

MINING CARAGA

INTRODUCTION

Caraga Region has figured prominently under the Gloria Macapagal-Arroyo regime. She has visited various parts of the region, delivering speeches in the provincial centers and vacationed several times in Siargao. “Her” road projects are announced on billboards, broadcasting her, Sec. Ebdane and local political allies’ efforts as big as the bridges being built or as long as the roads being constructed.

She has declared the region as one of the priority targets for her anti-insurgency campaign Oplan Bantay Laya 1 and 2, warning the CPP-NPA-NDF that their end is near. Even her National Security Adviser Norberto Gonzales visits frequently, having an ally in the Caraga Conference for Peace and Development (CCPD), an anti-communist group that attacks legitimate people’s organizations and human rights advocates. It was in Siargao that she declared the building of the Investment Defence Force (IDF) in February of last year to “protect mining investments” in the country.

But most of all, the Caraga Region figures prominently with its vast mineral deposits targeted for exploitation, the people’s fight against it and her army’s attack versus those in the way of unbridled greed.

GENERAL PROFILE

Caraga is located in the northeast section of Mindanao. It has four (4) provinces, three (3) cities, seventy-one (71) municipalities and 1,306 barangays with a land area of 1,884,697 hectares, representing 6.3% of the country’s total land area and 18.5% of Mindanao’s.

It is made up mostly of mountainous areas, flat and rolling lands. The Diwata Mountain Ranges divide the Agusan and Surigao provinces and sub-ranges separate most of the lowlands along the Pacific Coast. Most productive agriculture area lies along the Agusan River Basin. The famous Agusan Marsh sits in the middle of Agusan del Sur.

Among the lakes in the region, Lake Mainit is the widest, covering eight municipalities: Alegria, Tubod, Mainit and Sison in Surigao del Norte and Tubay, Santiago, Jabonga and Kitcharao in Agusan del Norte.

Rich In Natural Resources

The regional economy is basically agriculture-based with 452,600 hectares cultivated with rice, corn, coconut, bananas, mango and root crops for local consumption. Crops for export

include palm oil with more than 100 square kilometers planted in Agusan del Sur; rubber, abaca, coffee and pineapple. Filipinas Palm Plantation Incorporated (FPPI) in Agusan del Sur is one of the biggest plantations in the country.

The coastal areas of the Surigao Provinces that face the Pacific Ocean provide rich marine resources. It is the main source of fish in the region and in Northern Mindanao.

71.2% or 1,339,800 hectares of its total land area is forested, its dipterocarp coverage the third most extensive in the country.

Caraga provides 70% of the country's wood needs with 236,288 hectares of its forests covered by 105 Integrated Forest Management Agreements (IFMA). It hosts five large logging companies, the largest of which was PICOP Resources Incorporated (PRI) that was once one of the largest paper milling companies in Asia. PRI also holds one of the biggest forest concessions under IFMA at more than 75,000 hectares during the 90's and at its current 35,000 hectares. PRI's Paper Mill ceased operations in 2007 and is believed to go into mining.

But Caraga's biggest resource lies beneath its fertile lands. According to the DENR's Mines and Geosciences Bureau (MGB), Caraga has the biggest iron ore deposit in the world, largest nickel and gold deposits in the country and large reserves of copper, chromite and coal.

Surigao Sur, Surigao Norte and Agusan del Norte are the principal gold-producing provinces in what is called the Barobo Gold Corridor and the Surigao Gold District. Deposits of metallurgical grade chromite are found in the islands of Dinagat. Vast nickel laterites are found in Surigao Norte and Sur. Extensive deposits of aluminum bauxite are in Bucas Grande Island.

Coal, the country's major lignite reserve, can be found in three of its provinces: Agusan del Sur, Surigao del Norte and Surigao del Sur. The biggest bulk of coal reserve is said to be found in Bislig and the Andap Valley Complex which covers the municipalities of Tandag, Tago, San Miguel, Cagwait, Marihatag, San Agustin and Lianga in Surigao del Sur.

EXPLOITING THE MINERAL RESOURCES

The region's mining resources have been extracted in various scales since the pre-Hispanic period, but never has resource extraction been as extensive or as destructive as the present. Surigao del Norte nickel was first exploited in 1975. The nickel deposit in Nonoc, Surigao del Norte was mined from 1975 to 1982. Prior to the Mining Act of 1995 (RA 7942), there were already twelve large mining companies operating in Surigao del Norte alone.

