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IN THE NEWS

Strategic Communication and Initiative Service



Metal production slightly higher in first half – MGB

By MADELAINE B. MIRAFLOR

The country's metal output was valued higher at ₱99.58 billion during the first half of the year, while almost all mineral commodities registered slightly higher output during the period except nickel.

"Generally, mine output was sluggish during the period, as most nickel mines reported production shortfall. Not to mention, those mining operations that are still under care and maintenance program and suspended status," said Mines and Geosciences Bureau (MGB).

The latest MGB data showed that the country's metallic production value managed to pull a growth of 6.5 percent, or ₱6.09 billion, from the ₱93.48 billion booked during the first three quarters of 2018 to ₱99.58 billion during the same period this year.

This, as gold, silver, and copper all increased their contribution to the total output.

MGB said that gold contributed 37 percent or ₱36.90 billion to the total metals output during the period, while copper shared 14 percent or ₱14.40 billion. The remaining 1 percent was accounted for by silver and chromite with ₱0.9 billion.

Nickel direct shipping ore, considering the Philippines is one of the top nickel-producing countries in the world, contributed only 48 percent to the total

metals produced in the country during the period. That amounts to ₱47.36 billion, dragged by lower price and output.

So in terms of metal prices, nickel, copper and silver all went down, with the exception of gold, which rose by as much as US\$79.72 from US\$1,283.27 per troy ounce in 2018 to US\$1,362.99 per troy ounce in 2019.

To be specific, the nine-month average of copper and nickel declined by 9.45 percent and 1.31 percent, respectively. Copper price dropped from US\$3.00 per pound to US\$2.72 per pound year-on-year. Nickel, likewise, slipped from US\$6.13 per pound to US\$6.05 per pound year-on-year.

"It is important to note, however, that the price of nickel has been going up from July to September 2019. In September alone, price was at US\$8.01 per pound," MGB said.

During the period, nickel direct shipping ore ended at 21.51 million dry metric ton (DMT) from January to September, falling by 3 percent from the 24.49 million MT recorded in the same period in 2018.

"All things considered, the poor base metal prices of nickel and copper during the review period coupled with the continued none production of a number of nickel mines located in the provinces of Zambales, Dinagat Island and Agusan del Norte in a way stalled the growth of the metallic sector," MGB said.



Didipio IP Community to Vizcaya LGU

'Remove Illegal barricade'

FOLLOWING the Department of Interior and Local Government's (DILG) order to dismantle an illegal blockade that has been choking fuel and supplies in Barangay Didipio in Kasibu town, Nueva Vizcaya, at least 1,300 residents of the said village and its Indigenous Peoples (IP) leaders marched on December 19, Thursday calling for the provincial government's adherence to the notice.

In the second half of 2019, Nueva Vizcaya's local government unit set-up checkpoints to control the ingress and egress of vehicles leading to OceanaGold Philippines mining site which caused a temporary disruption of its operations.

In Didipio, the firm employs about 1,500 miners and does business with local community cooperatives, suppliers and contractors with around 3,000 employees for the upkeep of the facility.

The illegal blockade has since affected jobs in the mining site and local businesses.

Community members have expressed their gratitude to the DILG for listening to and acting on their complaints that because of the illegal barricade, they experienced harassment and their access to roads have been impeded.

They also said that the illegal barricade has negatively impacted their source of livelihood and employment.

The DILG letter issued late November mentioned that "no authority or permit from the Philippine National Police (PNP) or the Armed Forces of the Philippines (AFP) has been obtained" by the local government unit (LGU) prior to the set-up of the blockade.

DILG maintains that it is the topmost governing agency exercising supervision of LGUs and has "enjoined" the Nueva Vizcaya LGU to "remove or dismantle the checkpoints" unless they decide to secure appropriate permits from the PNP and the AFP.

In June 2019, the Department of Environmental and Natural Resources-Mines and Geosciences Bureau (DENR-MGB) gave OceanaGold authority to operate pending the renewal of its 25-year Financial and Technical Assistance Agreement (FTAA).

"Sinasabi nilang naghihirap daw ang mga taga Didipio dahil sa operasyon ng OceanaGold, kaya tutol daw ito sa renewal ng FTAA. Ang totoo at katulad ng nakikita ninyo ngayon, mayorya ng mga taga Didipio at sa mga karatig barangay ay pabor sa Operasyon ng Oceanagold. (People say that OceanaGold's operations have made life difficult for us in Didipio. But what is apparent and

Didipio IP Community fo Viscaza LGU



true right now is that MAJORITY OF US IN DIDIPIO AND NEIGHBORING COMMUNITIES favor OceanaGold's operation)," community members said.

