

2024 Philippine EITI Regional Roadshow –
Visayas Cluster: Cebu

Regulatory Oversight of the P/CMRB:

Functions and Challenges in Local
Extractives Governance

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Outline of Presentation

- **Introduction**
- **Functions of the P/CMRB**
- **Challenges of the P/CMRB:**
 - Regulatory Oversight
 - Conflict Resolution
 - Facilitation of Extractive Transparency at the Local Level



Introduction

The Provincial/City Mining Regulatory Board (P/CMRB) was established under Republic Act No. 7076, also known as the People's Small-Scale Mining Act of 1991.

RA No. 7076 mandates the creation of P/CMRBs at the provincial or city level to oversee and regulate small-scale mining activities within their respective jurisdictions.

Republic Act No. 7076

“People's Small-Scale Mining Act of 1991”

- The law outlines the specific powers and functions of the P/CMRBs; and provides the legal framework for the P/CMRBs to implement rules and regulations, issue licenses, and manage small-scale mining activities effectively.
- The PMRBs operate under the supervision of the Department of Environment and Natural Resources (DENR) Secretary, ensuring that their actions are in line with national policies and regulations.

Republic Act No. 7076

“People's Small-Scale Mining Act of 1991”

The objectives for the creation of the PMRBs:

- To decentralize mining governance,
- To empower local communities, and
- To ensure that small-scale mining operations contribute positively to local development while adhering to environmental standards.

Republic Act No. 7942

“Philippine Mining Act of 1995”

**Through DENR Administrative Order (DAO) No. 2010-21,
Revised Implementing Rules and Regulations of RA 7942:**

- The law authorizes the creation of the PMRB in every province or city where mining operations are present.
- The PMRB is tasked with the regulation of small-scale mining and mining-related activities, ensuring compliance with national policies and standards.
- It also serves to resolve conflicts among stakeholders at the local level.

Section 70, DAO No. 2010-21

PMRB's Key Functions:

- **Accept, process, and evaluate applications for:**
 - Quarry Permits
 - Sand and Gravel Permits
 - Guano Permits
 - Gemstone Gathering Permits
 - Small-Scale Mining Permits
- **Determine administrative charges and fees for the above permits.**

DAO 2022-03

“Revised Implementing Rules and Regulations of RA No. 7076”

- Updates and clarifies the roles, functions, and responsibilities of the PMRB.
- Emphasizes:
 - **Regulation of Mining Activities**
 - **Environmental Management**
 - **Conflict Resolution**
 - **Support for Small-Scale Miners**

