

A BRIEF PROFILE OF NORTHERN LUZON



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Northern Luzon is combination of the mountain ranges and the coastal areas occupying 63,508 sq. kms. half of the Philippines' biggest island. At the central part of Northern Luzon is the Cordillera mountain range which serves as headwaters for eight big rivers including the Agno River, the Abra River, the Cagayan River, and the Amburayan River. The foothills of Cordillera mountain range connect with the lowlands of Ilocos Region to the west and Cagayan Valley region to the east. At the southern part of Northern Luzon are the caraballo mountains found on the boundaries of southern Benguet, Pangasinan, and Nueva Viscaya provinces. On the eastern portion of Northern Luzon lies the Sierra Madre mountain range, the headwaters of six other major river systems. The Sierra Madre mountain range serves as frontier and barrier for the entry of storms and typhoons. Being a part of the Luzon island, the provinces of Ilocos Norte, Ilocos Sur, La Union, western Pangasinan, Cagayan, Isabela and Quirino are lined with coastal areas. On the east we find the western part of the Pacific Ocean and on the west we find the China Sea.

Three political regions form Northern Luzon: Region 1 includes Ilocos Norte, Ilocos Sur, La Union and Pangasinan; Region 2 includes Cagayan, Isabela, Nueva Viscaya and Quirino; and Cordillera Administrative Region includes Benguet, Ifugao, Mt. Province, Abra, Kalinga and Apayao. Northern Luzon's and consists of the mountainous Cordillera, the Ilocos narrow shoreline on the west and the vast Cagayan Valley to the east. Excluding Pangasinan, we have 234 municipalities and 8 cities (Batac, Laoag, Candon, San Fernando, Baguio, Cauayan, Santiago and Tuguegarao). Of the 234 municipalities, 61% belong to the 4th and 5th classes, considered to be very poor, 19% belong to the 3rd class and 17% belong to the 1st and 2nd classes, considered the richest.



Northern Luzon is still abundant in forest, hydro, aquatic, mineral, agricultural and other natural resources. It is endowed with minerals both metallic, non-metallic and limestone. (See Annex DENR Mineral Maps). Gold, copper and limestone abound in Cordillera mountain ranges, while iron, limestone, feldspar, magnetite, sand and gravel, guano or phosphate rock are found in Ilocos Region and copper, gold, coal, magnetite sand, manganese and nickel are to be found in Cagayan region.

Agriculture remains as the main source of livelihood of the people. Major crops raised by the peasants are rice, corn, lowland traditional vegetables, and upland temperate vegetables. Banana, peanuts, corn, root crops and various types of legumes are grown by peasants in their swidden farms and gardens.. Cash crops which were introduced by the colonizers and the capitalists now include tobacco, high land vegetables, sugarcane and cut flowers. Its agricultural lands contribute 36% of rice, 26% corn and 65% vegetable of the national production. Fishing remains a major economic activity for the coastal areas.

Northern Luzon is a biodiversity hot spot where endemic birds, flora and fauna are found. Many terrestrial and inland water areas in the Cordillera and Cagayan Valley regions are deemed very high to

extremely high in biological importance. Conservation priority areas for terrestrial and inland waters are extremely high urgent in Benguet while the rest of Cordillera and Cagayan Regions are very high to extremely high critical. The Cordillera Mountain Range and the Sierra Madre are extremely high conservation priority areas for plants, amphibians and reptiles. The provinces of Abra and Apayao and Quirino are extremely high conservation priority sub-areas for plants.

Shared boundary areas of Pangasinan, La Union and Benguet and Abra and Ilocos Sur are classified as conservation and research priority areas for anthropods. Sierra Madre range in Cagayan and Isabela and mountain ranges in Apayao and Ilocos Norte are extremely high conservation priority areas for birds. The triboundary of Benguet, Mt Province and Ifugao are extremely high conservation priority areas for terrestrial mammals.

The coastal areas of Ilocos and Cagayan Valley Regions are conservation areas for reef fishes, corals, molluscs and mangroves. The Lingayen Gulf and the Dilican Bay in Northeastern Isabela are marine high conservation priority areas while it is extremely high on the coastal areas in northern tip of Cagayan province. The Babuyan Channel down is a conservation priority areas for dugongs, cetaceans, seagrass, seaweeds, whale sharks and elasmobranchs. The coastal areas of Ilocos Norte are also conservation priority areas for seaweeds.

Northern Luzon is a disaster-prone area. It sits astride a typhoon belt and is visited by close to half of the country's average 27 typhoons a year between May and October. It hosts 7 of the 10 highest peaks in the country including the second highest (Mt. Pulag), and four (4) volcanoes (Ambalatungan, Bumabag and Podakan, Sto. Tomas) Its single fault line became braided from north to southeast and southwest after the July 1990 earthquake, the strongest quake in the country in a decade.

While Ilocanos predominate the northern population of Ilocos and Cagayan, significant in its 6.3 million population (2007, NSO) are indigenous peoples that compose 65% of the Cordilleras, 2% of Ilocos Norte, 16% of Ilocos Sur, 11% of La Union and 3% of Cagayan Valley. The Cordillera indigenous peoples'(IP) population consists of the Isnegs of Apayao; Tinguian of Abra; Bontok and Kankanaey in Mountain Province; the Kalinga in Kalinga; the Kankanaey, Iyaplay and Ibaloy in Benguet; and Bago tribes in the boundary of Benguet and Mountain Province. Many of the IPs in the Ilocos Region and even in the Cagayan Valley live along the contiguous boundaries with the Cordillera. Aside from indigenous people migrants from the Cordillera, another group of IPs in Cagayan are those truly indigenous to the region: the Agtas, the Isnegs, and the Bugkalots and the Around 65% of the Northern Luzon's population are peasants concentrated in the rural areas. A significant section are fisher folks of the coastal areas of Ilocos and Cagayan.

Kalanguyas.

There are slightly more men (51%) than women (49%). The predominant religion is Catholic, with the Iglesia Filipina Independiente next in areas of the Ilocos and Cagayan and the United Church of Christ in the Philippines as third even as there are varying faiths in lesser concentrations including the fundamentalist sects.

