

HIGHLIGHTS OF THE 2nd QUARTER 2023
MINE REHABILITATION FUND COMMITTEE MEETING
Ipilan Nickel Corporation
(MPSA No. 017-93-IV as Amended-2000)

Meeting Room B, Hue Hotels and Resorts, Puerto Princesa City, Palawan
06 July 2023 | 1:00 pm

I. ATTENDANCE:

Name	Designation / Office
MRFC Members	
Present	
Engr. Glenn Marcelo C. Noble	Chairperson and Regional Director MGB MIMAROPA Region
Ms. Marilyn R. Limpiada	Representing Dir. Lormelyn E. Claudio, CESO IV Co-Chairperson and Regional Exec. Director DENR MIMAROPA Region
Engr. Dan Goodwin S. Borja	Representing Dir. Joe Amil M. Salino Regional Director, EMB MIMAROPA Region
Atty. Jansen I. Jontila	Representing Dir. Marie Grace T. Pascua Regional Director, NCIP MIMAROPA
Ms. Rhoda B. Roque	Representing Mr. Niño Rey C. Estoya Acting Executive Director, PCSD
Atty. Noel E. Aquino	Representing Hon. Victorino Dennis M. Socrates Provincial Governor, LGU – Palawan
Fr. Jasper A. Tabangay	Social Action Director, Apostolic Vicariate of Puerto Princesa City (AVPP)
Hon. Victoriano B. Colili	Representing Hon. Cesareo R. Benedito, Jr. Mayor, LGU – Brooke's Point, Palawan
Mr. Inocencio C. Magallanes	NGO – Haribon Palawan
Mr. Alex C. Arabis	Resident Manager, INC
Other	
Mr. Segundo A. Villanueva	Asst. Resident Mine Manager, INC
Mr. Michael A. Bacaser	IEC Officer, INC
For. Marvin Louie O. Arlegui	MEPEO, INC
Mr. Vizmin Jay Abuhan	ETSD, INC
Mr. Roland G. Talabucon	PENRO, DENR
Ms. Casandra Lynda L. Jalac	MGB Embedded Personnel
MMT Members	
Engr. Hanna Lee B. Arriesgado	MMT Team Leader; Supervising SRS, MGB MIMAROPA
Ms. Samantha Margarita Q. Danganan	MMT Sampling Group, EMB MIMAROPA
Secretariat	
Engr. Alvin S. Requimin	Head Secretariat; Chief, MSESDD
Engr. Al Janry S. Tuazon	Senior SRS, MSESDD
Engr. Venus V. Jesoro	Senior EMS, MSESDD
Ms. Lady Mendelyn J. Cataluña	MRFC Secretariat

10 **II. PRELIMINARIES**

11
12 Engr. Glenn Marcelo C. Noble, Chairperson and MGB MIMAROPA Regional
13 Director, called the meeting to order at 1:45 p.m. upon confirmation of a quorum
14 (10 out of 10) by the secretariat.
15

16 **III. REVIEW AND APPROVAL OF THE PROVISIONAL AGENDA**

17
18 The Chairperson requested the committee members to peruse the Provisional
19 Agenda for the 1st Quarter 2023 MRFC Meeting, for any comments and/or
20 additional issues/concerns/topics for inclusion in the agenda.
21

22 The following topics/concerns were requested to be included in the "Other
23 Matters" for discussion:
24

- 25 • Complaint of Mr. Ferdinand Bernas
- 26 • Complaint of 79 individuals led by Alayma Tambiling Alma
- 27 • Complaint on Health Problems
- 28 • Complaint of Pro-Mining IPs led by Mr. Julhadi Titte
- 29 • Scheduling of MMT Monitoring
- 30 • Inclusion of BFAR in the MMT
- 31

32 Without objections to the additional matter, the body approved and adopted
33 the provisional agenda for the 1st Quarter 2023 MRFC Meeting through the motion
34 of Mr. Inocencio C. Magallanes (Haribon Palawan) seconded by Atty. Noel E.
35 Aquino (PG-ENRO Palawan).
36