"Ang totoo, LAHAT ng residente ay malaki ang naging benepisyo sa operasyon-magmula sa employment hanggang sa mga proyekto nito. (In truth, all residents have experienced the many benefits from the mining operation be it employment or through its projects)," they said.

The FTA is executed between a foreign-owned mining contractor and the government of the Philippines for the large-scale exploration and development of gold, copper, nickel and other minerals.



DOE may soon lift suspension order on Semirara mining activities

By IRIS GONZALES

The Department of Energy may lift the suspension order imposed on Semirara Mining and Power Corp. (SMPC) depending on the mining firm's compliance with its requirements.

DOE Undersecretary Donato Marcos said the agency had inspected Semirara's mine site to validate if the company complied with the conditions for the lifting of the suspension order.

"We have done three inspections and for every inspection, they submit supplemental accomplishments, documents so we had to validate them," Marcos said.

The agency also directed Semirara to identify the risk areas to come up with a mining methodology for those areas.

"We've already asked about the technical and legal aspects, and they have fixed the issues, so we are thinking of lifting," Marcos said.

The DOE suspended Semirara's mining operations after a mudflow incident in Semirara Island in Antique last Oct. 2.

While the suspension of mining activities had put a dent on its coal production, Semirara said it had already met its output target for the year.

The firm expects opportunity loss in production per day to reach 40,000-45,000 metric tons (MT).

To date, the company's total production is already at 14.5 million MT, 12 percent higher than the year ago.

Meanwhile, coal shipment increased by 26 percent to 14.6 million MT.

This is not the first time a landslide incident happened at SMPC's mine site. In 2013, a landslide in Semirara's Panian Pit also injured and killed some mining workers.

Another incident occurred in 2015, which took the lives of nine miners. The said incident led to the suspension of the mining firm's operations for 64 days while the DOE conducted its investigation.

Semirara is the only vertically integrated energy company in the Philippines that mines its own fuel source - coal.

As the country's largest coal miner, Semirara has two operating mines in the Semirara Island in Antique, which are the Molave and Narra Pits, where about 70 percent of production is for local demand while the rest is for export.



DOE set to lift suspension on Semirara mines

By Alena Mae S. Flores

THE Department of Energy will lift its suspension on the coal mining operations of Semirara Mining and Power Corp. after the company successfully complied with safety requirements.

SMPC stopped coal mining operations last month after receiving an order from the DOE to suspend all mining activities covered by coal operating contract no. 5 based on the results of the investigation on the mudflow incident in Semirara Island, Antique province.

"We inspected... We validated all our recommendations. First and foremost is the safety aspect so we recommended to reorg the safety department to have a consultant also for safety," Energy Undersecretary Donato Marcos said.

The DOE earlier said the suspension would remain in effect until the company complied with several conditions, such as addressing the apparent risk in the Casay Lake area near and adjacent to the operations of the Molave Pit.

The DOE directive was issued in relation to a mudflow incident in Semirara Island, Antique Province on October 2, 2019. An employee of SMPC, the operator of PS27 machinery, was found dead after a three-day search and rescue operation.

The incident occurred in Southwest Tungao, Semirara Island at 1:05 a.m. on Oct. 2 when the equipment operator was swept by the mudslide.

"We asked them to identify the risk areas and then we established mining methodology for that. Of course always in consideration and prioritizing safety of the people working there. We asked them to address the risk areas," Marcos said.



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1-M puno itinanim sa Isabela

SANTIAGO CITY, Isabela – Nagsagawa ng malawakang pagtatanim ng puno na tinatayang nasa isang milyon sa lalawigan ito bilang pagsuporta sa National Greening Program (NGP) ng gobyerno.

Idineklarang holiday kahapon sa Isabela para magsagawa ang mga residente mula sa 36 bayan ng malawakang pagtatanim ng puno.

Sinabi ni Governor Rodito Albano na ang malawakang pagtatanim na tinawag na "*One Million Trees in One Day Tree Planting*" ay dating itinakda noong Disyembre 6 subalit

naudlot matapos lumubog sa malawakang pagbaha ang nasabing lalawigan dahil kay bagyong "*Tisoy*".

Nakilahok sa tree planting ang lahat ng mga opisyal ng provincial government kabilang ang 36 na local government units sa lalawigan, mga kawani ng national agencies, mga guro, mag-aaral, DepEd, Sangguniang Kabataan, BRO scholars, Liga ng mga Barangay, Barangay officials. Hinikayat din ang bawat tahanan sa buong lalawigan na magtanin din ng isa o higit pa na seedling sa kanilang bakuran.

