FOURTEENTH CONGRESS } OF THE REPUBLIC OF THE PHILIPPINES Second Regular Session

91:19 E-JUL 8

S E N A T E P. S. RES. NO. <u>483</u>

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Introduced by Sen. M. A. Madrigal

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON ENVIRONMENT TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE IMPACT OF THE DIFFERENT OFFSHORE OIL AND GAS EXPLORATION ACTIVITIES THAT ARE INCREASING ACROSS THE COUNTRY, ESPECIALLY THOSE OVERLAPPING INTO PROTECTED SEASCAPES AND CRITICAL MARINE AREAS

WHEREAS the number of service contracts for oil and gas exploration awarded leaped in 2004, with twenty-two (22) contracts awarded since January 2004 out of the total thirty-eight (38) service contracts (SC) awarded since the mid-1970s;

WHEREAS industry players cite the 2001 Malampaya project and the 2004 Supreme Court ruling affirming 100% foreign ownership of mining corporations as the main drivers for the increase in applications for oil and gas exploration in the country;

WHEREAS there are offshore service contracts that are located in critical marine areas such as in the Visayan seas (Tañon Strait, Cebu-Bohol strait, Negros and Leyte waters), Sulu Sea, Ragay Gulf in Camarines Sur, Northeast Palawan including Mindoro Sea, Northwest Palawan including the Calamian block, Southwest Palawan and Southeast Palawan;

WHEREAS international environmental organizations recognize Philippine marine biodiversity as one of the richest and most diverse in the world;

WHEREAS local communities and fisherfolk in Cebu protested against the operation of an offshore drilling and exploration in Tañon Strait, operated by the Japan Petroleum Exploration Co. Ltd. and the Kuwait Petroleum Corporation, because of the negative environmental and economic impact it brought to the surrounding community;

WHEREAS independent environmental impact studies in Tañon Strait showed a decline in the average fish catch, traces of effluents from the exploration activities, and disruption of the marine ecosystem in the area;

WHEREAS Service Contract 61, awarded to Burgundy Global Exploration Corporation, overlaps with the Tubbataha Reefs National Marine Park which covers over 96,828 hectares southeast of Puerto Princesa City;

WHEREAS gas exploration and drilling activities in and or near the Tubbataha Reefs, a declared UNESCO World Heritage site, will cause distress in the fragile ecosystem of the Sulu-Palawan sea;

WHEREAS officials of the Tubbataha Reefs Marine National Park have written the Department of Energy over their concern on the marine exploration, and have asked for a review of Service Contract 61;

WHEREAS this recent increase in offshore oil and gas exploration activities jeopardizes the

government's policy on environmental protection, especially in the midst of rising awareness to climate change;

WHEREAS stricter monitoring and implementation of environmental laws is necessary with the burgeoning of the upstream oil industry in the country;

WHEREAS there is a need to strike a balance between environmental protection and the need of the country to pursue its own established energy sources;

WHEREAS there is a need to ascertain where there are areas of overlapping jurisdiction between existing environmental and energy industry policies;

THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, to direct the Senate Committee on Environment and Natural Resources to conduct an inquiry, in aid of legislation, into the impact of the different offshore oil and gas exploration projects that are increasing across the country, especially those overlapping into protected seascapes and critical marine areas.

Adopted,

Malladrigal M.A. MADRIGAL