



Republic of the Philippines
Department of Environment and Natural Resources
MIMAROPA Region
PROVINCIAL ENVIRONMENT AND NATURAL RESOURCES OFFICE
Bgy. Sta. Monica, Puerto Princesa City, Palawan
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DENR MIMAROPA	
RECORDS SECTION	
RECEIVED	
DATE	APR 03 2023
TIME	10:00

April 03, 2023

MEMORANDUM

FOR : The Regional Executive Director
DENR MIMAROPA
1515 DENR by the Bay Building,
Roxas Boulevard, Barangay 668
Ermita, Manila

THRU: The OIC, Assistant Regional Director for
Technical Services

FROM : The Provincial Environment and
Natural Resources Officer

SUBJECT : **REPORT RE: INSPECTION / MONITORING OF IMPORTED WOOD
MATERIALS OF CORAL BAY NICKEL CORPORATION (CBNC),
REGISTERED IMPORTER OF WOOD MATERIALS (WOOD PELLET)
PER CERTIFICATE OF REGISTRATION NO. DENR MIMAROPA
REGION 2023-001 (RENEWAL)**

Respectfully forwarded is the memorandum dated March 10, 2023 from CENRO Brooke's Point, Palawan re: monitoring / inspection of deliveries wood materials imported from Malaysia via Manila port to facility site of Coral Bay Nickel Corporation (CBNC) at Barangay Rio Tuba Export Processing Zone, Bataraza Palawan.

Attached herewith is the report of the monitoring team of CENRO Brooke's Point, Palawan with enclosures in compliance to the terms and conditions stipulated with the issued Certificate of Registration No. DENR MIMAROPA REGION 2023-001 as wood importer to the CBNC. Further, that the said wood materials will be used for pilot testing as an alternative fuel for coal fired boiler to mitigate Carbon Dioxide (CO₂) emission.

For information and records.

Copy Furnished:
The Community Environment and
Natural Resources Officer
Brooke's Point, Palawan

DAIF Ref. 2023-2511
TSD-RPS-Utilization
rac

FELIZARDO B. CAYATOC

**DENR-PALAWAN
PENRO-RECORDS
RELEASED**

By Joe
Date: 04 APR 2023 23-266



March 10, 2023

MEMORANDUM


FOR : The Regional Executive Director
DENR MIMAROPA Region
1515 DENR By the Bay Buiding, Roxas Boulevard,
Barangay 668, Ermita, Manila

THRU : The Provincial Environment and
Natural Resources Officer
Sta. Monica, Puerto Princesa City

FROM : The Community Environment and
Natural Resources Officer

SUBJECT : **REPORT RE: INSPECTION/MONITORING OF IMPORTED
WOOD MATERIALS OF CORAL BAY NICKEL CORPORATION
(CBNC), REGISTERED IMPORTER OF WOOD MATERIALS
(WOOD PELLETS) PER CERTIFICATE OF REGISTRATION NO.
DENR MIMAROPA REGION 2023-001 (RENEWAL)**

DENR PENRO
PALAWAN RECORDS
RECEIVED

BY: 
DATE: 03-24-2023 CN 23-2511

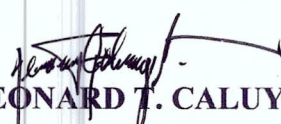
This is in compliance with her Memorandum Instruction dated February 16, 2023 addressed to the PENRO Palawan and received by this Office on February 22, 2023 to submit monitoring report regarding deliveries of the wood materials imported by the Coral Bay Nickel Corporation (CBNC) from Malaysia to be transported to Manila Port and afterwards to CBNC Facility at Rio Tuba Export Processing Zone, Barangay Rio Tuba, Bataraza, Palawan.

Relative thereto, respectfully forwarded/endorsed herewith is the report of the inspecting team regarding the monitoring/inspection of the additional imported wood pellets conducted together with the representatives of the company on March 2, 2023 at the CBNC Coal Yard, Pier Site, Barangay Rio Tuba, Bataraza, Palawan.

