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SENATE  
S.B. No. 1634

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Introduced by Senator Richard J. Gordon, Chairman, and the Members of the Committee on  
Accountability of Public Officers and Investigations (Blue Ribbon)

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**AN ACT**  
**PROVIDING FOR THE MANDATORY DOMESTIC PROCESSING OF ALL MINERAL ORES**  
**BEFORE EXPORTATION AND A CERTIFICATION SHOWING PRESENCE OR LACK OF**  
**RARE EARTH ELEMENTS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7942**  
**OTHERWISE KNOWN AS THE PHILIPPINE MINING ACT OF 1995 AND FOR OTHER**  
**PURPOSES**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

1 Section 1. Section 3(y) of Republic Act No. 7942, otherwise known as the "Philippine  
2 Mining Act of 1995" is hereby amended to read as follows:

3  
4 (y) Mineral processing means the milling, beneficiation or upgrading of ores  
5 or minerals and rocks or by similar means to convert the same into  
6 marketable products, AND/OR THE PROCESS OF SEPARATING  
7 COMMERCIALY VALUABLE MINERALS FROM THEIR MINERAL ORES.  
8

9 Sec. 2. Section 53 of Republic Act No. 7942, otherwise known as "The Philippine  
10 Mining Act of 1995" is hereby amended to read as follows:

11  
12 Section 53. Ore Transport Permit. A permit specifying the origin AND  
13 DESTINATION and quantity of non-processed mineral ores or minerals shall be  
14 required for their transport. Transport permits shall be issued by the mines  
15 regional director who has jurisdiction over the area where the ores were  
16 extracted. In the case of mineral ores or minerals being transported from the  
17 small-scale mining areas to the custom mills or processing plants, the Provincial  
18 Mining Regulatory Board (PMRB) concerned shall formulate their own policies  
19 to govern such transport of ores produced by small-scale miners. The absence of  
20 a permit shall be considered as prima facie evidence of illegal mining and shall  
21 be sufficient cause for the Government to confiscate the ores or minerals being  
22 transported, the tools and equipment utilized, and the vehicle containing the  
23 same. Ore samples not exceeding two metric tons (2 m.t.) to be used exclusively  
24 for assay or pilot test purposes shall be exempted from such requirement.  
25

26 Sec. 3. Section 55 of Republic Act No. 7942, otherwise known as "The Philippine  
27 Mining Act of 1995" is hereby amended to read as follows:

28  
29 Section 55. Minerals Processing and Minerals Processing Permit. ANY  
30 MINERAL ORES EXTRACTED UNDER THE PROVISIONS OF THIS ACT SHALL

31 BE PROCESSED WITHIN THE COUNTRY. NO PERSON GRANTED WITH  
32 PERMIT FOR PURPOSES OF MINING OPERATION SHALL BE ALLOWED TO  
33 EXPORT THE UNPROCESSED MINERAL ORES TO OTHER COUNTRY FOR  
34 PURPOSES OF TRADING MINERAL PRODUCTS WITHOUT A CERTIFICATION  
35 OF COMPLIANCE SHOWING PRESENCE OR LACK OF RARE EARTH  
36 ELEMENTS OR OTHER VALUABLE MINERALS.

37  
38 ANY PERSON EXPORTING THE UNPROCESSED MINERAL ORES WITHOUT  
39 THE AFOREMENTIONED CERTIFICATE OF COMPLIANCE SHALL, UPON  
40 CONVICTION, BE IMPRISONED FROM SIX (6) YEARS AND ONE (1) DAY TO  
41 TWELVE (12) YEARS AND PAY THE FINE AMOUNTING TO TWICE THE  
42 VALUE OF THE SEIZED MINERAL ORES. IN ADDITION, THE CARGO  
43 CONTAINING THE UNPROCESSED MINERAL ORES SHALL BE CONFISCATED  
44 IN FAVOR OF THE STATE. IN THE CASE OF ASSOCIATIONS, PARTNERSHIPS,  
45 OR CORPORATIONS, THE PRESIDENT AND EACH OF THE DIRECTORS IN  
46 SHALL BE RESPONSIBLE FOR THE ACTS COMMITTED BY SUCH  
47 ASSOCIATION, PARTNERSHIP, OR CORPORATION.

48  
49 No person shall engage in the processing of minerals without first  
50 securing a minerals processing permit from the Secretary. Minerals  
51 processing permit shall be for a period of five (5) years renewable for like  
52 periods but not to exceed a total term of twenty-five (25) years. In the case of  
53 mineral ores or minerals produced by the small-scale miners, the processing  
54 thereof as well as the licensing of their custom mills or processing plants  
55 shall continue to be governed by the provisions of Republic Act No. 7076.

56  
57 *Sec. 4. Implementing Rules and Regulations.* – The Secretary of the Department of  
58 Environment and Natural Resources shall promulgate the necessary rules and regulations  
59 for the effective implementation of this Act.

60  
61 *Sec. 5. Repealing Clause.* – All other laws, decrees, orders, issuances, and rules and  
62 regulations or parts thereof inconsistent with this Act, are hereby repealed or amended  
63 accordingly.

64  
65 *Sec. 6. Separability Clause.* – All other provisions of Republic Act No. 7942, otherwise  
66 known as “The Philippine Mining Act of 1995” not affected thereby shall remain in full  
67 force and effect.

68  
69 *Sec. 7. Effectivity Clause.* – This Act shall take effect fifteen (15) days after its  
70 publication in at least (2) national newspapers of general circulation.

71  
72 Approved,