37 **IV. REVIEW AND APPROVAL OF THE DRAFT MINUTES OF THE 1ST QUARTER 2023 MRFC**
38 **MEETING HELD ON 15 MARCH 2023**

39
40 The Chairperson requested the members for comments on the draft minutes of
41 the 1st Quarter 2023 MRFC meeting for INC.
42

43 With a few minor corrections/clarifications, the minutes for the 1st Quarter 2023
44 MRFC meeting for INC was approved with the motion of Mr. Magallanes,
45 seconded by Atty. Aquino.
46

47 **V. MATRIX OF ISSUES AND CONCERNS AND MATTERS ARISING FROM THE 1ST QUARTER**
48 **MRFC MINUTES OF THE MEETING**

49
50 **A. Status of claimants within the 230-has area target for reforestation and the**
51 **inventory of seedlings that were uprooted.**
52

- 53 • For. Marvin Louie O. Arlegui (INC) gave an update on the matter. He
54 said that according to ComRel, even after a series of meeting was
55 conducted with the claimant, the latter did not allow the company
56 to utilize the area. Given the situation, the company will focus on the
57 570-has. area provided by CENRO – Brooke's Pt. The Chairperson
58 commented that the matter is no longer a concern considering that
59 a new area was provided by CENRO – Brooke's Pt.
60

61 **B. Time Allotted for the MMT Monitoring**

- 62
- 63 • The number of days for MMT monitoring was adjusted to four (4) days
- 64 as a response to the concern of the PENRO-Palawan and CENRO-
- 65 Brooke's Point that the allotted for monitoring were not sufficient.
- 66

67 **C. Encroachment: Illegal Tree Cutting and Charcoal Making in the MPSA Area**

- 68
- 69 • For. Arlegui recalled that this concern was raised to ask help from
- 70 MGB and DENR in monitoring the incident. He also said that the
- 71 company has Deputized Environment and Natural Resource
- 72 Officers (DENRO). The Chairperson asked what was the action taken
- 73 by the CENRO regarding the matter. Mr. Arlegui said that the CENRO
- 74 has been coordinating with the DENROs.
- 75
- 76 • Atty. Aquino asked whether the DENRO was deployed by DENR or
- 77 was employed by the company. For. Arlegui said that the DENRO
- 78 were security guards employed by the company who had
- 79 undergone training and were deputized by the DENR.
- 80

81 **D. Inventory of the Claimants by Hon. Domingo D. Bernas and the MLGU**

- 82
- 83 • Hon. Victoriano B. Colili (LGU-Brooke's Point) said that the issue was
- 84 raised as there were claimants in the area that are hesitant to utilize the
- 85 area for the project. He also said that the CENRO has yet to give an
- 86 update on the inventory. The Chairperson requested MLGU to
- 87 coordinate with CENRO-Brooke's Point.
- 88
- 89 • Mr. Magallanes wished to clarify the location of the area and include it
- 90 in the remarks. Hon. Colili replied that the area involved is in Sitio
- 91 Mararag and Sitio New Panay in Barangay Maasin.
- 92

93 **E. Report/Presentation on the Flooding Occurrence in Brooke's Point**

- 94
- 95 • On the MMT's request for a copy of the report/presentation on the
- 96 flooding occurrence in Brooke's Point. The Chairperson requested the
- 97 MMT Secretary to provide the said document via google drive.
- 98

99 **F. Conduct of Coastal Resource Assessment**

- 100
- 101 • The MMT secretariat was asked to look into the baseline conditions to
- 102 determine the level of metal content and to check if there's available
- 103 data. Engr. Hanna Lee B. Arriesgado (MGB MIMAROPA) said that they
- 104 were only able to determine the location of the sampling points, but
- 105 INC will conduct a coastal resource assessment.
- 106
- 107 • For. Arlegui responded that updates on the matter will be discussed in
- 108 his presentation. He explained that the causeway was originally
- 109 planned to be constructed within the coastal water of Barangays
- 110 Maasin and Mambalot. However, since there were changes in the
- 111 design of the causeway, the identified sampling locations for coastal

resource assessment may not be applicable. Further, the structure will be constructed in Barangay Mambalot.