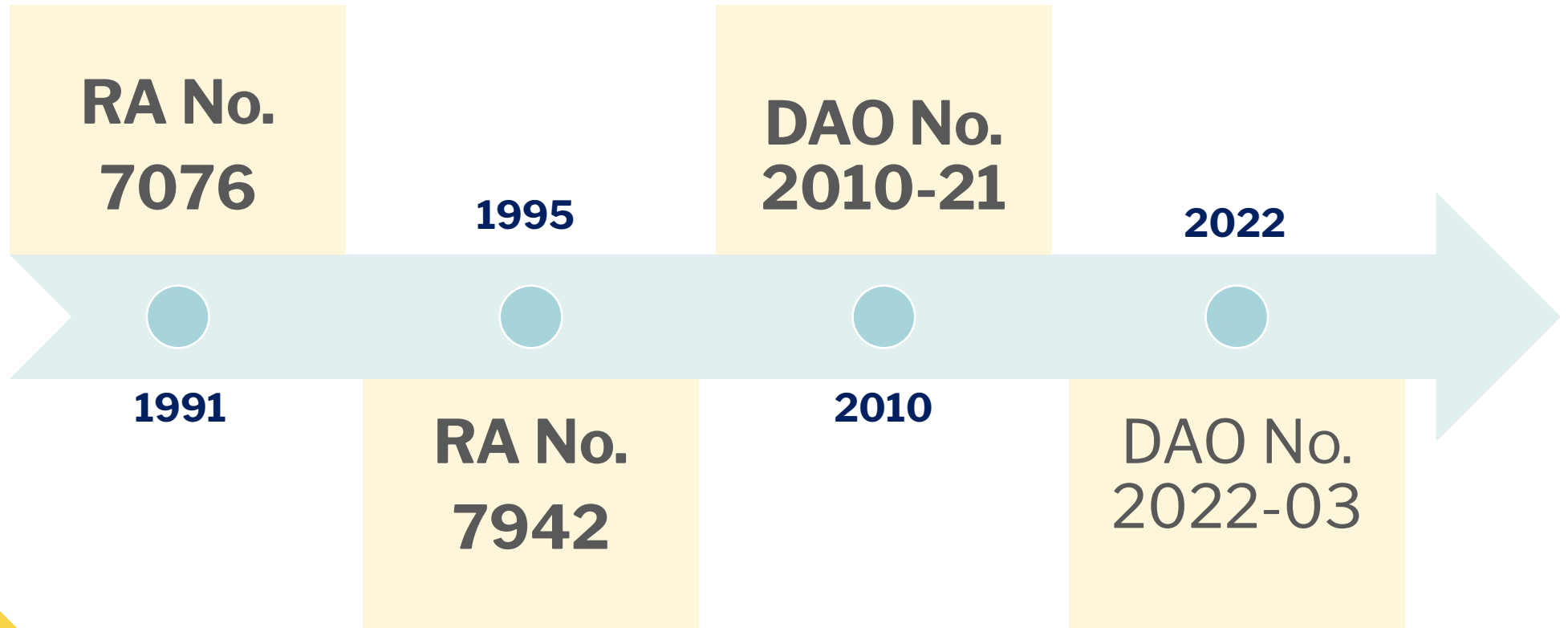
DAO 2022-03

“Revised Implementing Rules and Regulations of RA No. 7076”

Objectives:

- a. Ensure the effective and expeditious implementation of the People's Small-Scale Mining Program as provided under RA No. 7076.
- b. Achieve an orderly, systematic, and ecologically balanced administration and disposition of small-scale mining areas.
- c. Regulate the small-scale mining industry to enhance its growth and productivity while ensuring environmental protection.
- d. Provide technical, financial, and marketing assistance; ensure efficient collection of government revenues; adopt best practices; and promote good governance and integrity in the industry.

Timeline of Legal Bases



Pursuant to Section 21, DAO No. 2022-03:

Chairperson:

- Regional Director or Authorized Representative

Members:

- Provincial Governor or City Mayor or their Representative
- One (1) Small-Scale Mining Representative
- One (1) Large-Scale Mining Representative
- One (1) Representative from an

Environmental Non-Government

Support: Technical Secretariat/Staff provided by the MGB Regional Office.

Observers: In areas with existing Indigenous Cultural Communities/Indigenous Peoples (ICCs/IPs), other agencies may be included as observers through a Board resolution.

Composition of the P/CMRB





Functions of the P/CMRB

**Pursuant to DAO No. 2010-21 &
DAO No. 2022-03**

P/CMRB's Key Functions

Pursuant to Section 70, DAO 2010-21:

Accept, process, and evaluate applications for:

- Quarry Permits
- Sand and Gravel Permits
- Guano Permits
- Gemstone Gathering Permits
- Small-Scale Mining Permits

Determine administrative charges and fees for the above permits

P/CMRB's Key Functions

Pursuant to Section 20, DAO 2022-03:

Declaration and Segregation

- Identify and segregate existing gold-rich areas for small-scale mining.
- Reserve future mineralized areas/mineral lands as "Minahang Bayan."

P/CMRB's Key Functions

Pursuant to Section 20, DAO 2022-03:

Evaluation and Approval

Assess and approve:

- PEIMP (2-year Potential Environmental Impact Management Plan)
- CDMP (Community Development and Management Plan)
- ASHP (Annual Safety and Health Program)

P/CMRB's Key Functions

Pursuant to Section 20, DAO 2022-03:

Award and Registration

- Issue Small-scale Mining Contracts and Mineral Processing Licenses.

Rule-Making Authority

- Develop and implement guidelines and regulations related to RA No. 7076.

P/CMRB's Key Functions

Pursuant to Section 20, DAO 2022-03:

Dispute Resolution

- Settles/resolve disputes, conflicts, or litigations over conflicting claims within small-scale mining areas.