The Philippine Mining Act of 1995 was passed during the presidency of Fidel Ramos in line with his Medium Term Philippine Development Plan (MTPDP) which opened the Philippines to multinational and transnational companies. It was declared unconstitutional

by the Supreme Court in February of 2004 because of the 100% foreign ownership and control over large scale mining which negates the claim of indigenous Filipinos over ancestral lands and removes the ceiling on foreign investments in extractive and resource businesses. However, on December of that same year the Supreme Court reversed its own decision and declared the 1995 Mining Act constitutional.

Mining Projects

Priority Projects

1. **Siana Gold Project**
Location Cawilan, Tubod, Surigao del Norte, Siana, Mainit, Surigao del Norte
Tenement Mineral Production Sharing Agreement covering **2,023.74** hectares.
Tenement Holder Greenstone Resources Corp. & JCG Resources Corporation
Operator Greenstone Resources Corporation (Greenstone) Lance Govey - President
Foreign Partners Red 5 Ltd. of Australia
Major Stock Holder Joel T. Go - JCG Resources
Commodity Gold
2. **Nonoc Nickel Project**
Location Nonoc Island, Surigao del Norte
Tenement Mineral Productions Sharing Agreement covering **25,000** hectares.
Tenement Holder Pacific Nickel Phils., Inc. Philnico Processing Corp.
Major Stock Holder Philnico, Eastern Peninsula Capital Resources, New Manila Properties, Inc.
Foreign Partners Foreign partnership is under negotiations.
Commodity Nickel and Cobalt
3. **Boyongan Copper Project**
Location Surigao del Norte and Agusan del Norte
Tenement Mineral Productions Sharing Agreement covering **2,879.70** hectares.
Tenement Holder Silangan Mindanao Mining Co., Anglo-American Exploration (Phils.) Inc.
Major Stock Holder Philex Gold Phil., Inc, Philex Mining Corp. Anglo American Phil.
Foreign Partners Anglo American Plc
Commodity **Copper** Gold
4. **Agata Project**
Location Surigao Gold District, Mindanao Island, Region XIII.
Tenement Mineral Production Sharing Agreement covering **7,679 hectares**
Commodity Copper, Gold, Nickel
5. **Tapian San Francisco Project**
Location Malimono and Mainit, Surigao del Norte, Region XIII
Tenement Exploration Permit containing a total area of **1,782 has.**
Commodity Gold, Copper
6. **Vista Buena Mining**
Location
 Contract area is composed of two (2) sites within the two Parcels of the Surigao Mineral Reservation (SMR) I in Mindanao. Area 1 is within Parcel II of SMR with territorial jurisdiction under Municipality of Libjo while, Area 2 is within Parcel III of SMR at the eastern part of the Municipality of Tubajon facing the Pacific Ocean, both within Dinagat Island.
Commodity Gold, Chromite, Nickel and Iron ores, etc.
7. **ACT (Adlay-Cagdianao-Tandawa) Nickel Project**
Location Carrascal, Surigao del Sur and Claver, Surigao del Norte
Tenement The Project is covered by approved Mineral Production Sharing Agreement under CTP Construction and Mining Corp and Case Mining and Development Corporation with a total area of **8,261 hectares.**
Tenement Holder Surigao Integrated Resources Corporation
Major Stock Holder
 Clarence T. Pimentel, PGMCO / CTP Construction Mining Corp.
 Jose Bautista, Case Mining and Development Corp.

President Gloria Macapagal-Arroyo hopes to make Caraga region the country's agro-forestry and mineral center by the year 2010.

Seven of the 42 Priority Mining Projects of the Arroyo Administration are in the Caraga Region. The largest of these is the Nonoc Nickel Project covering 25,000 hectares. Tenement holder is Pacific Nickel Phils. Inc. and Philnico Processing Corp. Negotiations with foreign investors are ongoing for the re-opening of the Nonoc mine and refinery.

The second largest is the ACT (Adlay-Cagdianao-Tandawa) Nickel Project covering 8,261 hectares. The tenement is owned by Surigao Integrated Resources Corporation whose majority stockholders are Clarence T. Pimentel, CTP Construction Mining Corp., PGMC, Jose Bautista and Case Mining and Development Corp. Clarence Pimentel is the older brother of Surigao del Sur Governor Vicente Pimentel.