"We have seen thousands of families affected

in our province, hundreds of hectares of rice and corn fields were destroyed and we even lost lives during the recent two typhoons due to massive flash floods. Now, it's about time for us to do great service for our environment by planting trees," pahayag ni Albano.

Nauna rito, nanawagan si Albano sa lahat ng mga organisasyon, kumpanya, pribadong sektor at indibiduwal na mag-donate ng seedlings para sa isang araw na pagtatanim.

Ilan sa mga tumugon sa panawagan ay ang SM na nakabase sa Cauayan City na nagbigay ng 10,000 assorted seedlings; Holy Trinity Agro-Forestry Multi-Purpose Cooperative na nagbigay ng 10,000 narra seedlings; ang Isabela State University na nagbigay ng 10,000 seedlings habang ang Philippine Chamber of Commerce and Industry (PCCI) ay nagbigay naman ng 5,000 rubber trees. (Victor Martin)



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WB extends new loan to PH for climate change

By CHINO S. LEVCO

The Philippines has sealed a loan agreement with the World Bank (WB) representing the first tranche of a three-part financing package that aims to further boost the country's competitiveness and fiscal sustainability while enhancing its resilience to natural disasters and the impact of climate change.

Finance Secretary Carlos G. Dominguez III, on behalf of the Philippine government, and acting Country Director Achim Fock, representing the World Bank, signed the \$400-million agreement for the development policy loan on implementing the Promoting Competitiveness and Enhancing Resilience to Natural Disasters Sub-Program 1.

This is a component of a three-part loan package from the World Bank with a total amount of \$1.2 billion.

"This financing support very clearly helps drive our general effort to build a resilient and competitive society over the

medium term. We thank the World Bank for its confidence in our determination to push forward reforms that will create a strong and inclusive economy for our people," Dominguez said after the signing ceremony held at the Department of Finance (DOF) headquarters.

Fock said the World Bank is committed to continuing its support to the Philippines' development agenda.

"My colleagues and I look forward to the continued success of the country's programs for poverty reduction and inclusive growth. We like to thank the Department of Finance and Secretary Dominguez for his excellent leadership in this important endeavor," Fock said.

Dominguez said that with this three-tranche loan, the Philippines expects its loan portfolio with the World Bank to increase to between \$1.5 billion and \$2 billion annually starting next year, which is about thrice times more than the multilateral institution's average annual lending commitment of \$600 million to

the country for the past 10 years.

He said the government was able to access such support from the World Bank as a result of the Duterte administration's sustained policy efforts to improve the country's global competitiveness, as shown by the Philippines dramatic leap to 95th to its previous 124th ranking in the Ease of Doing Business Report (EODB) of the Bank.

The Ease of Doing Business (EODB) and Efficient Government Services Act, the Rice Tariffication Law (RTL), the Philippine Identification System Act, the National Payment Systems Act, and the Comprehensive Tax Reform Program (CTRP) as well as the government's initiatives to improve the economy's financial resilience against natural disasters are also among the factors that led the World Bank to increase its support to the Philippines, Dominguez said.

Fock, meanwhile, noted that the Philippines' rapid growth has driven down poverty rates, from 26 percent in 2006 to 16.6 percent in 2018.



Carbon markets can provide a crucial part of solution to climate crisis

BY FENELLA AOUANE

SEOUL: One of the main discussions at the 2019 UN Climate Change Conference or COP25 was Article 6, which is designed to provide financial support to emerging economies and developing countries to help them reduce emissions by using global carbon markets. Carbon pricing is an essential piece of the puzzle to curb emissions. Without a value on carbon, there is less incentive to make positive changes, especially in the private sector. The most efficient way to carry this forward is to allow trading of carbon both nationally and internationally, which will ensure the lowest cost of mitigation for participants globally.

The COP25 negotiations in Madrid have largely been dominated by Article 6 negotiations on potential carbon markets as they are perceived by many, including businesses, as a way to generate financial flows to emerging economies and developing countries, and to reduce emissions at the lowest possible cost. Thus, it's crucial to adopt decisions on Article 6 as rules need to be set to show how such markets will operate — this is the guidance the Article 6 rule book will create. The sooner the better, overall mitigation in global

emissions (OMGE) will be possible under the Paris Agreement through international carbon trading with aspects such as corresponding adjustments, which were lacking under the Kyoto Protocol. Carbon markets are a way to not only manage mitigation emissions cuts, but help to find the lowest cost and therefore a strong motivator for implementing international efforts.