During the monitoring/inspection, the company's compliance with the Terms and Conditions based on the issued Certificate of Registration including those discussed and agreed upon during the Technical Meeting were checked/monitored. Result of the monitoring shows that there are terms and conditions that the company has yet to comply with such as the submission to the DENR, through CENRO concerned, a monthly report on imported wood materials not later than the fifth (5th) day of the succeeding month among others. Accordingly, the team likewise specified/included in the report, the corresponding recommendations based on the findings and observations during the monitoring/inspection.

For your information, record and further instruction.

DENR-CENRO
BROOKES POINT
RELEASED
DATE: 10 MAR 2023


LEONARD T. CALUYA

M.Rodriguez St. Poblacion District I, Brooke's Point Palawan 5305

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2023-0959 / 2023-1056



March 9, 2023

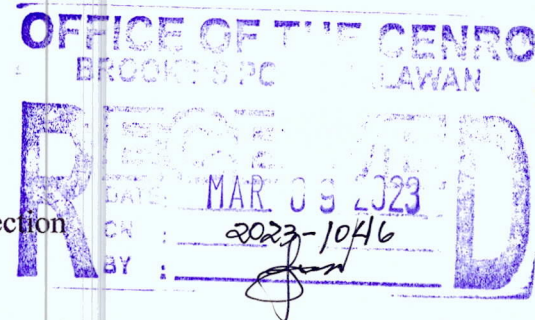
MEMORANDUM

FOR : The Community Environment and
Natural Resources Officer

THRU : The Chief, Monitoring and Enforcement Section

FROM : The Undersigned Personnel

SUBJECT : **REPORT RE: INSPECTION/MONITORING OF IMPORTED
WOOD MATERIALS OF CORAL BAY NICKEL CORPORATION
(CBNC), REGISTERED IMPORTER OF WOOD MATERIALS
(WOOD PELLETS) PER CERTIFICATE OF REGISTRATION NO.
DENR MIMAROPA REGION 2023-001 (RENEWAL)**



This pertains to the Memorandum dated February 16, 2023 from the Regional Executive Director Lormelyn E. Claudio, *CESO IV* regarding the application for Certificate of Registration as Importer of Wood Materials (Renewal) of Mr. Yasutaka Kumada, a Japanese National representing a Filipino-owned Coral Bay Nickel Corporation (CBNC) to import additional Meranti (*Shorea sp.*) wood pellets from Malaysia to be transported to Manila Port. Whereas, the same will be used for pilot testing purposes as an alternative fuel for coal fired boilers to mitigate Carbon Dioxide (CO₂) emissions of CBNC. Accordingly, Certificate of Registration No. DENR MIMAROPA REGION-2023-001 (Renewal) dated February 16, 2023 was granted to the company pursuant to the DENR Administrative Order (DAO) No. 2022-10 re: "*Revised DENR Manual of Authorities on Technical Matters*" and DAO No. 2021-06 re: "*Revised Regulations Governing the Entry and Disposition of Imported Wood Products*"

Relative thereto, the concerned DENR field office has been instructed to submit monitoring report regarding the deliveries of the wood materials for reference and record purposes of the Regional Office.

In view of the foregoing, per instruction of the CENRO, the undersigned coordinated with CBNC and jointly conducted monitoring of the company's compliance to the terms and conditions and/or its responsibilities stipulated in the issued Certificate of Registration including those discussed/agreed during the Technical Meeting.

Hereunder are the details of the conducted inspection/monitoring:

1. Inspection/Monitoring:

Date : March 2, 2023

Time : 1:00 PM

Place : CBNC Coal Yard, Pier Site, Barangay Rio Tuba, Bataraza, Palawan

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2. The Inspecting Team:

a. The undersigned personnel

b. The CBNC Personnel:

Yoshitaka Ogura – Utilities Manager

Walter T. Hasim, PME, ACPE, RMP – Utilities Assistant Manager

Ronald A. Balmonte – Utilities General Supervisor

Christopher L. Cajegas – Pier Site Supervisor

Ranie Chua – Pier Site Warehouse Man

Melchor Puig – Shipping Assistant II

3. Findings and Observations

- a. Prior to the inspection/monitoring conducted by the undersigned DENR CENRO Brooke's Point personnel, the representative from the Bureau of Customs first conducted inspection and removal of GPS in order to open the container van loaded with wood pellets located in the designated storage area at the CBNC Coal Yard, Pier Site, Barangay Rio Tuba, Bataraza, Palawan.
- b. Per inspection, a total of 109 bags (130 metric tons) of wood pellets loaded in eleven (11) container van (20 footer) were transported by LCT ASC RAENELL from Malaysia to Manila North Harbour then to pier site at Barangay Rio Tuba, Bataraza, Palawan. The wood pellets were shipped from Manila North Harbour to Barangay Rio Tuba, Bataraza, Palawan on February 24, 2023 but were only unloaded on March 1, 2023.
- c. Compliance to Terms and Conditions

Based on the Certificate of Registration	Complied?		Remarks
	Yes	No	
1. Display the COR at a conspicuous place within the establishment's premises exposed to public view		✓	There is no display of Certificate of Registration at a conspicuous place within the establishment's premises exposed to public view.
2. Submit to the DENR, through CENRO/Implementing PENRO concerned, a monthly report on imported wood materials not later than the fifth (5 th) day of the succeeding month to include, among others, the following information: 2.1. Balance of previous months; 2.2. Purchase(s) made during the month under report; 2.3. Total volume/quantity handled; 2.4. Volume processed/sold; and 2.5. Balance at the end of the month.		✓	During the inspection/monitoring, the company provided copy of unsigned Monthly Report dated February 22, 2023 re: the pilot testing of the 1 st batch of imported wood pellets per DENR MIMAROPA REGION-2022-007 (New) in which it was indicated that all 130 MT were used/utilized. Accordingly, copy of the said Monthly Report will be

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			officially submitted to the Regional Office thru CENRO Brooke's Point once it has been signed/approved by the Plant Manager of CBNC. However, to date, copy of said report is not yet received by the CENRO Office.
3. Provide the required COR from the RED concerned or authorized representative to import before disposing through sales the imported wood materials	✓		Copy of COR was provided by the company to CENRO Brooke's Point via email prior to the arrival of the shipment of imported wood materials to CBNC's facility at Barangay Rio Tuba, Bataraza, Palawan. <i>Note:</i> The wood pellet will not be disposed through sales but are intended to be used for testing at the CBNC's Plant Facility.
4. Allow authorized DENR personnel to inspect the premises where the imported wood materials are stored and to examine records concerning withdrawals or disposition of same	✓		The DENR CENRO Personnel were allowed to conduct inspection/monitoring scheduled on October 27, 2022 (shipment per DENR MIMAROPA REGION-2022-007 (New) and March 2, 2023 (shipment per DENR MIMAROPA REGION-2023-001(Renewal)).
5. Provide such other related information as may be required by the Secretary or authorized representative	✓		During inspection, the company provided copy of pertinent documents which shall accompany the movement or transport of the imported wood materials/pellets from the port of entry (Manila North

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			Harbour) to the point of destination (Rio Tuba Export Processing Zone, Barangay Rio Tuba, Bataraza, Palawan as stipulated in DAO 2021-06.	
As discussed/agreed during the Technical Meeting				
6. To submit result of sample testing to characterize the components of wood pellets in the following shipments:			✓ The results of sample testing were not yet provided and the company is still looking for possible third party to commission for the conduct of analysis.	
COR NO.	SPECIES	ISSUED DATE		VOLUME (MT)
DENR MIMAROPA REGION-2022-007 (New)	Meranti (Shorea sp.)	September 08, 2022		130
DENR MIMAROPA REGION-2023-001(Renewal)	Meranti (Shorea sp.)	February 16, 2023		260
7. Gathering of samples should be conducted in the presence of the technical personnel of CENRO Brooke’s Point, Palawan and authorized representative of CBNC. Sampling should be properly documented and corresponding report shall be submitted to the DENR Regional Office.			✓ The DENR CENRO Brooke’s Point personnel witness the gathering of samples intended for third party analysis.	
8. Use of wood pellets as an alternative fuel for coal fires boilers shall only be conducted upon written consent/clearance has been issued by DENR EMB. Furnish DENR Regional Office of the same for information and record.			✓ According to Mr. Walter T. Hasim, the company had utilized the previous batch of imported wood pellets shipped per DENR MIMAROPA REGION-2022-007 (New) granted to the company as they thought that the Certificate of Non-Coverage (CNC-OL-R4B-2022-02-00284) will sufficed. However, per discussion/clarification made during the Technical Meeting, it has been decided/agreed that the new batch of wood pellets	