NORTHERN LUZON SITUATION ON MINING, HUMAN RIGHTS AND DISASTER IMPACTS



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Foreword

This paper was produced for the Northern Luzon Mining and Human Rights Summit held on December 13-15, 2011 in Baguio City of which Kaduami is a convenor together with the Cordillera Peoples Alliance, the Save the Valley, Serve the People- Cagayan Environmental Alliance, the Ecumenical Bishops Forum-Northern Luzon, the Solidarity of Peasants Against Exploitation –Ilocos Region, the Save the Abra River Movement and the Isabela Ecumenical Council. This is an initial attempt to identify the existing mining companies which have claims over the lands in the region. This is a crucial step because many of the affected communities have limited knowledge of what is going to happen to their communities. Since the approving body for many of these mining applications is controlled by the DENR-MGB, the study used the list of mining tenements which DENR publishes in their website.

The purpose of this paper is to situate the people’s organizations and NGOs on what is happening and what is going to happen to their communities. Kaduami has embarked on a video documentation of the magnetite mining and for that, Kaduami had undertaken field research including interviews with individuals from the community and the local government, focus group discussions with affected communities in Cagayan and Ilocos regions and review of secondary materials including internet research. A separate primer on mining will be published in 2012. This initial paper is based on Kaduami projects from 2007-2010, CPA statements and documentations, This paper has three parts: the listing of the ongoing applications; the destruction of land, life, livelihood and communities; people’s protests and increasing human rights violations, and mining and human rights.

The analysis is somehow limited in this paper but not in actual discussion during the summit. The summit provides a venue for personal testimonies of leaders of affected communities, the national and international context of mining, the framework for national alternative to mining, the legal tactics and remedies for redress, the alternative People’s Mining Bill, and the Free Prior and Informed Consent and Small Scale Mining. The inputs will be used for a more comprehensive paper. A separate profile of the Northern Luzon is attached.

Introduction

The Mining Act of 1995 revitalized the mining industry by allowing its liberalization. The law practically surrendered the country's patrimony by offering so many incentives, privileges and guarantees to foreign investors: 100% ownership, 100% repatriation of capital and profits, easement rights, water rights, timber rights and tax incentives. The country was open to giving up 81,000 hectares per application for lease from 25 to 50 years. In 2004 alone, it opened up 13 million hectares (or 45%) of the Philippines' total land area to applications. This was home to 13 million (or 16%) of the country's population who are upland farmers and mostly indigenous peoples. (Kaduami)

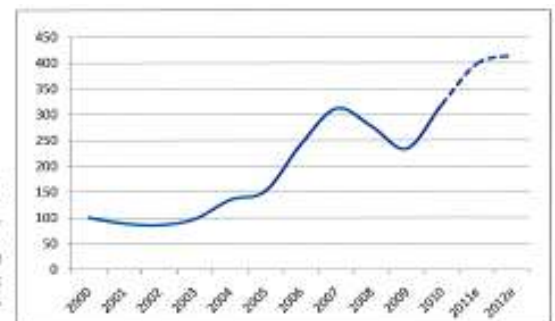
In Northern Luzon, big foreign mining corporations aggressively entered almost all provinces. These corporations were awarded permits to conduct operations not only in new and expansion areas but also in areas that had been closed.

Last September 13, 2011, Mr. Benjamin Philip G. Romualdez, the President of the Chamber of Mines of the Philippines said mining companies had reasons to celebrate. During the Mining Philippines Conference and Exhibit held at Sofitel Philippine Plaza. Mr. Romualdez attributed the accelerated pace of mining to the following factors: [1] the unparalleled increase in metal prices in the international market, [2] mining industry rebounded to a growth rate of 12.1% last year, and [3] the full support of President Benigno Aquino III to the mining industry in regaining mining's old glory.

President Aquino has shown his support for mining by selling the mining industry in his trip to the US and bringing along 15 mining companies as part of his delegation to China in August 2011. He personally witnessed the signing of four investment agreements between Filipino firms and their Chinese counterparts. Philippine minerals is being sold for US\$1 trillion to big mining investors from China, India, the Middle East and North America through Public Private Partnership schemes. The DENR under his command, initiate an Immediate Action Plan to [1] Review all motions for reconsideration; [2] Conduct Technical Assessment of freed areas to determine which of the areas can be viably packaged; [3] Formulate guidelines for Public Bidding and enter into Joint Venture Agreement; and [4] lift the moratorium on the acceptance and grant of mining application. (Mero)

The Raw Materials Group (RMG) forecasts 2012 to maintain the increase in the metal prices at the rate similar in 2010-2011. Magnus Ericsson, a professor of mineral economics in Lulea University of Technology in Sweden and a Senior partner of RMG Stockholm, in an article said that there is a high demand for metals due to the ongoing industrialization and urbanisation of the emerging markets for the forthcoming decades. "Increased infrastructure spending such as increased power grid investment in China, a budding material intensive consumer consumption and the expanding auto sector in both China and India are spreading the demand for all base metals and all emerging economies. (Ericsson)

Fig. 1
RMG base and
precious metal
price index.
(Normalised
to year 2000
= 100. Source:
Raw Materials
Group)



The Chamber of Mines of the Philippines reports that mineral exports led by copper and gold, grew over 27% to US\$1.87 billion from \$1.47billion in 2009. In the first quarter of 2011, mining accounted for 4.3% of the country's totals exports at \$513 million. Mr. Romualdez claims the mining industry provided the boost for the Philippine economy against the backdrop of global economic downturn in the second half of the year. However, the National Statistical Coordination Board data shows that Mining and Quarrying only represented an average of 1.7% of our Gross Domestic Product for the three quarters of 2011. (Annex: Gross National Income and Gross Domestic Product by Industrial Origin 1st Qtr 2008-3rd Qtr 2011 bb NSCB. Nov 28, 2011.)

In a press release this October 26, 2011, Philex Mining Corporation (PSE: PX) claims it posted its highest nine months Reported Net Income in its 55 year history at P4.35 billion, ahead of last year's P2.12 billion reported for the same period last year. Core Net Income stood at P3.98 billion, an improvement of 72% over last year's P2.31 billion - the second highest in the Company's history for the nine month period. This is the basis for Philex to claim that there is life in mining.