G. Capacity of the Installed Culvert

- For. Arlegui updated the body that the engineering team already evaluated the capacity of the culvert. Currently, the company is in the process of installing new culverts.
- In addition to For. Arlegui's update, Engr. Segundo A. Villanueva (INC) explained that the company is currently implementing a flood management program wherein additional round culverts will be installed while the round culverts along the haul roads will be replaced with box culverts.
- The Chairperson requested the company to present the flood management program/plan next MRFC meeting.

H. Proposal to include QRT in the MMT MOO

- The Chairperson instructed the Secretariat to draft the functions and scope of work of the QRT with the assistance of Mr. Magallanes.

I. Inquiry on the STCEP Compliance of INC

- Ms. Marilyn R. Limpiada (DENR MIMAROPA) said that according to the last representative of DENR MIMAROPA to the MRFC, Ms. Bibiana Lyn T. Aguha, DENR has yet to receive a letter on the position of the court.
- Hon. Victoriano B. Colili (LGU Brooke's Pt.) commented that he is particularly inquiring on INC's compliance with the terms and conditions of the STCEP as some of the Barangay Chairpersons attested that no public consultation was conducted with concerned stakeholders, which was one of the STCEP conditions.
- The Chairperson instructed the secretariat to draft a letter to DENR MIMAROPA inquiring on INC's compliance with the conditions of the STCEP.
- On a related matter, For. Arlegui was asked to provide an update on the cut logs. He said that a total of 26,699 pieces of cut logs consisting of 10,206 logs with diameter of 15 cm and above, and 16,493 logs with a diameter of 14cm and below were turned over to PG-ENRO. However, the company has no record on how it was utilized since it was already turned over.
- Atty. Aquino remarked that it was not turned over to his office but rather to the provincial government.

- The Chairperson requested the PG-ENRO and PENRO – Palawan to provide an update on the utilization of cut logs at the next MRFC meeting.

J. Clarification on the Certification Precondition

- The Chairperson said that there has been a letter drafted on the matter, however, it was not sent to the Dir. Marie Grace T. Pascua (NCIP IV) as he would like to personally discuss the matter with the Dir. Pascua. Since NCIP MIMAROPA has a representative during the meeting, the Chairperson said that the letter may not be needed.
- Hon. Colili cited the conflicting documents from NCIP MIMAROPA regarding INC's exemption from securing a Certification Precondition (CP). He asked the representative to provide a categorical statement/document on the matter.
- Atty. Jansen I. Jontila (NCIP MIMAROPA) referred to the minutes of the previous meeting where it was stated that the document (stating the need to secure a CP) was an internal document and was not duly released since it was a memorandum not a notice addressed to the concern party. He suggested for the MRFC to write a letter to the Ancestral Domain Office (ADO) to know whether INC is exempted or not.

VI. TECHNICAL REPORTS

1. Presentation of Highlights of the 1Q2023 MMT Validation

Engr. Arriesgado presented the findings and recommendations for INC during the 1st Quarter 2023 MMT monitoring.

- Regarding the MOA for MMT creation as raised by EMB MIMAROPA during the entry meeting, the Chairperson commented that the MOA should be among the MRFC members not MMT. He explained that the creation of an MMT will be included in the MOA as the MMTs for mining projects are governed by the MRFC unlike the MMTs created by EMB MIMAROPA by virtue of Presidential Decree No. 1586.
- Noting that the target for topsoil/subsoil recovery was not accomplished, Ms. Roque inquired why the target was set by the company. For. Arlegui responded that INC has applied for an STCEP in 2022 and anticipated that it will be released within the first quarter of 2023. However, since the application for an STCEP is yet to be approved, the company will not be able to develop/open an area.
- Hon. Colili raised his concern on how the topsoil/subsoil is being managed, if it is stored in an area far from water bodies. Engr. Arriesgado responded that the company observes the provision of DAO No. 2018 – 19 regarding topsoil/subsoil management.

