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PANDIMAN PHILIPPINES Inc.
P&I Correspondent in the Philippines

Topics of interest relating to the Philippine Maritime Industry and Shipping

PHILIPPINES – DENR to close 50% of Nickel Ore Mines



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Loading of Nickel Ore Philippines

The Department of Natural Resources and the Environment (DENR) to close 50% of the nickel ore mines.

The mines affected are;

Benguet

- Benguet Corporation

Bulacan

- Ore Asia Mining and Development Corporation

Zambales

- [BenguetCorp Nickel Mines Incorporated](#)
- Eramen Minerals Incorporated
- LNL Archipelago Minerals Incorporated
- Zambales Diversified Metals Corporation

Homonhon

- Mt Sinai Mining Exploration and Development Corporation
- Emir Minerals Corporation
- TechIron Mineral Resources Incorporated

Dinagat Islands (Surigao area)

- AAMPFIL Natural Resources Exploration
- Oriental Synergy Mining Corporation
- SinoSteel Philippines HY Mining Corporation
- Kromico, Incorporated
- Oriental Vision Mining Philippines Corporation
- Wellex Mining Corporation
- Libjo Mining Corporation

Surigao del Norte

- ADNAMA Mining Resources Corporation
- Claver Mineral Development Corporation
- Hinatuan Mining Corporation
- CTP Construction and Mining Corporation
- Carrascal Nickel Corporation
- Marcventures Mining and Development



The Department of Environment and Natural Resources (DENR) yesterday said it has ordered the closure of 21 mines in the campaign to fight environmental degradation by the industry.

The 21 mines represent half of the 41 mines audited last year. Of the 21 mines ordered closed, 15 were found to be operating inside functional watersheds. They were said to have polluted water systems and silted up rivers.

The closure order appears to be counter to what the Mines and Geosciences Bureau had earlier recommended but DENR secretary Regina Lopez was adamant about the closure order.

The closed mines represent 50 percent of the country's total nickel production and about 10 percent of world supply

In the media the following has been reported;

Lopez said operations of six other mines have been suspended including the country's top gold mine operated by Australia's Oceanagold Corp.

Of the 41 mines, 13 passed while six are for suspension and one was deferred judgment.

Lopez said she is not concerned about the money but that "the people should not suffer. "Why should they suffer, so that stock market goes up? What's more important, stock market or wellbeing of our people?" raged Lopez in a briefing yesterday.

"We will close down any kind of mining in functional watersheds," Lopez said.

"You cannot have any kind of mining operation in a watershed. It's like saying the gold or nickel that foreigners want to get is more important than the water that our people drink... We will not allow the water of our people to be at risk for any business interest," she said.

In Dinagat islands (Surigao area), seven companies will be shut down: AAMPFIL Natural Resources Exploration, Krominco Inc., SinoSteel Philippines H.Y. Mining Corp., Oriental Synergy Mining Corp., Wellex Mining Corp., Libjo Mining Corp. and Oriental Vision Mining Philippines Corp.

Completing the list of firms asked to cease operations are those from Surigao del Norte: Adnama Mining Resources Corp., Claver Mineral Development Corp., Platinum Development Corp., CTP Construction and Mining Corp., Carrascal Nickel Corp., Marcventures Mining and Development Corp. and Hinatuan Mining Corp.-Tagana-an.

Lopez said the erring mining firms may file their appeal but the final say will come from President Duterte.

"The closure becomes final when the president says it is because usually they can appeal. If the president says it really shouldn't be, it really isn't, but it's much more difficult to address a closure than a suspension and my interest in the closure is that if it closes, I can use the rehab funds to heal the lands," Lopez said.

She noted the decision to close the said mining operations are not unified with the recommendation given by the MGB.

"MGB is recommendatory but I visited the people myself, I used my judgment. Whatever they did has no value because I made my decision as Cabinet secretary," Lopez said.

News of the mine closures has sent global nickel prices higher.

The risk of nickel supply disruption from the Philippines should boost global prices of the metal, analysts say, with the initial mine suspensions last year and the threat of more having fueled a rally.

Three-month nickel on the London Metal Exchange rose to a 2-1/2-week high of \$10,375 a ton in limited Asian trading with China still shut for the Lunar New Year break.



Pandiman had been writing to the MGB (Mines and Geosciences Bureau) for two weeks to obtain a list of mines listed to be closed. However we were informed that this was still before their legal committee. With the revelation yesterday by DENR it is apparent why the MGB was hesitant, it appears the DENR have taken a unilateral approach based on environmental evaluation.

It would be prudent for ship owners to check with their P&I club on any intended nickel ore loading from the Philippines to avoid possible complications. Late in 2016 one ship owner faced "technical mineral theft" when their vessel commenced loading at a mine that was suspended causing unwanted delays.

We shall be providing a further update shortly on the Nickel Ore trade from the Philippines 2017

Capt. Andy Malpass
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