of the moratorium provided in Section 4 of E.O. No. 79, series of 2012;
- b. To ensure the protection of the environment by defining additional measures and mechanism for strict implementation and compliance of mines safety and environmental policies;
- c. To promote direct investment for significant economic benefits of the country;
- d. To ensure adequate raw materials to support the various government projects, such as the *Build, Build, Build Program* and the mineral and allied industries; and
- e. To promote the development and increase of employment opportunities in remote rural areas where there are mining activities in support to the *Balik Probinsya, Bagong Pag-asa Program* of the government.

**Section 3. Grant of New Mineral Agreements**

Upon effectivity of this Order, all qualified applicants for a Mineral Agreement, as defined under Section 5bb of DENR Administrative Order (DAO) No. 2010-21<sup>1</sup>, may file their application pursuant to Sections 32, 35 and 36 of the same DAO and RA No. 11032<sup>2</sup>.

<sup>1</sup> Implementing Rules and Regulations of R.A. No. 7942

<sup>2</sup> Ease of Doing Business and Efficient Government Service Delivery Act of 2018

The Permittee of an existing Exploration Permit with an approved Declaration of Mining Project Feasibility (DMPF) may apply for a Mineral Agreement and submit the pertinent application in the Mines and Geosciences Bureau (MGB) Regional Office concerned within ninety (90) days thereof, together with one hard copy and one digital copy of the following mandatory requirements:

- a. Application Form (MGB Form No. 6-1);
- b. General Information Sheet showing the current ownership for juridical entity or proof of Filipino citizenship for individual;
- c. Three-Year Development/Utilization Work Program;
- d. Proof of technical competence;
- e. Proof of financial capability;
- f. Affidavit of Undertaking in relation to total applied area;
- g. Secretary's Certificate attesting to a Board Resolution authorizing the applicant to sign and execute documents in connection with the Mineral Agreement application; and
- h. National Commission on Indigenous Peoples Certification.

MGB Central Office, within fifteen (15) days from receipt of the Mineral Agreement application, shall review and shall indorse the same, if complete, to the DENR Secretary, for approval and issuance of the Mineral Agreement.

All pending Mineral Agreement applications intended for direct development and/or commercial utilization of resources, the processing of which were suspended in view of Section 4 of EO No. 79 shall be processed and shall be included in the priority list.

#### **Section 4. Terms and Conditions of New Mineral Agreement and Renegotiation of Existing Mining Contracts and Agreements**

The MGB shall review the terms and conditions of existing Mineral Agreements and shall formulate terms and conditions to maximize government revenues and share from production, in accordance with existing laws, rules and regulations. The MGB shall submit the result of the review including the recommended terms and conditions to the DENR Secretary for approval within sixty (60) days from completion of the review. It shall include a stipulation that the new Mineral Agreement shall adhere to the existing revenue sharing scheme and to any future legislations pertaining to revenue sharing, taxes, fees, royalties, and charges.

The terms and conditions approved by the DENR Secretary, shall be subject to renegotiation by the government and the mining contractor, except for those expressly provided by laws, rules and regulations.

In order to rationalize existing sharing schemes and mechanisms, the DENR and the Department of Finance shall: (a) study and review the contribution of the mining industry to the economy and its corresponding impact to the community and environment; (b) consider industry best practices in other mining jurisdictions; and (c) submit a report to the concerned office(s) within one (1) year from effectivity hereof recommending appropriate measures for the fair, just and viable revenue sharing scheme and mechanism.

#### **Section 5. Mineral Reservation**

The MGB shall determine and recommend to the Office of the President, through the DENR Secretary, the declaration of areas covered by Mineral Agreements into mineral reservation pursuant to Section 9 of DAO No. 2010-21.

## **Section 6. Mine Safety, Environment, and Social Development Policies**

The DENR shall ensure strict implementation of and compliance with the recommended measures of the Mining Industry Coordinating Council (MICC) involving all mining operations. It shall continue to strictly implement mines safety and environment, and social development policies, through stringent monitoring by the MGB of existing Safety and Health, Environmental Management, and Social Development mandatory compliance requirements, the implementation of work programs and the compliance with pertinent mining and environmental laws, rules and regulations, and the terms and conditions of the Mineral Agreement. The contractor shall employ the information, communication technology and/or artificial intelligence technology as additional environmental safeguards for real-time monitoring of the contractor's implementation of its various work programs.

## **Section 7. Engagement of Local Government and Communities**

No mining project shall proceed without the issuance of the Environmental Compliance Certificate pursuant to Section 70 of RA No. 7942.

The engagement of local government and communities should be ensured in all the processes under the Philippine Environmental Impact Assessment System.

## **Section 8. Research and Development**

The MGB shall continue to promote the use of best mining practices and technologies, conduct further study, and formulate responsive policies on responsible mineral resources development, safety and health, environmental management, and social development and management. In partnership with the industry, and through possible engagement with other technical experts, the MGB shall conduct research and develop enhanced design and performance standards for surface mines to take into consideration the best practice on control strategies and available technologies particularly on mine rehabilitation. This shall include a research on acid mine drainage.

## **Section 9. Transitory Provision.**

All pending Mineral Agreement applications intended for exploration shall be converted into Exploration Permit applications. The application for conversion shall be filed within ninety (90) days from the effectivity of this Order.

Failure to file the application for conversion within the prescribed period shall cause the denial of the Mineral Agreement application pursuant to DENR Memorandum Order (DMO) No. 2010-04<sup>3</sup>.

All mining projects under Mineral Agreement with an approved DMPF shall continue and proceed accordingly pursuant to applicable mining laws, rules and regulations.

## **Section 10. Separability Clause**

If any clause, sentence, section or provision of this Administrative Order is held or declared to be unconstitutional or invalid by a competent court, the remaining parts hereof shall not be affected thereby.

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<sup>3</sup> Reforms in the Department Mining Tenement System

## Section 11. Repealing Clause

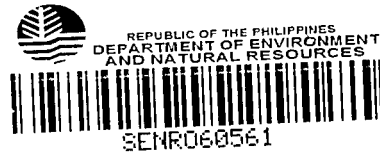
This Administrative Order hereby repeals, amends and/or modifies Sections 23-A of DAO No. 2010-21, Section 7 of DAO No. 2012-07<sup>4</sup>, as amended, Section 11c and Section 17e of DMO No. 99-32<sup>5</sup> and the whole of DMO No. 2016-01<sup>6</sup>, and other existing orders, rules and regulations, issuances and circulars that are inconsistent or contrary herewith.

## Section 12. Effectivity

This Administrative Order shall take effect fifteen (15) days following its complete publication in a newspaper of general circulation and registration with the Office of the National Administrative Register.

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**ROY A. CIMATU**  
Secretary



PUBLICATION: Philippine Daily Inquirer  
August 08, 2021  
ACKNOWLEDGEMENT: U.P. LAW CENTER  
August 13, 2021

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<sup>4</sup> Rules and Regulations to Implement Executive Order No. 79 Dated 06 July 2012 Entitled: *Institutionalizing and Implementing Reforms in the Philippine Mining Sector, Providing Policies and Guidelines to Ensure Environmental Protection and Responsible Mining in the Utilization of Mineral Resources*

<sup>5</sup> Policy Guidelines and Standards for Mine Wastes and Mill Tailings Management

<sup>6</sup> Audit of All Operating Mines and Moratorium on New Mining Projects