- Hon. Colili asked why the MMT was not able to check the siltation pond (Barangay Mambalot side) as relayed by his representative. Engr. Arriegado responded that the team decided not to check the area for safety reason as the ground was soft due to heavy rain. The area will be monitored next quarter.
- Mr. Magallanes asked on the source of materials being used for causeway construction. He advised the company to wash the boulders if the source is the mine pit as there are a number of complaints concerning the causeway. As for other concerns, he asked the company to observe proper stockpiling of recovered topsoil and to establish fire lines at the 2-has. area under Mining Forest Program.
- Engr. Villanueva informed the body that the embankment materials come from (permittees) rivers of Tamlang, Sarasa up to S. Española while the surfacing materials (which are clean) comes from the mine pit. He explained that the observed discoloration is due to the tires of haul trucks that travels back and forth the stockpile and the mine pit.
- Hon. Colili commented that the discoloration has been observed during the past MMT monitoring and supported Mr. Magallanes' idea to check the sea bottom to check if there is accumulation of silt. On a separate matter, he relayed the observation of the PCSD regarding the establishment of demarcation line – part of the terms and conditions of the SEP Clearance.
- The Chairperson noted Hon. Colili's comments and instructed INC to comply with the terms and conditions of the SEP Clearance.
- For. Arlegui commented that they have complied with the said provision, but they were not able to provide a document regarding the conduct of survey and demarcation line. He added that the survey was conducted way back in 2016, hence the company conducted a re-survey, and the demarcation line was identified. The Chairperson instructed the company to provide MMT with the said information.
- In response to Mr. Magallanes' advice to maintain the area where the topsoil is stored, For. Arlegui explained that compacting, benching and planting of grass were conducted while a settling pond was established to address runoff should there be any.
- A discussion ensued on the use of single use plastic and styro food containers within the vicinity as it has been a huge contributor to solid waste. Atty. Aquino suggested to implement a policy on employees to bring their own lunchbox, utensils, and water containers. The Chairperson also suggested to impose penalties on those caught using styro and plastics.

- Hon. Colili added that the Municipality of Brooke's Point recently adopted an ordinance prohibiting the use of single use plastic and Styrofoam.

2. Presentation of highlights of the 2nd Quarter 2023 Water, Air and Noise Monitoring and Sampling

The MMT sampling group, represented by Ms. Samantha Margarita Q. Danganan (EMB MIMAROPA) presented the highlights of the 2nd Quarter 2023 Water, Air and Noise Monitoring and Sampling.

- Hon. Colili commented that the discoloration of the water along the causeway has been observed previously. He raised this concern as there is fish sanctuary located a few meters from the causeway and supported Mr. Magallanes' suggestion to check if there's accumulation of silt at the seafloor. He inquired on the mitigating measures being implemented by the company to address this.
- Atty. Aquino agreed with Hon. Colili's concern and advised the company to improve the causeway gradient specifically at the entrance.
- Engr. Villanueva explained the different phases of causeway construction and assured the body that mitigating measures are in place to address the discoloration such as drainage canals that convey the water to the settling ponds located along the entrance and enclosing the area under construction to contain the silt. He said that these mitigating measures are 80 to 90% effective and that the expansion will end by last quarter of 2023.
- Noting that the expansion activities will last until October, Fr. Jasper A. Tabangay (AVPP) asked the company if it is possible to install an additional layer of silt curtain.
- For. Arlegui responded that it will take a while for the new silt curtain to be delivered due to the procurement process, but the company is repairing (reinforcing) available silt curtains.
- Atty. Aquino asked on the possible effects of the silt. Engr. Dan Goodwin S. Borja (EMB MIMAROPA) replied that the silt may contain heavy metals. He explained that the water quality cannot be determined as the laboratory results of the samples taken during MMT were not provided. Furthermore, the water body along the causeway has not been classified by EMB MIMAROPA, hence it should not be automatically assumed as Class SC. Their office will determine its classification with the help of the LGU (*i.e.*, current beneficial use).
- Atty. Aquino asked what will be used in evaluating the results of the water quality monitoring conducted by the MMT. Engr. Borja replied none as of now but their office will conduct a study.