Contract Management

- Suspend, cancel, or revoke Small-scale Mining Contracts and Mineral Processor's Licenses after due process.

P/CMRB's Key Functions

Pursuant to Section 20, DAO 2022-03:

Reporting

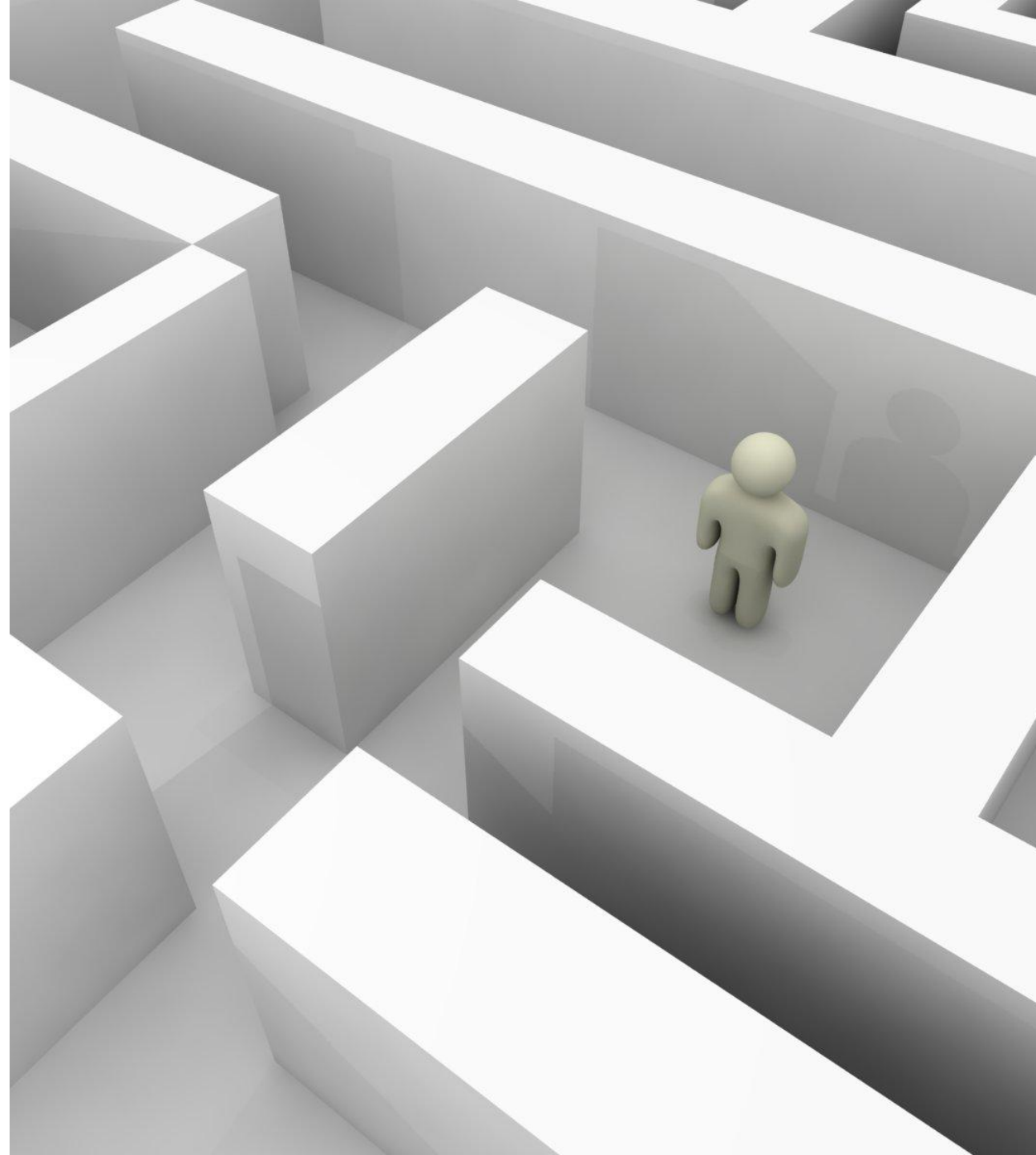
- Submit a comprehensive annual report on the "Minahang Bayan" operations to the Department and the Bureau.

