



Republic of the Philippines  
**Department of Environment and Natural Resources**  
**MINES AND GEOSCIENCES BUREAU**  
**MIMAROPA Region**

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21 February 2023

**ATTY. MARY JEAN D. FELICIANO**

Vice Mayor  
Municipality of Brooke's Point  
Province of Palawan

**Dear Vice Mayor M. J. D. Feliciano:**

This respectfully refers to the 14 February 2022 Memorandum of DENR MIMAROPA Region as regards Sangguniang Bayan of Brooke's Point Resolution No. 2022-74 seeking to investigate the appropriateness of the mining operations of Celestial Nickel Mining Exploration Corporation (CNMEC)/Ipilan Nickel Corporation (INC) under Mineral Production Sharing Agreement (MPSA) No. 017-93-IV as Amended-2000, Macroasia Mining Corporation under MPSA No. 220-2005-IVB and MPSA No. 221-2005-IVB, and Lebach Mining Corporation under MPSA No. 285-2009-IVB (Amended).

Please be informed that the MPSAs of CNMEC and MMC predate the proposed Final Boundary of the MMPL and are thus protected under the pertinent provision of Presidential Proclamation No. 1815 creating the MMPL while recognizing prior or vested rights, as follows:

*"Any valid contract, permit or license for the extraction or utilization of natural resources therein already existing prior to the Proclamation shall subject to national interest and existing laws, rules and regulations, be respected until its expiration."*

While the MPSA of LMC was granted after the proclamation of the MMPL, it has not conducted any activity liken to MMC. Please note that before an activity is approved, mining companies are required to secure a Strategic Environmental Plan Clearance from the Palawan Council for Sustainable Development aside from the Environmental Compliance Certificate from the Environmental Management Bureau.

As regards the operations of CNMEC/INC, this Office conducts regular Tenement, Safety and Health, Environment and Social Development monitoring that determines the company's level of compliance with mining laws and regulations to be reflected in their respective compliance scorecards. Mining companies are expected to be compliant with mandatory requirements, and to have an average score of 80% and above. Otherwise, they shall be tagged as non-compliant and penalized accordingly.

Multipartite Monitoring Teams (MMT) likewise conduct quarterly monitoring and inspection to assess the environmental impacts from operations and ascertain the effectiveness of control measures being implemented. However, the MMT is created only after the approval of the Environmental Protection and Enhancement Program and in coordination with other stakeholders such as the LGU concerned.

Aside from that, this Office conducts semestral monitoring of the implementation of the Social Development and Management Program. Routinary inspections are also performed to measure the company's compliance with the Mine Safety and Health Standards and other pertinent laws, rules, and regulations.

**"MINING SHALL BE PRO-PEOPLE AND PRO-ENVIRONMENT  
IN SUSTAINING WEALTH CREATION AND IMPROVED QUALITY OF LIFE."**

DENR Administrative Order (DAO) No. 2015-07 also mandates mining contractors to secure ISO 14001 certification that establishes an environmental management system in accordance with international standards and involves periodic external audits.

Financial statements are also audited by private auditing firms to obtain reasonable assurance about whether disclosures are free from misstatements. And to further promote transparency and accountability in the management of natural resources, DAO No. 2017-07 orders the mandatory participation in the Philippine Extractive Industries Initiative.

The MPSAs granted were all in accordance with Republic Act No. 7942 or the Philippine Mining Act of 1995. Based on this Office's most recent monitoring, the four MPSAs have not incurred violations to the mining law as well as the terms and conditions of the MPSA. With that, there is no legal basis for this Office to recommend the recall of the same.

We hope this clarifies the matter.

Thank you.

Very truly yours,

  
**GLENN MARCELO C. NOBLE**  
Regional Director

Cf: **The Secretary**  
Department of Environment and Natural Resources  
Visayas Avenue, Diliman, Quezon City

**The Undersecretary**  
Department of Environment and Natural Resources  
Field Operations Luzon, Visayas and Environment  
Visayas Avenue, Diliman, Quezon City  
DENR-ASRMD 2022-030051

**The Director**  
Mines and Geosciences Bureau  
North Avenue, Diliman, Quezon City

**The Regional Executive Director**  
Department of Environment and Natural Resources  
MIMAROPA Region  
Roxas Boulevard, Ermita, Manila

**The Chairperson**  
Office of the Sangguniang Bayan  
Municipality of Brooke's Point  
Province of Palawan

**The President**  
Ipilan Nickel Corporation  
Penthouse, Platinum Tower  
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