311 **3. Presentation of compliance with the 1Q2023 and 2Q2023 MMT's field**
312 **findings and recommendations and presentation of physical and financial**
313 **accomplishments, including updating and established Funds.**
314

315 For. Arlegui presented the company's compliance with the 1Q2023 MMT
316 findings and recommendations, and other accomplishments.
317

- 318 • While For. Arlegui was discussing the land-use, the Chairperson asked
319 why the company has an area for temporary revegetation. For. Arlegui
320 explained that these areas were cleared of vegetation in 2017, but not
321 yet developed. The Chairperson advised the company to change the
322 classification as areas for temporary revegetation should be subjected
323 to progressive rehabilitation if not utilized within three (3) years per DAO
324 No. 2018 – 19.
325
- 326 • Hon. Colili reiterated his request for a copy of the MLA and design of
327 causeway. The company requested for a formal letter of request from
328 the MLGU before providing the requested documents.
329
- 330 • Atty. Jontila asked if the company is compliant with the percentage of
331 IP Workers. Mr. Alex C. Arabis (INC) responded that 30% of the
332 company's workers are IPs, while the IPRA law only requires 10%.
333

334 **4. Presentation of recent drone shots/videos of rehabilitation areas**
335

336 *Included in the company's presentation. Please see VI.3.*
337

338 **VII. OTHER MATTERS**
339

340 **1. Complaint of Mr. Bernas**
341

342 Hon. Colili relayed to the committee the complaint of Mr. Ferdinand Bernas
343 to seek a response from PCSD. He said that the complainant provided
344 drone shots of the area, mangrove forests that were allegedly cleared to
345 give way for INC's causeway.
346

347 The Chairperson asked if the complaint was forwarded to the PCSD as the
348 MRFC will just forward it to the PCSD.
349

350 **2. Complaint of 79 Individuals led by Alayma Tambiling Alma**
351

352 Hon. Colili said that there has been a petition signed by residents of
353 Barangay Maasin. According to the complainants, the *kadkaran* area is
354 filled with mud, likewise the fishing ground and areas where lobster cages
355 were installed. They believed that the mud was a result of the causeway
356 construction.
357

358 **3. Complaint on Health Problems**
359

360 According to Hon. Colili, the same 79 individuals from Barangay Maasin
361 complained of skin lesions that they believed were acquired from diving in
362 the water near the causeway to harvest lobster.

363
364 The Chairperson asked on the action taken by the LGU regarding the
365 matter. Hon. Colili suggested that the LGU may investigate the cause of the
366 skin lesions and asked if the MRFC would acknowledge the result of the
367 investigation.

368
369 Atty. Aquino added that it will depend on the kind of study conducted. He
370 explained that the individual may go directly to the Municipal Health Office
371 (MHO) to know the cause of the his/her illness and the MHO may release
372 as certification. This may be used to know whether it is the mud that's
373 causing his/her illness.

374
375 Relative to the study, Atty. Jontila remarked that there is also a need to
376 establish the baseline condition of the area (mud).

377
378 Atty. Jontila asked whether the MMT will conduct a study or if the MMT or
379 the MRFC can act on the subject complaint else it should be endorsed to
380 the rightful authority.