The tenement holder of the Boyongan Copper Project (now called the Silangan Project) in the boundaries of Agusan del Norte and Surigao del Sur is Silangan Mindanao Mining Company (SMMC), a subsidiary of Philex Mining Corporation whose majority stockholder is Manuel V. Pangilinan of SMART and PLDT and who sits as the chairman of the board of directors of Philex Mining Corporation. Romulo Neri also sits as one of its board members. It has a joint partnership with Anglo-American Exploration during the project's pre-feasibility phase. In February of this year, Philex bought out Anglo's share for \$55 million. Anglo-American is currently exploring the neighboring Bayugo Prospect. Philex also has mining interests in Taganaan, Surigao del Norte in its Lascogon Project currently on its exploration phase. It has mining rights to 6,853 hectares in San Francisco, Agusan del Sur for gold mining with Philsaga Mining Corporation which is a subsidiary of Medusa Mining.

There are 42 Mineral Production Sharing Agreements(MPSA) issued as of June 30, 2008 covering 103,643.25 hectares or 55.29% of the total number of MPSAs issued in Mindanao. There are around 80 more pending MPSA approvals.

The Manila Mining Company (MMC) is the longest running mining operation in the region which started gold mining in Placer, Surigao del Norte in the mid 70's. Manila Mining Corporation operates and controls almost 2,000 hectares of prime mineral lands in Surigao Del Norte and has applications for another 4,850 has. Its Placer mining operation was shutdown in 2001 for failure to procure the Environmental Compliance Certificate (ECC), a requirement to continue operations. It is currently exploring for gold and copper (Kalayaan project) with Anglo American at an area adjacent to the Boyongan Copper project along the boundaries of Agusan and Surigao del Norte. MMC's majority shareholder is Lepanto Consolidated Mining Company whose board of directors include Felicitas Aquino-Arroyo, wife of Joker Arroyo and Ricardo Puno, Jr., younger brother of Lakas-Kampi stalwart Ronaldo Puno, known political allies of the Arroyo regime.

Meanwhile Tag-anito Mining Corporation started operation in 1989 and lists Sojitz Corporation of Japan as its partner. Tag-anito Mining Corporation is owned by Nickel Asia Corporation(NAC) of the Zamora Brothers headed by Manuel Zamora, its chairman and founder. Nickel Asia Corporation has four subsidiaries: Rio Tuba Nickel Mining

Corporation in Palawan, Tag-anito Mining Corporation, Cagdianao Mining Corporation and Hinatuan Mining Corporation in Surigao del Norte. It has six nickel mining operations in the country, two in Palawan and four in Surigao del Norte.

MGB Complete List Of Issued MPSA (Mineral Production Sharing Agreements) As of June 30, 2008 Total - 265=16%

Total land covered: 103,643.25 hectares

Surigao del Norte: 63,528.0707 has.

1. Pacific Cement Philippines, Inc. Quezon, Surigao City Limestone
2. HY Chromite Mining Development Corp. Loreto, Dinagat Islands **972.0000 has.** Chromite
3. Comet Mining Corp. Loreto, Dinagat Islands **1,296.0000 has.** Chromite
4. San Manuel Mining Corp. Masapelid Island, Surigao del Norte **1,480.0000 has.** Gold
5. Surigao Integrated Resources Corp. Claver, Surigao del Norte **4,376.0000 has.** Nickel
6. NAREDICO Inc. Loreto, Dinagat Islands **1,134.0000 has.** Chromite
7. Century Peak Corp. Loreto, Dinagat Islands **1,198.0000 has.** Chromite
8. Minahang Bayan ng Mamamayan ng Dinagat Island Cooperative Loreto and San Jose, Dinagat Islands **648.0000 has.** Chromite
9. E.L. Enterprises Inc. Libjo, Dinagat Islands **729.0000 has.** Chromite
10. H and Z Mining Corp. Libjo, Dinagat Islands **810.0000 has.** Chromite
11. Minahang Bayan ng Mamamayan ng San Jose Multi-Purpose Cooperative Loreto, Dinagat Islands **486.0000 has.** Chromite
12. Minahang Bayan ng Albor Cooperative, Inc. Albor, Dinagat Islands **570.0000 has.** Chromite
13. Vista Buena Mining Corporation Libjo and Tubajon, Dinagat Islands **3,696.0000 has.** Chromite
14. Estrella F. Bautista Mainit, Surigao del Norte **486.0000** Gold
15. Deotrepis M. Bautista Alegria, Surigao del Norte **405.0000 has.** Gold
16. Pacific Nickel Phils., Inc. Cagdianao, Surigao Del Norte **25,000.0000 has.** Nickel
17. East Coast Mineral Resources Co. Inc. Cagdianao (Dinagat Island), Surigao Del Norte 697.0481 has. Chromite and nickel
18. Jose L. Cortes, Jr. Quezon and Mapawa, Surigao City **668.6074 has.** Limestone
19. Inocencio R. Cortes Trinidad, Surigao City **427.0455 has.** Silica
20. Claver Mineral Devt. Corp. Claver, Surigao del Norte **433.9798 has.** Nickel
21. Philex Mining Corporation Surigao City and Sison and Placer, Surigao Del Norte **2,306.0000 has.** Copper and gold
22. Silangan Mindanao Mining Co., Inc. Mainit and Placer, Surigao Del Norte **2,879.7000 has.** Copper and gold
23. Merrill Crowe Corporation Alegria, Mainit, Tubod and Bacuag, Surigao Del Norte **3,288.7676 has.** Gold, copper and silver
24. East Coast Mineral resources Co., Inc. Loreto, Dinagat Islands **248.9960 has.** Chromite, nickel and other associated mineral deposits
25. East Coast Mineral resources Co., Inc. Libjo, Dinagat Islands **4,226.2744 has.** Chromite, nickel and other associated mineral deposits
26. Norweah Metals and Minerals Company, Inc. Loreto, Dinagat Islands **1,225.19 has.** Chromite, nickel and other associated mineral deposits
27. Norweah Metals and Minerals Company, Inc. Cagdianao, Dinagat Islands **226.02 has.** Chromite, nickel and other associated mineral deposits
28. Norweah Metals and Minerals Company, Inc. Tubajon, Libjo and Cagdianao, Dinagat Islands **2,314.20 has.** Chromite, nickel and other associated mineral deposits
29. Hinatuan Mining Corporation SMR Tagana-an, Surigao del Norte **773.77 has.** Nickel and other associated mineral deposits
30. Manila Mining Corp. Placer, Surigao del Norte **211.50 has.** Gold, silver, copper and other associated mineral deposits
31. Oriental Synergy Mining Corp. Claver, Surigao del Norte **1,012.02 has.** Nickel, copper and other associated mineral deposits

