

**Republic of the Philippines  
House of Representatives  
Quezon City, Metro Manila  
Eighteenth Congress  
First Regular Session  
HOUSE BILL NO. 6321**



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**Introduced by Rep. Jose "Bonito" C. Singson, Jr.**

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**EXPLANATORY NOTE**

The Philippines, being the second country in the world with the longest coastline, is one of the major sources of black sand which is being exported to other countries in its raw form.

Magnetite, which is extracted from black sand, is one of the most economically important iron ores. Because of its high iron content, magnetic iron ore deposits are highly prized. The iron from magnetite is the source ore utilized to create steel used in modern infrastructure. Magnetite is also used to make high density concrete in nuclear reactors, not to mention an important material component of power plants as it is used to generate electricity.

The many industrial uses for the materials produced from black sand mining results in a massive international demand, which in turn results into high profits for those engaged in black sand mining. While black sand mining per se is not illegal, unscrupulous companies had taken advantage of the laxity by which permits are issued that the Mining Industry Coordinating Council (MICC) had issued Resolution No. 4 or the "Adoption of Immediate Measures to Address Black Sand Mining Operations in the Country."


The Philippines, being one of the fastest developing countries in the region, is at the receiving end by losing billions of dollars from our importation of processed products needed for our continuous industrialization, not to mention the current administrations "build, build, build" initiative. The importation of these processed products

are very costly, while the raw materials used for these products were exported from our country at a very cheap price.

The country is also losing potential revenues as these expensive processed products could have been processed locally, generating jobs in the locality from where they are mined, not to mention lowering the price for these high-value products as we would no longer need to import the same.

This bill proposes to prohibit the exportation of black sand in its raw form and to require all black sand mining companies either individually or collectively, to institute, build, or lease advanced processing plants for magnetite within the province where they are conducting actual mining operations of magnetite. The processed magnetite may now be allowed to be exported out of the country.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



HON. JOSE "BONITO" C. SINGSON JR.  
*Probinsyano Ako Party List*

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**AN ACT PROHIBITING THE EXPORTATION OF BLACK SAND  
AND ITS DERIVATIVES IN ITS RAW FORM TO OTHER  
COUNTRIES**

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

**Sec. 1 Title.** - This act shall be known as the "Black Sand Processing Act of 2020"

**Sec. 2. Declaration of State Policy.**- Article 12, Section 2 of the 1987 Philippine Constitution states that "All lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, fisheries, forests or timber, wildlife, flora and fauna, and other natural resources are owned by the State. With the exception of agricultural lands, all other natural resources shall not be alienated. The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State."

**Sec. 3 Definition of Terms.** - As used in this Act

- a.) "Advance Processing" refers to the processing of magnetite into any processed product as a result of any advanced and/or complex physical or chemical transformation process.
- b.) "Black Sand" Dark sand containing small fragments of magnetite usually found as part of a geological deposit.
- c.) "Initial Processing" refers to the process of separating magnetite from the black sand raw material with the use of a magnetic separator.
- d.) "Magnetite" a rock mineral and an oxide of iron that is attracted to magnet and can be magnetized to become a permanent magnet itself.

- e.) "Mining Companies" private domestic corporations duly registered under the laws of the Republic of the Philippines, holding valid and existing mineral production sharing agreement (MPSA), engaged in actual mining operations/activities of Black Sand.
- f.) "Processing Plant" facility where black sand is processed from raw material into iron or steel products as well as other valuable processed product.
- g.) "Processed Product" Any magnetite-based products other than iron and steel product that are produced by advanced processing such as but not limited to its uses for magnets, power plants, navigation devices, abrasives, toners, paints, dyes, etc.
- h.) "Raw Material" Black Sand extracted from mining activities prior to its processing into iron or steel products and other valuable processed product.
- i.) "Trading Companies" domestic or foreign private entities duly registered in accordance with Philippine laws engaged in the business of trading black sand and its derivatives from mining companies.

**Sec. 4 Prohibition on Exportation** - The exportation of black sand and its derivatives in its raw form to other countries is prohibited under this act. Black sand mining/trading entities may only export processed products or raw materials that have undergone advanced processing.

**Sec. 5 Establishment of Advanced Processing Plants** - mining companies and trading companies are required to bring mined black sand and its derivatives in its raw form for initial or advanced processing in processing establishments operating within the Philippines with preference to processing establishments found within the region where such raw materials were mined. Such entities involved in the mining and trading of black sand and its derivatives are not precluded from owning or leasing such processing plants duly established in accordance with Philippine laws.

**Sec. 6 Implementing Rules and Regulation** - The Implementing Rules and Regulation for this act shall be promulgated by a joint committee comprised of representatives from the Department of Environment and

Natural Resources (DENR) and the Department of Trade and Industry (DTI)

**Sec. 7 Penal Provision** - Any individual or Entity who violates any provision of this act shall suffer imprisonment of not less than six (6) years and a fine of not less than Five Million Pesos (P5,000,000.00)

**Sec. 8 Seizure and Confiscation** - In cases of seizures and confiscation, Section 3 Paragraph (f) of Presidential Decree 1281 shall apply.

**Sec. 9 Repealing Clause** - All laws, decrees, orders, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed and modified accordingly.

**Sec. 10 Separability Clause** - If any clause, sentence, paragraph or part of this Act shall be adjudged by any court of competent jurisdiction to be invalid, such judgement shall not affect, impair or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph or part thereof directly involved.

**Sec. 11 Effectivity** - This act shall take effect fifteen (15) days following the completion of its publication either in the official gazette or in a newspaper of general circulation in the Philippines.

**Approved.**