381
382 A long discussion ensued between the Chairperson and Hon. Colili as to
383 why the matter was brought before the MRFC when the MLGU can act on
384 it as it concerns the health of its constituents. In the end, Atty. Aquino cited
385 the LGU's police power, legislative measures being done by the LGU to
386 protect the health and safety of the community. He understood the
387 sentiment of Hon. Colili as the latter depended on the advice of the
388 company (to bring the matter to the top management) but noted that this
389 is within the police power of the LGU since this concerns health. He advised
390 to bring the said individuals to the MHO or Provincial Health Office for
391 check-up. If based on the check-up, the itchiness is caused by bacteria
392 found in heavy metals, this will be the time to conduct an
393 investigation/study.

394
395 Hon. Colili explained that he brought the matter to the MRFC as the
396 schedule was near anyway. The Chairperson understood and hoped that
397 the LGU can act on it immediately since it concerns health.

398 399 **4. Complaint of Pro-Mining IPs**

400
401 On this matter, Hon. Colili imparted the sentiments of the Pro-Mining IPs
402 regarding the alleged non-payment of Royalties to IPs.

403
404 Atty. Jontila relayed the response of FPIC Team on the various issues
405 concerning Mr. Julhadi B. Titte et al.:

- 406
407 • **Revocation of IP consent:** Mr. Titte et al.'s representation is not enough
408 to conclude that this is the decision of the whole IP community. During
409 the FPIC process, 3,748 individuals (15 years old and above) decided in
410 favor of the project.

- **Annulment of the MOA:** There is a question whether Mr. Titte and his group are authorized by the community or are they exercising their individual right.
- **Bribery:** Document must be duly notarized as this is a serious allegation on the part of the company.
- The FPIC Team recommended to conduct further investigation and to defer the suspension

Upon hearing Atty. Jontilla's explanations, Hon. Colili said that the LGU will discuss the matter and form an initiative based on this information.

On the annulment of the MOA, Mr. Arabis said that the MOA is a product of a series of discussions and negotiations, and the 1% Royalty to IPs has been comprehensively discussed.

Mr. Arabis further explained that the company and the IPs, as facilitated by the NCIP MIMAROPA, agreed that in the absence of the royalty, the company offered a Corporate Social Responsibility (CSR) amounting to PHP7.5 million per year, but the IPs demanded for PHP10 million and an advance royalty of PHP7.5 million – this will be in the form of projects such as health, education, scholarship, etc., covering six (6) barangays. He added that the 1% royalty cannot be used as a violation under the MOA as it is not included in the provisions and is set as a fixed amount.

5. Scheduling of MMT Monitoring

Atty. Jontilla requested for the secretariat to provide the notice three (3) weeks to one (1) month prior the MMT monitoring so the NCIP representative may adjust accordingly. The Chairperson took note of this and asked the secretariat to accede to the request of NCIP MIMAROPA.

6. Inclusion of BFAR in the MMT

Mr. Magallanes explained that there is a need to include BFAR in the MMT as most of the complaints emanated from the construction of the causeway.

When the Chairperson asked the committee whether BFAR should be part of the MMT or not, most of the members agreed that BFAR should be part of the MMT. Hence, the inclusion of BFAR in the MMT was agreed upon motion of Mr. Magallanes, seconded by Hon. Colili. The Secretariat to prepare a resolution on this matter, to be signed by the members next MRFC meeting.

VIII. ADJOURNMENT

All matters properly discussed and there being no other issue/concern for deliberation, the meeting was adjourned at 06:30 p.m. on the motion of Mr. Magallanes, seconded by Ms. Roque.

462 Attesting to the correctness of the foregoing:

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465

466 **LADY MENDELYN J. CATALUÑA**

467 Secretariat

468 MRFC/MGB MIMAROPA

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471 Approved by:

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474 **FELIZARDO A. GACAD, JR.**

475 Regional Director, and

476 Chairperson, MRFC for INC

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