

PEZA to convert Diwalwal as Mineral Processing Ecozone

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By Bernie Cahiles-Magkilat

The Philippine Economic Zone Authority (PEZA) and Philippine Mining Development Corp. (PMDC) are signing an agreement that will convert all the firm's mining properties, including the 8,100-hectare Diwalwal Mineral Reservation in Compostela Valley, into a mineral processing industry zone.



PEZA Director General Charito Plaza

PEZA Director General Charito Plaza said a usufruct agreement with PMDC is being ironed out for the proclamation of at least 8,100 hectares of mining lands as mineral processing economic zone, another PEZA ecozone category.

Plaza said that part of PMDC's foremost mining property is the 8,100-hectare Diwalwal Mineral Reservation where several small miners are operating under dangerous situations. Plaza said that Diwalwal is already occupied by informal settlers.

According to Plaza, PMDC suggested the proclamation of its property as a mineral processing zone. Under the procedure, PEZA will endorse to Malacañang the proclamation of a special ecozone project.

"All of the PMDC areas will be declared mineral processing industry zones so we will be inviting investors who will put up mineral processing plants," said Plaza.

Plaza said this is in line with President Duterte’s pronouncement during his State-of-the-Nation Address to stop illegal mining and smuggling of raw minerals. Instead, these raw minerals have to be processed locally into higher value products for the export market.

For instance, Plaza cited the case of Diwalwal, a gold mining area of PMDC where mined minerals such as gold are being smuggled out to Hong Kong and other countries. The Diwalwal property has also been occupied by informal settlers and small-scale mining operations.

“We would like to help PMDC put an order and put a stop to this illegal extraction of our mining resources and smuggling of our gold and help protect the environment because many have manifested to come to establish mineral processing plants here,” she said.

Once the PMDC areas have been proclaimed ecozones, PEZA will invite investors to set up plants to process these raw minerals for export.

Plaza also cited other mining areas in the country where the raw materials are also directly exported.

Processing of minerals would also encourage firms to invest in basic industries such as steel because there are raw material inputs for their production.

Plaza cited the country’s huge steel importation because there is no integrated steel manufacturing plant in the country.

The identified mineral processing ecozones will form part of PEZA’s Philippine Ecozone Map, which identifies ecozone locations in various parts of the country to be launched in November this year.

Under the Presidential Memorandum dated April 9, 2003, the PMDC is primarily tasked to conduct and carry on the business of exploring, developing, mining, smelting, and producing, transporting, storing, distributing, exchanging, selling, disposing, importing, exporting, trading and promotion of gold, silver, copper, iron, and all kinds of mineral deposits and substances.

The PMDC has also been specifically tasked by the government to implement the program of putting up a world-class mine and mineral processing operations in the 8,100 hectare Diwalwal Mineral Reservation located in the municipality of Monkayo, Compostela Valley Province.

The company was created for the purpose of, among others, addressing the environmental, health, social and economic well-being of the occupants of the area, and to rationalize the mining and mineral processing operations in the reservation for greater efficiency, and to provide for adequate environmental protection and mine rehabilitation measures.

While the original mandate focused on resolving conflicts in Diwalwal, the PMDC is also responding to the challenges of revitalizing the Philippine mining industry. The company does not intend to compete with privately owned mining

projects, but rather hopes to position itself as the catalyst for developing mining projects in areas where private investors find difficult to come in.

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