



Republic of the Philippines
Department of Environment and Natural Resources

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AUG 31 2004

MEMORANDUM ORDER

No. 2004 - 09

**FOR : The Undersecretaries and Assistant Secretaries
All Heads of Office, DENR Central Office
All Bureau Directors
All Heads of Attached Agencies
All Regional Executive Directors and Regional Directors
All Mining Applicants and Others concerned**

**FROM : The Secretary
Department of Environment and Natural Resources**

**SUBJECT : SIMPLIFICATION OF PROCEDURES IN THE ISSUANCE OF
MINING CONTRACTS AND PERMITS**

Pursuant to the continuing effort of the Department of Environment and Natural Resources (DENR) to revitalize the minerals industry through the simplification of procedures in the issuance of mining contracts and permits, specially by decentralizing authorities and reducing the processing time of mining applications, additional measures are hereby promulgated for the guidance and compliance of all concerned, as follows:

Section 1. Immediate Processing of Mining Applications

Within fifteen (15) working days from the receipt of a mining application, the Mines and Geosciences Bureau (MGB) Regional Office (RO) concerned shall determine whether or not the applied area is open to mining applications and forward the cleared mining application to the One-Stop Shop Committee for Area Status and Clearance **and subsequent evaluation thereafter, leading to the possible approval or the said mining application.** Within the same **fifteen (15)-working day** period, a mining application filed entirely in closed areas pursuant to the pertinent provisions of Section 15 of DENR Administrative Order (DAO) No. 96-40, the revised implementing rules and regulations of Republic Act No. 7942 or the Philippine Mining Act of 1995, as amended, shall be formally denied. In the case of a mining application filed partly in closed areas, the mining applicant shall be formally advised **within the same period** to excise the closed areas and resubmit the rectified documents within the prescribed period.

Section 2. Creation of a One-Stop Shop Committee for the Issuance of Area Status and Clearance for Mining Applications

In support of the Mining Investment Assistance Center, all MGB ROs, in coordination with the DENR ROs, shall establish the "One-Stop Shop Committee" (OSSC) representing the DENR Sectors in the region, to facilitate the issuance of Area Status and Clearance for mining applications and consequently reduce their processing time. All DENR Regional Executive Directors (REDs) and MGB Regional Directors (RDs) shall provide the necessary support to the OSSC by assigning qualified personnel on a part-time basis and by periodically providing updated land classification/land use maps. The Forest Management Bureau and Protected Areas

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and Wildlife Bureau shall likewise assist in providing such information. Within fifteen (15) days from the effectivity of this Memorandum Order, the RED and RD concerned in every region shall submit to the DENR Secretary the special order to constitute and operationalize the OSCC. The RD of the MGB shall be the Chairman of the OSCC.

Immediately thereafter, the OSCC shall hold office and compile all the information on land classification/use/status, including the pertinent maps within their areas of jurisdiction. The OSCC Chairman, upon the recommendation of the OSCC members, shall be authorized to issue the Area Status and Clearance for mining applications following the applicable provisions of DENR Memorandum Order No. 98-03 re: *Guidelines in the Issuance of Area Status and Clearance or Consent for Mining Applications*.

The OSCC shall also immediately initiate the preparation of a master map of the region showing the various land classifications/uses/status in overlays. The RED shall oversee the operations of the OSCC and assist in this undertaking by providing the necessary resources.

Section 3. Approval of the Three (3)-Year Development/Utilization Work Program under an Approved MA

The Three (3)-Year Development/Utilization Work Program for the three (3)-year cycle of Mining Operations submitted by a Contractor under an MA or FTAA in the Development or Operating Period shall be filed in and initially evaluated by the MGB RO concerned. Said MGB RO shall complete the initial evaluation thereof within fifteen (15) days upon receipt of the Work Program. Thereafter, the Work Program and comments thereon shall be forwarded to the MGB Central Office for final evaluation and approval or disapproval, as the case may be. The MGB Central Office shall render final action on the Work Program within thirty (30) days upon receipt thereof.