The Ongoing Mining Operations In Northern Luzon

Over the last six years, mining operations have been increasing. More mining applications have been approved since the Mineral Actions Policy of former President Gloria Macapagal-Arroyo took effect. To operationalize the Executive Order 270, the Department of Environment and Natural Resources or DENR and other national agencies formed the Minerals Action Plan or MAP that will address the specific obstacles related in the revitalization of the mining sector. The DENR was tasked to oversee and monitor the implementation of the Minerals Action Plan. And it did so by the lifting of the ban on off-shore mining in 2004. Later in 2005, a Supreme Court ruling on ownership of foreign companies, has allowed, once again, foreign companies to operate in the country.

On the road to development, the Arroyo administration designated the North Luzon Super Region with the intent of establishing the "North Luzon Agribusiness Quadrangle (NLAQ)." This globalization scheme favoured the liberalization of the mining industry, the privatization of energy and water resources, and the deregulation of the vegetable, services and retail industry and the banking sector in Northern Luzon region. In 2006, the administration pushed the local governments to conduct the Regional Mining and Investments Summits in both Regions 1 and 2.

The following discussions on the existing mining operations in the regions are based on the analysis of the data of DENR-MGB lists of tenements for the year. This, however, needs to be studied and pushed further by analyzing the tenement holders on the basis of the following [1] the extent of control and interests of the companies/individuals in other parts of the country, [2] the profile of the companies to identify their linkages with foreign companies, [3] the diversity of their businesses; and [4] the extent of political influence of these companies in policy and decision making processes. To know the extent to which these mining tenement holders contribute to the local provincial economies, further studies on the financial remittances of the national government to host communities and the Internal Revenue Allotment of local governments need to be undertaken. The extent of damages of the

existing mining operations also needs further local environmental impact monitoring which the local communities, POs and LGUs with the assistance of the academe should document and undertake.

To analyze the data of DENR-MGB, the author does this by classifying the permits and application according to the kind of minerals. The potential of the minerals is determined by the forces of the market (supply and demand) and the industrial and commercial use for the particular mineral. Particular minerals imply particular extraction, production and manufacturing processes in the mining industry. Gold price now is almost US\$1,709/ounce. Magnetite sand is traded at US\$110/metric ton by SBMA Subic Bay International Mining Corporation with at minimum order of 50,000 metric ton and available supply of 100,000 metric tons per month. Copper price is US\$3.50/ pound. Nickel is US\$8.31/ pound. (<http://metalprices.com/FreeSite/metals>)

In Ilocos Region

For offshore magnetite mining in Ilocos Region, the Colossal Mining Corporation has the largest control over 14,772.33 hectares with four Exploration Permit (EP)¹ in 14 municipalities within Ilocos Norte, Ilocos Sur and Pangasinan (Laoag, Bacarra, Paoay, Candon, Sta. Lucia, Sta. Catalina, Vigan, Caoayan, Dagupan, San Fabian). Minprocess Group has one EPA for magnetite sand mining in 8,942.11 hectares in Lingayen and Dagupan, Pangasinan while Altamina Exploration Resources, Inc. has an Financial and Technical Assistance Agreement² over 9,588.2396 hectares in 14 coastal municipalities in the provinces of Ilocos Norte, Ilocos Sur and Pangasinan (Magsingal, Sto. Domingo, San Vicente, Sta. Catalina, Vigan, Caoayan, Santa, Narvacan, Sta. Maria, Sinit, San Esteban, Santiago, Candon, San Juan, Cabugao-, Ilocos Sur; Currimao, Pinili, Badoc-Ilocos Norte)

¹ **Exploration Permit** - these permits are issued to qualified individuals or local and foreign corporations granting them to undertake purely mineral exploration activities. Has a term of two (2) years renewable for like terms but not to exceed a total term of six (6) years for non-metallic minerals and eight (8) years for metallic minerals. The Permittee may eventually apply for Mineral Agreement or FTAA, subject to maximum areas limitations. The maximum areas allowed per qualified person under an Exploration Permit are: 1,620 hectares in any one province or 3,240 hectares in the entire country for an individual; and 16, 200 hectares in any one province or 32,400 hectares in the entire country for a corporation, association, cooperative or partnership.

² **Financial or Technical Assistance Agreements (FTAA)** - a mining contract for large-scale exploration, development and utilization of minerals which allows up to 100% foreign equity participation/ownership. The terms and conditions under an FTAA are as follows::

- Term of 25 years, extendable for like periods;
- Minimum capitalization, \$4Million, or its peso equivalent;
- Minimum investment for infrastructure and development of \$50Million;
- Minimum ground expenditures: For Years 1 & 2 \$2/ha/yr; Years 3 & 4 - \$8/ha/yr; Year 5 - \$19/ha/yr; Year 6 \$23/ha/yr
- Allowed only for metallic minerals such as gold, copper, nickel, chromite, lead, zinc and other metals;
- Maximum allowable area: Aggregate total of 81,000 in the entire country;
- Mandatory area relinquishments : 25% on the first 2-yrs; 10% per year thereafter;
- Maximum final area: 5,000 hectares for each mining area;
- Maximum periods: Exploration Period – 4 years; Pre-Feasibility Study Period – 2 yrs; Feasibility Study Period – 2 years;

For Iron, copper & gold , there is one Mineral Production Sharing Agreement (MPSA)³ and two EP. The MPSA of the Rigid Aggregates & Mining Corp is over 2,926 hectares in Piddig and Carasi in Ilocos Norte.

Montague Resource Philippines Corporation holds an EP over 4,360.71 hectares in Dasol and Mabini in Pangasinan. The EPA of Northern Horizon Exploration and Mining Corporation is for 2,349 hectares in Quirino, Ilocos Sur.

An MPSA for primary for gold is owned by Discovery Mines, Inc. for 2,673 hectares in Santa and Caoayan in Ilocos Sur.

In six municipalities of Pangasinan, limestone is divided among 4 MPSAs by Cunickle Mining and Industrial Corporation, Gulf Estates Mining Corporation, GML corporation and Northern Cement. In the province of La Union, limestone is controlled solely by the Holcim Philippines with 3 MPSA. Holcim had 2 MPSA for silica in Agno, Pangasinan. Three individual MPSA tenement holders have control over silica, bentonite and feldspar in the region. There are 2 mining lease contracts in 26.22 hectares for feldspar in Pasuquin, Ilocos Norte (Annex 1).