Additional Functions

- Perform other necessary functions to achieve the objectives of RA No. 7076.

Challenges of the P/CMRB

- **Regulatory Oversight**
- **Conflict Resolution**
- **Facilitation of Extractives
Transparency at the Local Level**





Challenges in Regulatory Oversight

***Regulatory Oversight** involves ensuring adherence to laws and regulations.*

Limited Resources and Capacity



Inadequate Funding: Insufficient financial resources to support regulatory activities.

Lack of Personnel: Shortage of staff needed for monitoring and enforcement.

Insufficient Technical Expertise: Limited access to specialized knowledge and skills necessary for effective regulation.

Coordination Among Stakeholders

Miscommunication Challenges: Miscommunication among stakeholders can create gaps in regulatory processes.

Lack of Cooperation: Insufficient cooperation between entities impedes effective regulatory functions.

Availability Issues: Irregular attendance or availability of the P/CMRB members/representative during meetings hinders decision-making and coordination efforts.

Jurisdictional and Authority Conflict



Regulatory Gaps and Overlaps: Existing regulations may have gaps or overlaps that create ambiguity in enforcement. This can lead to difficulties in interpreting and applying laws consistently, which may hinder effective oversight.

Resistance to Regulation: Other stakeholders may resist regulatory measures due to political discretion, complicating the P/CMRB's efforts to implement and enforce policies.

Barriers in the Implementation of *Minahang Bayan*

Perceived High Costs: The process of establishing a *Minahang Bayan* (designated small-scale mining area) is seen as costly by stakeholders, including small-scale miners, which can discourage them from pursuing legalization and formal registration.

Complex and Tedious Process: The requirements for filing a petition for a *Minahang Bayan* and forming cooperatives involve lengthy procedures, multiple administrative steps, and extensive documentation, which are perceived as burdensome and time-consuming.

Low Participation and Compliance: Due to these perceived barriers, many small-scale miners are unwilling or unable to go through the process, resulting in low participation in the formalization of small-scale mining activities and the non-implementation of *Minahang Bayan* in certain areas.

Impact on Formalization Efforts: The bureaucratic and financial challenges hinder efforts to formalize small-scale mining operations, which is crucial for regulating and monitoring mining activities, ensuring safety standards, and minimizing environmental impact.



Challenges in Conflict Resolution

Conflict Resolution involves managing disputes and conflicts related to mining claims.



Long-standing and Complex Disputes

Some conflicts, particularly those involving land ownership, indigenous rights, or historical grievances, can be deeply rooted and complex, making them difficult to resolve quickly or amicably.



Resistance to Authority

Some parties involved in disputes resist the authority of the P/CMRB or be unwilling to comply with its decisions due to diverse interest.

This resistance can complicate efforts to mediate conflicts and reach amicable solutions.



Lack of Resources and Capacity

Effective conflict resolution requires adequate resources, including trained personnel, legal expertise, and financial support.

P/CMRBs are faced with insufficient funding, staff shortages, or lack of training in conflict resolution techniques.



Challenges in Facilitation of Extractives Transparency at the Local Level

**Facilitation of Extractives
Transparency** involves declaring
and reporting of data by
stakeholders.



Lack of Control Maps by LGUs

Local Government Units (LGUs) do not maintain up-to-date control maps for the permits they issue. This creates gaps in information management and makes it difficult to track the exact locations and boundaries of mining activities.

At present, applicants and stakeholders check with the MGB Regional Office for accurate maps, leading to delays and confusion and reduces transparency.



Inconsistent Reporting from Stakeholders

Mining companies and other stakeholders often do not provide timely or accurate reports on their activities, production, revenues, or environmental impacts.

This lack of consistent and reliable reporting undermines efforts to maintain transparency and accountability in the local mining sector.



Coordination and Communication Gaps

There is often poor coordination and communication between the P/CMRB, LGUs, MGB, and other stakeholders, leading to information silos and lack of data sharing.

This gap makes it challenging to present a unified and transparent view of mining operations.



Limited Capacity and Resources

The P/CMRB and LGUs may lack the technical expertise, resources, and tools needed to collect, verify, and disseminate data on mining activities effectively and efficiently, hindering transparency efforts.

Thank you