Section 4. Approval of Memorandum of Agreement/Option Agreement/Operating Agreement and other similar forms of Agreement under Mining Rights/Applications

Memorandum of Agreement/Option Agreement/Operating Agreement and other similar forms of Agreement, except involving transfer/assignment of mining rights, entered into involving an approved EP, MA, FTAA, or any other mining permit under Republic Act No. 7942, shall be registered with the MGB Central Office/RO concerned and shall be subject to the approval of the MGB Director upon evaluation and recommendation by the RO concerned. **The MGB RO concerned shall complete its registration and initial evaluation of the pertinent document(s) within fifteen (15) days upon receipt thereof while the MGB Central Office shall complete its final evaluation/action of the same document(s) within 30 days upon receipt thereof.**

Memorandum of Agreement/Option Agreement/Operating Agreement and other similar forms of Agreement entered into involving an application for EP, MA, FTAA, or any other mining permit application, shall be registered with the MGB Central Office/RO concerned and shall form part of the supporting documents of a mining application, subject to the evaluation of the MGB Central Office/RO concerned. Such agreement shall be deemed approved upon approval of the pertinent mining application.

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Section 5. Consultation with and Prior Approval by the Sanggunian

Mining applicants/Contractors/Permittees/Permit Holders shall consult with all the Sangguniang **Panlalawigan/Bayan/Panlungsod/Barangay** concerned in support of mining applications and/or in the implementation of mining projects: *Provided*, That in case of a mining application intended for exploration thru an EP, MA or FTAA, the proof of consultation and/or project presentation shall be in the form of the following:

- a. Copies of the pertinent Exploration and Environmental Work Programs duly received by the Secretary of all of the Sanggunian concerned or Office of all the Vice-Governor/Vice-Mayor concerned; or
- b. A certification of project presentation by all the Provincial Governor, Vice-Governor, Municipal/City Mayor or Vice-Mayor concerned, or the Secretary of all the Sanggunian concerned.

Provided, Further, That prior approval or endorsement in the form of a Resolution or Certification by at least the majority of the Sanggunian concerned shall be required in support of mining applications for immediate development and/or utilization activities and of applications for approval of Declaration of Mining Project Feasibility under the Development and Construction/Operating Periods of MAs and FTAA's.

In the case of an application for Sand and Gravel Permit, the proof of approval or endorsement by the Sanggunian concerned shall be deemed complied with if the applicant has already secured the Environmental Compliance Certificate (ECC) for the project concerned.

Section 6. Certification Precondition by the National Commission on Indigenous Peoples

The Certification Precondition by the National Commission on Indigenous Peoples (NCIP) shall be deemed complied with for mining applications filed in private lands, in accordance with the provisions of Section 56 of Republic Act (R.A.) No. 8371: *Provided*, That the mining applicant concerned shall submit the pertinent proof(s) of ownership of such property/ies, such as certified true copy of the Original/Transfer Certificate of Title, among others.

Section 7. Issuance of Industrial Sand and Gravel Permit

The RDs of the MGB shall exercise the delegated authority to issue an Industrial Sand and Gravel Permit (ISGP) without prior clearance from the MGB Director pursuant to the applicable provisions of DAO No. 96-40, as amended, and all other applicable mining and environmental laws rules and regulations. However,

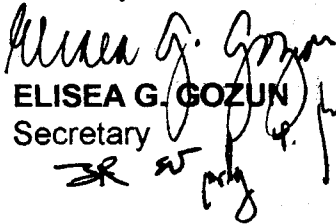
they shall submit to the MGB Director a copy each of every ISGP issued, to include all mandatory and other requirements, within seven (7) days after the date of issuance.

Section 8. Repealing Clause

DMO Nos. 99-34 and 2003-08, and other memorandum orders and circulars and special orders inconsistent with or contrary to the provisions of this Memorandum Order are hereby superseded or modified accordingly.

Section 9. Effectivity

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


ELISEA G. GOZUN
Secretary
SR 25

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