List of Companies, President, Partner (present/future)			
NAME OF COMPANY	Mineral	COMPANY CEO	PROSPECT FOREIGN PARTNER
Altamina Exploration Resources, Inc	Fe304	Jose T. Limjoco - President	Green Energy Group (Hong Kong) / Giorberto Limited
Colossal Mining Corp	Fe304	Tyrone Ong- President	Bonaparte Diamond Mines (US)
Cunickle Mining & Indl Corp	CaCO3	Menardo Jimenez- Director	N/A
Discovery Mines, Inc.	Au	Jeremias B. Beloy - President	Olympus Pacific Minerals, Inc.
Holcim Philippines	CaCO3	Roland van Wijnen - COO/ Ramon del Rosario-Director	Holcim Switzerland
GML Corporation	CaCO3	No data avlble	N/A
Gulf Estates Mining Corporation	CaCO3	N/A	N/A
Marble Mining Exploration Corporation	CaCO3	N/A	N/A
Northern Horizon Exploration & Mining Corp	Fe Cu Au	N./A	N/A
Minprocess Group	Fe304	Fernando S. Penarroyo - President	N/A
Montague Resource Philippines Inc.	Fe Cu Au	N/A	N/A
Northern Cement Corporatin	CaCO3	Eduardo "Danding" Cojuangco, Jr	N/A
Rigid Aggregates & Mining	Fe Cu Au	N/A	N/A

In Cordillera Region

The interest for the copper, gold and silver in the Cordillera is dominated by Philex Mining Corporation with one mining lease contract and for MPSA over 8.116.9876 hectares in Tuba & Itogon, Benguet. This is followed by Cordillera Exploration Company, Inc. with an exploration permit over 4,996.00 hectares in Conner, Apayao. Lepanto Consolidated Mining Company holds two MPSA over 2,778.3260 hectares in Mankayan Benguet. Itogon Suyoc Resources, Inc. maintains a mining lease contract and an MPSA with combined area of 2,310.3898 in Itogon and Mankayan, Benguet. Makilala

List of Companies, President, Country of Origin, Partner (present/future)

³ **Mineral Production Sharing Agreement (MPSA)** - an agreement wherein the Government grants to the contractor the exclusive right to conduct mining operations within, but not title over, the contract area and shares in the production whether in kind or in value as the owner of the minerals therein. The Contractor shall provide the necessary financing technology, management and personnel; (Highlights of the Mining Act of 1995 and its Revised IRR)

NAME OF COMPANY	COMPANY CEO	FOREIGN PARTNER
Philex Mining Corp	Jose Ernesto C. Villaluna, Jr. -	Anglo American Exploration (USA)
Cordillera Exploration Company, Inc.	Manuel B. Zamora, Jr, owner; Gerard H. Brimo-CEO	A subsidiary of Nickel Asia Corporation. (Australia)
Lepanto Consolidated Mining Company	Bryan U. Yap- President	- Goldfields from South Africa Farsouth east project
Itogon Suyoc Resources, Inc.	Ignacio R. Ortigas - Pres	Anvil Mining Limited (Australia)
Makilala Mining Company, Inc.	Noel V. Ferrer - President	Phelps Dodge (USA)
Jabel Corporation/ Abra Mining & Industrial Corp	James G. Belay - President	Philearth Mining Corp., Olympus and Kadabra Mining Corp Olympus Pacific Minerals Inc (Canada)
Royalco Philippines, Inc.		Royalco Resources Limited (Australia)
Gamban Mining and Development Corporation/ De Gama Minerals Incorporated		Solfotara Mining Corporation (Canada) Royalco Resources Limited (Australia)
Macawiwili Gold Mining and Development Corporation in partnership with Omico	Felicisimo A. Feria - Pres/ Antonio Lopa- Chairman	-Ivanhoe / Primo Asia Mining and Drilling, Inc
Crescent Mining and Development Corporation	Luis R. Ymson - President	Asean Copper Investments Limited Gold Fields Netherlands Services BV/ Bezant Resources Plc
Benguet Corporation	Philip Romualdez	Bright Mining & Resource Company, LTD (China)

Mining Company, Inc. has an EP over 1,831.59 hectares in Pasil, Kalinga. Jabel Corporation holds two MPSA over 1,053 hectares in Licuan-Baay, Abra. Royalco Philippines, Inc. holds an EP over 986 hectares in Bakun, Benguet. Gamban Mining and Development Corporation holds a mining lease contract over 819.320 hectares in Palina and Apugan in Bakun, Benguet. Macawiwili Gold Mining and Development Corporation holds an MPSA over 809.6265 hectares in Itogon, Benguet. Crescent Mining and Development Corporation has an MPSA over 534 hectares in Mankayan, Benguet. Holding on to eight mining lease contracts, Benguet Corporation maintains control over 484.6802 hectares in Itogon, Benguet.

Of the 11 companies, eight of these have existing mineral agreement in Benguet alone, while each of the three remaining companies have sole approved tenements in Abra, Kalinga and Apayao.

In Cagayan Valley Region

Cagayan Valley region has 218 metric tons of metallic mineral resource and 1.4 billion non-mettic mineral reserves. In 2006, the large scale gold mining in Didipio, Kasibu. Nueva Vizcaya was identified as one of the 24 flagship mining project of President Gloria Arroyo. Aside from the DENR mining tenements, a Contract Service was awarded by Department of Energy (DOE) to Aragorn Coal Resources, Inc. to operate 3000 hectares for coal mining in Central Isabela. Coal mining in Isabela, will threaten the areas are Caoayan, Naguillan, Benito Soliven, Reina Mercedes, Dinapigue, Cordon and Ramon. The Aragorn Power and Energy Company sealed a joint venture with Monte Oro Resources and Energy Inc (MORE or Monte Oro) on July 12, 2007 for the implementation of Service Contract 48 for the exploration of gas and oil that covers a total areas of

Year	Total Areas with Mining Applications in hectares	Approved Applications
July 2007	579,766	44,050
June 2008	725,781	42,858
March 2010	768,639	
June 2010	13,630,459	139,060.46

