

SENATE
P.S. RES. NO. 1289

REC. M. T. S.

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Introduced by Senator M.A. Madrigal

RESOLUTION

DIRECTING THE COMMITTEES ON ENVIRONMENT AND NATURAL RESOURCES AND ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS TO INVESTIGATE, IN AID OF LEGISLATION, THE AWARDING BY THE DEPARTMENT OF ENERGY OF A COAL MINING CONTRACT WITHOUT PUBLIC CONSULTATION WHICH WILL LEAD TO ENORMOUS ENVIRONMENTAL DESTRUCTION AND DEGRADATION IN THE PROVINCE OF CATANDUANES

WHEREAS the Department of Energy through its secretary, Angelo Reyes, awarded a coal mining contract to Monte Oro Resources Energy Inc. allowing it to conduct mining operations in seven thousand (7,000) hectares of land in the towns of San Andres, Caramoan and Panganiban all in the Province of Catanduanes;

WHEREAS the coal to be extracted in the awarded area is estimated to be worth Php 6.2 Billion;

WHEREAS out of this amount, the national government and the local government unit are expected to earn only Php186 million (from 3% royalty) and Php 9 million worth of taxes;

WHEREAS it was reported that the Department of Energy is planning to further award eight thousand (8,000) hectares more through further coal mining contract which would cover fourteen (14) barangays in the Municipalities of Caramoan, Viga and Panganiban and is estimated to produce a further Php 9.4 Billion worth of coal;

WHEREAS the area identified by the Department of Energy for coal mining operations is within the last sixty thousand (60,000) hectares of remaining forest in the Province of Catanduanes;

WHEREAS in a study conducted by a consultant hired by the provincial government, it was reported that the mining operation will destroy forest cover that is capable of absorbing 8.7 million tons of carbon dioxide;

WHEREAS the same report stated that the mining operations will increase soil erosion and cause flooding in the towns of Viga, Panganiban, Bagamanoc, San Miguel, Bato, Manambrag in San Andres, and Hitoma and Milaviga in Caramoran.;

WHEREAS it is feared that the mining operations near the Hitoma River will greatly affect the watershed as well as the operations of the mini-hydro plant which will negatively affect the energy consumers of the province;

WHEREAS it is likewise feared that the conduct of mining operation in the Province of Catanduanes will deplete its water resources, cause destructive landslides and flooding as well as pollution;

WHEREAS various religious groups and concerned citizens in the Province of Catanduanes deplore the award of the mining contract without public consultation;

WHEREAS the Municipal Council of Panganiban town passed a Resolution asking the *Department of Energy* to exclude the area around the town (2,000 hectares) from being covered in the area set aside for the mining operation;

WHEREAS in the same Municipal Resolution the Council questioned the lack of prior consent of the local government unit as well as the absence of public consultation with non-governmental organizations and concerned citizens;

WHEREAS the suspicious awarding of the permit to Monte Oro Resources Energy Inc. was in conjunction with the equally suspicious awarding of a Small-Scale Mining Permit No. 2008-018 to a certain Policarpio Torres;

WHEREAS under the terms of the permit, the operation of Policarpio Torres shall be under the supervision of Monte Oro Resources Energy Inc. and that the coal extracted shall be sold exclusively to Monte Oro Resources Energy Inc.;

WHEREAS the said provision is highly irregular and raises suspicion that Policarpio Torres is just a front for the actions and desires of the Monte Oro Resources Energy Inc.;

WHEREAS it is likewise reported that the award of a Small-Scale Mining Permit is just a scheme of Monte Oro Energy Resources Inc. to avoid securing an Environmental Compliance Certificate (ECC) which is required for mining projects covering an area of more than 20 hectares;

WHEREAS there is a need to conduct an immediate inquiry as to the privilege given to Monte Oro Resources Energy Inc.;

WHEREAS it is worth noting that Monte Oro Resources Energy Inc. is reportedly owned by Enrique Razon, Jr., a known crony of Gloria MacapagalArroyo and to

whose award of the National Transmission Corporation is likewise being questioned;

WHEREAS there is also a need to conduct an inquiry as to the possible environmental damage of the coal mining operation to the province of Catanduanes as well as the effort to subvert the Environmental Impact Assessment Law;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, FOR THE COMMITTEES ON ENVIRONMENT AND NATURAL RESOURCES AND ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS TO INVESTIGATE, IN AID OF LEGISLATION, THE AWARDED BY THE DEPARTMENT OF ENERGY OF A COAL MINING CONTRACT WITHOUT PUBLIC CONSULTATION WHICH WILL LEAD TO ENORMOUS ENVIRONMENTAL DESTRUCTION AND DEGRADATION IN THE PROVINCE OF CATANDUANES.

Adopted,

A handwritten signature in cursive script, appearing to read 'M.A. Madrigal', written over a horizontal line.

M.A. MADRIGAL