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		(shipment per DENR MIMAROPA REGION-2023-001(Renewal) will be utilized/used by the company upon final approval/clearance.
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4. Recommendation:

The inspecting team recommends for the CBNC as Holder of the Certificate of Registration as Importer of Wood Materials (wood pellets) that:

- a) The Certificate of Registration should be displayed at a conspicuous place within the establishment's premises exposed to public view including within the storage area of imported wood pellets of the company. Likewise, copy of the same must be included in the file of pertinent transport documents of the imported wood pellets pursuant to Section 8 of DAO 2021-06.
- b) Ensure on-time submission of Monthly Report on imported wood materials not later than the fifth (5th) day of the succeeding month to include, among others, the following information: Balance of previous months, Purchase(s) made during the month under report, Total volume/quantity handled, Volume processed/sold and Balance at the end of the month.
- c) Maintain logbook/record containing the details relative to the volume/quantity of wood pellets in the storage area, withdrawn, handled and processed/used to serve as readily available reference material for examination/monitoring purposes.
- d) Expedite/prioritize the process of looking for a Third Party to be commissioned to conduct testing/analysis to characterize the components of the imported wood pellets as soon as possible.

Attached herewith are the geo-tagged photos taken during the inspection within the storage area of the imported wood pellets.

For his information, evaluation and further instruction.

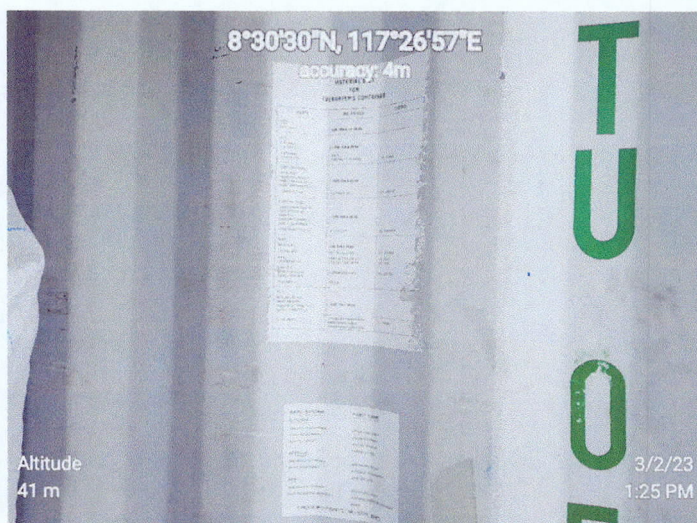

KENNIT FRANCIS V. VALDESTAMON
 FT II/ TL, Rio Tuba Monitoring Station


ROSEVILLE I. MITRA
 Forest Technician II

**GEOTAGGED PHOTOS DURING THE INSPECTION/MONITORING AND
GATHERING OF SAMPLES OF IMPORTED WOOD PELLETS OF CORAL BAY
NICKEL AT CBNC COAL YARD PIER SITE, BARANGAY RIO TUBA, BATARAZA,
PALAWAN**



**GEOTAGGED PHOTOS DURING THE INSPECTION/MONITORING AND
GATHERING OF SAMPLES OF IMPORTED WOOD PELLETS OF CORAL BAY
NICKEL AT CBNC COAL YARD PIER SITE, BARANGAY RIO TUBA, BATARAZA,
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