748,000 hectares in Cagayan Valley. A DOE's Norwegian sponsored Philippine Petroleum Resource Assessment said the Cagayan Basin was estimated to have a petroleum resource potential of 400 million barrels of oil equivalent. (Managuelod)

As of November 30, 2011, there are 2 FTAA's and 6 EPs for gold and copper mining covering 37,915.81 hectares in Nueva Vizcaya and Quirino provinces. This includes the FTAA of Oceana Gold Inc. – FTAA for 14,187.33 has and of FCF Minerals Corporation – 3,093.51. The MPSA holders are Coolabah Mining Corporation – 492.84 has in Diadi, Kasibu, Diffun, Cabarroguis; Red Earth Mining Corporation – 749.75 has in Kasibu; MTL Philippines Inc. with 2 MPSA – 3999.13 has in Solano, Villaverde, Bagabag and Dupax del Norte and 4997.75 has in Bagabag and Quezon in Nueva Viscaya; Buena Suerte Mining Corp – 3,629 in Pao, Kasibu; and Titan Exploration and Development Corporation in Sta. Fe.

For magnetite sand mining, there are 5 EPs and 1 MPSA over 85,292.03 hectares in 17 offshore areas of Cagayan such as Claveria, Sanchez Mira, Pamplona, Abulug, Ballesteros, Aparri, Buguey, Gonzaga, Sta. Ana, Camalaniugan, Allacapan, Pamplona, Tugegarao, Penablanca, Lallo, Gattaran and Baggao. The mining tenement holders are the following:

Magnetite Sand	MPSA	Cagayan	Offshore areas of Sanchez Mira, Pamplona, Abulug, Ballesteros, Aparri, Buguey and Gonzaga, Cagayan	14,960.00	Peniel Resources Mining Corp
				14,240.00	Bo Go Resources Mining Corp
				14,710.00	T & T Resources Mining Corp
				9,954.00	J & M Resources Mining & Exploration Corp.
	OEP-2007-006	Cagayan	Offshore areas of Sanchez Mira, Pamplona, Abulug, Ballesteros, Aparri, Buguey and Gonzaga	13,483.80	Colossal Mining Corporation
	EP-II-OMR-21-2010	Cagayan	Sanchez Mira, Pamplona, Abulug, Ballesteros, Buguey and Gonzaga,	6,390.64	Luzon Iron Development Group Corporation
	EP-II-OMR-22-2010	Cagayan	Aparri, Buguey and Gonzaga,	9,359.00	Luzon Iron Development Group Corporation
Iron Ore	EP-000020-II	Cagayan	Camalaniugan, Lallo and Allacapan	2,194.59	Phil. Mining Exploration & Devt. Corp.

Note that the four mining companies with the MPSA share one company president, Hur Hyung – President. (MGB) with a total area of 53,864 has offshore mining. Offshore mining would be a challenge for the communities because the actual mining operations extend far wider than the area approved. DENR has also been lenient with mining applicants that have expired mining tenements. DENR just give them extensions.

Nickel mining is controlled by Platinum Group Metals Corporation (Geogen) with an MPSA over 2,391.8 has in Dinapigue, Isabel. Limestone is controlled by Long Fong Corporation with an MPSA over 2,835 has in Gonzaga and Sta. Teresita in Cagayan. There are numerous applications for small scale mining by local entrepreneurs and local officials as applicants, but they are in partnership with foreign financiers and operating companies. This is becoming a phenomenon because of the easier process for foreign companies to get permits and the support of the LGUs who will benefit from them.

What is on the documents of the DENR-MGB do not truly reflect what is on the actual mine site. Although the mine areas may be smaller in number on paper, once exploration and extraction begin, the actual affected area becomes much wider. Mining operations affect a whole eco-system which involves systems nested in another systems which are interconnected. What flows in a disturbed area will affect the different cycles which affects the living organisms. If this happens, the development of both human beings and environment will change differently and will create an imbalance. K

Destruction of land, life, livelihood and communities

A century of mining in Benguet led to the loss of forest cover where endemic trees, flora, fauna, terrestrial and marine life and birds once abound. Having been exploited by more than 18 mining companies, Benguet suffered major environmental destruction. The Agno River and the Bued River were polluted and contaminated with mine tailings. Aquatic resources vanished. Underground mining and open pit mining by Benguet Corporation disturbed the aquifers or groundwater which led to the loss of water both for household consumption and irrigation. Itogon's agriculture suffered and the traditional varieties of rice diminished. Without agriculture, the families in mine affected areas suffer from food insecurity. They are forced to look for seasonal and contractual work outside of their villages.

The operations of the Lepanto Consolidated Mining Company cause major geologic changes in Mankayan. Sinking ground, water subsidence and destruction of land are increasing. In the 1970s, the villagers from Poblacion started to experience the gradual sinking of the ground. A portion of the Pinagayan area in Sapid also sank. In Bulalacao, people protested against the drilling operations of LCMC because they have realized the diminishing water resources and wanted to protect their remaining water resources. i.



A major disaster of ground subsidence happened on July 26, 1999 when 14 hectares of land eroded above the quarry site in Colalo, Mankayan. The elementary school and five other residential houses were totally damaged. Road parts eroded and several farms and orchards were affected. Pablo Gomez, a local resident was buried alive while transporting school facilities to a higher ground. He was only 36 years old and had five children by his wife. In 2000, areas sank again in Tabak, Bulalacao and Sapid. In June 2009, about 10 meters sunk near the premises of St. Joseph Parish and the main grounds of the Mankayan National High School affecting more than 10 households in Poblacion. (CPA),

In 2002, a study which was conducted by the National Institute of Geo-Sciences (NIGS) of the University of the Philippines places the blame on the LCMC's mining operations why the ground is sinking. The quarrying and the removal of massive land at the base of the mountain caused the sinking in Colalo while mining beneath the Mankayan Central School caused the sinking in Poblacion.

The continuing operations of Tailings Dam 5-A in Mankayan is polluting Abra River. Water quality has deteriorated in the river affecting the peasants who farm on the lowlands of Ilocos Sur. Soils, crops, livestock, fish and other aquatic resources have been poisoned with toxic materials from the mines. This has been manifested in decreased harvests and poor quality of products by the peasants.