The Global Green Growth Institute (GGGI), a Seoul-based treaty-based international, inter-governmental organization that supports emerging economies and developing country governments transition to a model of economic growth that is environmentally sustainable and socially inclusive, is already involved in several programs, funded by developed country governments such as Norway and Sweden. GGGI is working with the Norwegian Ministry of Climate and Environment on wider policy approaches, which have been made possible under Article 6 of the Paris Agreement through cooperative approaches. This program looks at helping its member and partner governments to identify areas above their nationally determined contribution (NDC) targets, where emissions reductions directly resulting from policy interventions are quantified

and transacted. This creates a flow of carbon finance, in exchange for the transfer of the resultant internationally transferred mitigation outcomes (ITMOs). These programs will not only create ITMO transactions but also set up the lasting infrastructure needed for countries to be able to govern and properly account for future transfers, ensuring environmental integrity and transparency.

GGGI has a key role to play. A further good example is GGGI's recent collaboration with the Swedish Energy Agency (SEA). The two organizations will work together to catalyze international trading of mitigation outcomes in support of the increased climate ambitions needed under the Paris Agreement. Through a joint cooperation, SEA and GGGI will identify and structure mitigation activities and support the establishment of governance frameworks within host countries as required under the developing rule book of Article 6 of the Paris Agreement, with the goal of completing ITMO transactions.

Although specific rules related to cooperative approaches under Article 6 have yet to be codified, Article 6 aims at supporting the authorization of international emissions trades while avoiding double counting and ensuring environmental integrity, permit-

ting the movement of the related emission reductions between registries, and better linking national emission trading schemes, project-level transactions, and cooperative approaches.

What next? Carbon markets can and should be seen as an opportunity to lower the cost of cutting greenhouse gas emissions and enabling countries to commit to more ambitious targets. At next year's Glasgow climate change conference, countries need to come forward with more ambitious nationally determined contributions (NDCs). GGGI's work on pioneering designs for international carbon transactions over 2020 will help shape how the carbon markets can contribute to this increased ambition. It has also made the 2020 NDCs a priority in support of its members and will ensure that there is strong support to deliver this next year. We need to come to Glasgow with concrete plans and steps. But tackling climate change cannot be solved by one government alone. There needs to be high-level political commitment and collective action — these are a must. **IPS**

Fenella Aouane is principal green finance specialist, investment and policy solutions division, at the Global Green Growth Institute (GGGI).



Support business efforts to tackle climate change – Guterres

The United Nations (UN) Secretary-General has called on business and civil society leaders to press governments into articulating policies that support private sector efforts

to address climate change.

António Guterres issued the charge in a speech to the annual Caring for Climate Meeting, held during the UN COP25 climate

conference in Madrid.

“I’m meeting more and more business leaders that complain that they cannot do more because governments will not allow

them to do so, because of the environment that is still created in the bureaucratic, administrative, tax regulatory and other frameworks that are under government control,” he said.

Caring for Climate mobilizes business leaders to implement and recommend solutions and policies to beat climate change.

It was launched in 2007 and is convened by the UN Global Compact, the



UN Secretary-General António Guterres addresses the high-level meeting on Caring for Climate at the UN Climate Change Conference COP25 in Madrid.

UN PHOTO

secretariat of the UN Framework Convention on Climate Change (UNFCCC) and the UN Environment Programme (UNEP).

With the climate crisis increasingly jeopardizing life on the planet, the Secretary-General stressed that more collective action will be needed from governments, regions, cities, businesses and civil society.

“While we see some incremental steps toward sustainable business models, it is nowhere near the scope or scale required,” he said. “What we need is not an incremental approach, but a transformational approach. And we need businesses to unite behind the science by taking rapid and ambitious action across their operations and value chains.”

The “science” refers to the goal of limiting global temperature rise to 1.5 degrees Celsius above pre-industrial levels, in line with the 2015 Paris Agreement on climate change.

This will require reducing greenhouse gas emissions, which contribute to global warming, by 45 percent by 2030, and achieving carbon neutrality by 2050.

Business and financial leaders have been doing their part to beat climate change, as the Secretary-General acknowledged.

He was encouraged that 170 major companies have committed to set scientific, verifiable emission reduction targets through the “Business Ambition for 1.5 degrees” campaign.

However, he said the business and financial sectors cannot act alone.

Next year, many governments will present plans to reduce their emissions, in line with the 2015 Paris Agreement. Guterres forecast that these enhanced Nationally Determined Contributions will include carbon neutral strategies and green initiatives in sectors such as energy, industry, construction and transport.