From 1965 to 1979, Filmag and Anglo American Company extracted millions of metric tons of iron ore or magnetite sand from the coastline of Lingayen Gulf particularly along the coastal areas of La Union to Ilocos Sur. They acquired a contract during Marcos dictatorship and it was approved by some

local officials under former Mayor Delfin Florendo followed by Romy De Guzman. Today communities in barangays Sto. Tomas, Agoon, Caba, Bauang and some parts of San Fernando, suffer from flooding and storm surges because of coastal erosion and the receding shorelines due to the extraction of magnetite. The marine ecosystem in those areas suffered with the loss of coral reefs and seagrasses. Poor fisher folks with small boats are forced to fish far away from the shore. They face higher risks and are vulnerable to natural disasters. Even in times of storms, they need to go out so they can feed their families. (Rabang-Peta)

The vulnerability of the people in mined-out coastal areas of La Union and Ilocos Sur have increased. In recent years, storms entered during summertime in Pangasinan and La Union and caught them off-guard. Roofs were blown away, farms near the coasts were flooded and livestock were drowned. Even with simple rains, peasants and fisher folk suffer from rising sea level aggravated by the destruction of natural coastlines. They lose their livelihood.

This is now being experienced also in Cagayan region. The Cagayan river being dredged for magnetite sand is incapable of holding water. The river swells and combined with rising sea level and the destruction of natural coastlines, the communities of Camalaniugan, Aparri and those along the riverbanks are flooded. Fisher folks in Aparri, Cagayan need to fish in deep waters as far as Camalaniugan and Fuga Island. Before the magnetite mining operations began, fisherfolks enjoyed bountiful catch of different types of fish and shells (rasa, pasayan, kurilaw, ludong, unnok, kabibe, lames, unnoy, udang, kappi). Just this August, the residents of Bisagu, Aparri, Cagayan experienced a catch of two-three fishes which is not enough to feed a family of six. They do not have any catch to sell

The poor fisher folks in Aparri also engage in nipa gathering, and planting vegetables such as sweet potato, upo and patola. They rely on rains to have water for domestic consumption and get from a water source from Barangay Linao which is 30 minutes away from their village. Because of similar stories of poverty, the sewn nipa is now only selling for P=70.00 a bundle, a decrease of P=30.00 from before. The capacity to adapt to climate change (manifested both by el nino and la nina) is further decreased. They need to evacuate when rains start to fall. (Bulsecoco)

Community folks in Barangay Paraddun now enjoy concrete roads which is due to mining. In Dugo, Aparri, 78 houses were forced to move out of their area because their houses fell to the river. As magnetite is dredged along the riverbanks, the succeeding land areas subside. Since last year, about 180 houses have been swept along Cagayan River. In Gonzaga Cagayan, deep wells dry up and the houses shake when mining companies operate. The river which used to be waist-deep is now neck-deep and when storms come, homes near the shore are flooded. Peasants also suffer from the dumping of mine wastes into their farms. As mining companies suction magnetite from below, soil above sink and sea water enters the agricultural and residential lands.

Twelve years after the people successfully stopped the open pit mining operation in Antamok, a disaster struck the community. On October 2008, at the height of a typhoon, 39 houses in Antamok, Barangay Loacan, Itogon were destroyed due to a massive landslide.

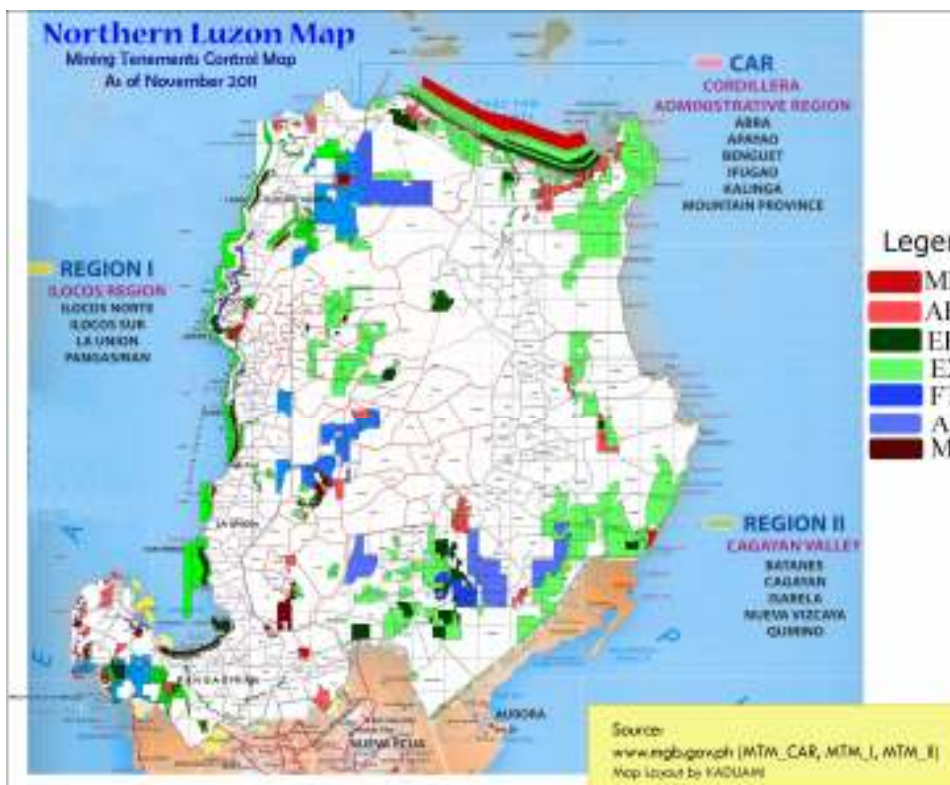
Typhoon Pepeng (Parma), one of the deadliest typhoons to enter the country in a decade, came as a second typhoon to hit the country within a week in September 2009. From September 27 to October 9, it lashed Northern Luzon with so much rain, crossed the area three times, made three

landfalls, affected more than 6 million people and caused the death of 346 individuals. It caused flashfloods in lowlands rendering homeless the communities near the rivers and on the coastal areas. It brought massive landslides in the mountainous area of Cordillera closing all the major highways to Baguio City and into the heart of Cordillera. More than 60 percent of the damages and casualties in the Cordillera are in mining-affected communities where landslides and ground subsidence occurred. Typhoon Pepeng brought total damages amounting to PhP 19.626 Billion broken down to the following: Agriculture- Php5.1 B; Infrastructure-PhP 14.5B; and private properties PhP 2.7 Million.(Kaduami).

Back in 1992, Benguet Corporation’s Environmental Impact Study has identified that the adverse environmental effects of Baguio Gold Operations (open pit mining) will include water pollution, siltation, change of the Antamok River’s water flow and alteration of landforms. Benguet Corporations refused to perceive the stripping of vegetation as a major environmental concern but promised to compensate for damages “on a graduated price schedule for plants, fruit bearing tress, gardens and others. Benguet Corporation proposed a rehabilitation plan to mitigate these environmental effects which involves converting the tailings dam into a water reservoir, restoring the flow of Antamok River, back-filling mined-out pit areas and reforestation. After the landslide in 2009, the barangay officials of Loacan, Itogon blamed BC for not fulfilling its promised rehabilitation plan. (Veridiano)

Aggressive Mining Applications

Type of tenement	Ilocos Region		Cordillera Region		Cagayan Region		TOTAL	
APSA	21	37,298.37	18	10,433.69	26	n/a	65	
ExPA	37	103,038.92	25	70,364.11	83	n/a	145	
AFTA	5	133,681.18	5	96,645.07	3	n/a	13	
TOTAL	63	274,018.47	48	177,443.87	112	n/a	223	451,462.34



Large foreign mining companies particularly are interested to exploit futher the lands of Northern Luzon for gold, copper, silver, iron ore, limestone, magnetite sand and other minerals.

With prices of metals still going up, companies are aggressively applying using different tenements and even using dummy applicants.

People's Protests and Increasing Human Rights Violations

In 2007, we have seen growing number of people from different sectors to attending various forum, dialogue and protest actions. With the revitalization of the mines, the people in the affected communities have been gathering their forces and strength to try to stop those operations which they believe will destroy their environment, sources of living and possibly evict them from their home and agricultural lands. In fact, demolition of homes has started in Kasibu and Didipio Nueva Viscaya while attempts to divide the communities are effected by the mining companies. Some Agtas, the indigenous peoples of Cagayan Valley region, who are in contested mine sites were forced to evacuate by the Philippine Army. The people's organizations have been regrouping the environmental alliances in the regions affected to inform people of the possible impact of mining in their communities.

By 2008, we have witnessed the the formation of alliances and people's organizations, such as the Save the Apayao Organization, Balitok in Abra, Save the Cagayan Valley, Serve the People Movement, Save the Wangag River in Cagayan, the Benguet Mining Action Alert Network and Bakun Aywanan. These organizations engaged their respective provincial government to work for policy reforms that would guard the people's interest.

In the municipality of Bakun, Royalco Philippines Inc. started explorations in applied mines covering 986 hectares. Because of successful protests that stopped mining exploration in Abra and Kalinga at the first half of 2008, the indigenous peoples in Benguet and Ilocos Norte also became vigilant. They exposed the fake Free and Prior Informed Consent (FPIC) issued by the National Commission on Indigenous Peoples (NCIP) to Royalco. They asserted that proposed mining areas are part of forest protected areas of Ilocos. Spontaneous mass actions were conducted by threatened communities in Northern Luzon.

Since 2008 we have been witnessing pockets of community actions in the province of Cagayan. This year they have grown into inter-municipal formations. Some municipal governments issued their decision not to allow magnetite mining in Santa Ilocos Sur; Bauang, La Union; Ballesteros in Cagayan,

Bishop Sergio Utleg of Diocese of Tuguegarao issued a pastoral letter in October 2011 urging the congregations to support actions of mining affected communities in Cagayan to stop the destructive of environment and livelihood. Specifically, the letter said the following call to actin:

Having seen and judged the nature of mining and its ill effects, now is the time to act. We therefore urge our people especially those concerned to perform the following actions under the guidance or your pastor and lay leaders namely:

- 1. Organize "circles of discernment" in the different barangays in the parish to see the havoc that mining brings to the lives and livelihood of our people in our Archdiocese, to judge and then to act in alliance and solidarity with other groups to stop it. Pastors must encourage the parishioners to protect and preserve our natural environment in the context of living our Christian faith.*

2. Dialogue and appeal to government agencies especially to LGU's neither to allow nor to give permits to mining companies that plunder our natural resources.

3. Mobilize our people to manifest their opposition to mining through demonstrations, court actions, prayer rallies, etc. and to join other pro-environment groups in preserving the integrity of creation.

4. Motivate our people to be on guard not only against mining but also against all forms of destructive activities like logging, illegal fishing, and bad farming practices that destroy and endanger our natural environment.

Recently, collaboration between various organizations have made it possible to convene the Benguet, Abra, Mt. Province and Ilocos Sur (BAMPIS) Mining Summit and the Ilocos Mining Summit this November in Bangued Abra and Vigan City respectively. The outcome of these efforts is the formation of the BAMPIS Mining Watch and the Defend Ilocos Against Mining Plunder.

Below is a list of people's struggles to defend their land, life and communities.

1. Abra- in 2007, the Binongan indigenous peoples were able to temporarily stop the exploration operations of Olympus Pacific Minerals in Baay-Licuan. Olympus did not inform the community about their MPSA hence securing such prior to exploration and drilling in the indigenous peoples' ancestral domain at Capcapo mountain. The community mounted series of petitions to NCIP regional and provincial offices and local government to act on the case of violation of the Free, Prior, and Informed Consent (FPIC). However by January 2008, the 41st Infantry Battalion camped right under the houses of residents, sowing fear and terror in the community and putting at risk the security and safety of the communities. (CPA). The CPA asserted back by holding the Cordillera Day in Baay-Licuan for Cordillera with the BALITOK as host organization.
2. Kalinga –In 2005, Kalinga people launched mass actions to stop the reopening of Batong Buhay Mines. By June 8, 2006, Pangat (Tribal Leader) Rafael Markus Bangit, 47, from Tomiangan, Kalinga, was violently killed by unidentified men on the evening of June 8, in a stopover at Brgy. San Isidro, Echague, Isabela province. Bangit is a bodong holder between the Malbong tribe in Tomiangan, Tabuk and the Dangtalan tribe in Pasil and worked with his various peoples organization against the entry of foreign mining companies in Cordillera.
3. Apayao – formation of SAPO, continuing protest in against CEXI in Conner.
4. Benguet- Formation of BMAAN in August 2008 and the Bakun Aywanan in October 2008.
5. Nueva Vizcaya- Save CV – NV Chapter protest action, led to Congressional Hearing on June 7-8, 2008.
6. Cagayan – Save the Wangag River Movement on-site protest action.



Mining and Militarization

In 2009, we saw a continuing battle between indigenous peoples and the mining companies who have applied for mining claims over the ancestral lands in Benguet, Abra, Kalinga, Ilocos Norte, and Nueva Vizcaya. The proper implementation of the Free Prior and Informed Consent (FPIC) provision in the Indigenous Peoples Rights Act (IPRA) has been raised by the IPs to government agencies who have allowed mining companies over their lands. In Cagayan, the continuing protest of the communities convinced the provincial governor to temporarily suspend the operations of magnetite mining in the coastal areas. By the end of 2009, mining applications and operations by companies which want to make profit from extracting Philippine minerals and resources in Ilocos Sur, Abra and Kalinga were hounded with protests by people who want to protect their livelihood and localities from environmental destruction.

The Filipino people continued to be vigilant. Generally, there has been no let-up in registering approval and encouragement for pro-people government moves, nor in opposition and protest against anti-people policies and programs through various actions from statements, petitions to rallies. And the Northern Luzon people's organizations have been part of these mobilizations. However, these were met with an iron hand. Human rights violations were at their worst during the time of Pres. Arroyo and continue to the present.

Oplan Bantay Laya (Operation Plan Freedom Watch), the government's anti-insurgency program, put emphasis on "neutralizing legal organizations". This explains why most of the human rights victims were defenseless leaders of people's organizations and their media, lawyer and church people supporters. Cases of extra-judicial killings registered more than a thousand from 2001 to 2010. Cases of detention, enforced disappearances and criminalization of political activities escalated through the years since 2001. The Human Security Act (HSA), which legalized more rights violations, was enacted on July 15, 2007.

Human rights violations did not exempt Northern Luzon. From 2006 to 2010, there was massive deployment of military troops in various provinces of Northern Luzon. Areas of big destructive projects like mining (Bakun in Benguet, Baay-Licuan in Abra), dams, agribusiness, economic zones and infrastructure projects were militarized to preempt and counter opposition. There was also military deployment in areas conceived to be strongholds of insurgents (Pananuman, Lamag). The 51st IB has long been deployed in Northern Luzon. Both in 2007 and 2010 elections, militarization terrorized communities and prevented many from voting. Violations included bombings, strafings, indiscriminate firing, burning of farm produce and implements, confiscation of rice mills, killing of farm animals, abductions and extra-judicial killings. Close surveillance of militant leaders and organizations continued, limiting their actions and forcing some to lie low in their activities.

Among those extra-judicially killed were, Romy Sanchez (2005), Human Resource Pepe Manegdeg (2005), Markus Bangit (2006) and four (4) peasant leaders of its Cagayan PO partners (2007). There were four (4) cases of criminalization of political acts and one (1) case of disappearance.

In 2007, UN Human Rights Council Special Rapporteur Prof. Philip Alston's statement put accountability on the Philippine military for the pervasive, brutal and brazen extra-judicial killings. This statement raised interest in the US Senate to conduct its own investigation and prompted a statement from the Permanent People's Tribunal. The issue was also raised to the Philippine Senate and the judiciary. The Philippine Supreme Court conducted a summit to tackle the issue and this came up with the "writ of amparo" and the "writ of habeas data" provisions in defense of civil liberties. These developments resulted in a lower incidence of extra-judicial killings in 2008-2009.

However, other forms of human rights violations continued. Forced disappearances, which were seen to have greater intimidation effects, increased. So did criminalization of political activities. James Balao, founding member of the Cordillera Peoples Alliance was abducted September of 2008.

President Aquino this year approved the military proposal to allow mining companies to form and fund militias or Special Civilian Active Auxiliary units. This is alarming since six anti-mining activists in the Philippines were killed this year alone and their cases remain unresolved. One of these is an anti-magnetite mining activist in Cagayan province.

On February 25, 2010, Gensun Agustin, 30, a leader of an anti-mining group in Cagayan was shot dead in Buguey town. He was on his way home aboard his motorcycle when two men on another motorcycle shot and killed him in Barangay (village) Calamegatan at 4:15 p.m. Agustin, an aide of Buguey Mayor Ignacio Taruc, was one of the leaders of the Alliance for Buguey Community Advocates (Albucoda) and a member of the Federation of Anti-Mining Advocates in Cagayan (Famac). These groups are opposing illegal mining in the province and have been conducting information dissemination campaigns and community forums on the impact of illegal mining on the province's environment. Agustin died from bullet wounds in the head and body. Investigators found two shells from a 9-mm pistol at the crime scene.

In 2009, Buguey Mayor Ignacio Taruc was meted a 60-day preventive suspension due to a case filed against him by his Vice Mayor Licerio Antiporda for alleged abuse of authority, grave misconduct and oppression. Governor Alvaro Antonio, however, supported the members of the majority bloc by claiming that the mayor's suspension has nothing to do with a mining fiasco but was solely based on a previous case filed by Antiporda.

Mayor Taruc was earlier accused by Antonio for allegedly inciting Buguey townsfolk and some members of the clergy to stage a protest rally at the capitol compound for allowing foreign mining companies to operate in Buguey's Mananga village. During the anti-mining rally, protesters asserted that black sand (magnetite) mining poses a grave threat to their environment particularly on many of the province's agricultural lands and that mining permits issued by the governor's office were replete with irregularities. In a statement, Taruc averred that the decision was not based on the merits of the case filed by Antiporda but by mere politics and pressure from some powerful personalities in the province. He also opined that some members of the board were probably uncomfortable with the judgment but that they have to "tag-along" for fear that their "benefits and privileges" might be compromised. Antonio denied the accusations. He said that the permits issued to some Chinese and Korean mining companies were legitimate and were duly approved by concerned government agencies. #