Surigao del Sur 18,433.22 has.

1. Carac-an Development Corp. Carrascal and Cantilan, Surigao del Sur **4,860.0000 has.** Copper and gold
2. Marcventures Mining and Development Corporation Cantilan, Surigao del Sur **4,799.0000 has.** Gold and copper
3. Surigao Integrated Resources Corp. Carrascal, Surigao del Sur **3,564.0000 has.** Chromite
4. Consolidated Ores Inc. Aurora, Surigao del Sur **1,953.0000 has.** Limestone
5. Surigao Integrated Resources Corp. 158-00-XIII Carrascal, Surigao Del Sur **321.4000 has.** Nickel and chromite
6. Heirs of Emeterio L. Collado Borobo, Surigao Del Sur **449.4900 has.** Gold
7. C.T.P. Construction and Mining Corporation Carrascal, Surigao del Norte **4,547.76 has.** Nickel and other associated mineral deposits
8. Ludgoron Mining Corporation Pantukan, Carrascal, Surigao del Sur **3,248.06 has.** Nickel, cobalt and other associated mineral deposits

Agusan del Norte 7,423.307 has.

1. Basiana Mining Exploration Corp. Santiago, Agusan del Norte **1,602.5295 has.** Copper and gold
2. Minimax Mineral Expl. Corp. Jabonga, Santiago and Tubay, Agusan Del Norte **4,995.0000 has.** Copper and gold
3. Concordia R. Llave Jabonga and Santiago, Agusan Del Norte. **253.1375 has.** Gold and copper
4. SR Metals, Inc. Tubay, Agusan del Norte **572.6400 has.** Nickel, cobalt, iron and other associated mineral deposits

Agusan del Sur

1. Philsaga Mining Corporation Bunawan and Rosario, Agusan del Sur **2,538.7919 has.** Gold and other associated mineral deposits

It is in partnership with Sumitomo Metal Mining Company, Japan's largest nickel producer, to build a \$1.3 billion nickel processing plant in the municipality of Claver, Surigao del Norte. It started construction in March 2010 and its operations will begin in August 2013.

As of June 30, 2008 there are 12 Existing Exploration Permits covering 12,388.4498 hectares in Caraga. 8 of these are in Surigao del Norte, 2 in Agusan del Norte and 1 in Surigao del Sur. Most of these explorations are for gold, copper and nickel.

According to the Caraga MGB report during the 5th Caraga Mining Summit in April 23-24, 2009, as of March 2009, there are 124 applications for exploration permits and 5 applications for Financial and Technical Assistance Agreements (FTAA). Surigao del Sur has the largest number of exploration permit applications in Caraga, with 35. Next are Agusan del Sur, with 27; Surigao del Norte, with 22; Dinagat Islands, with 21; and Agusan del Norte, with 13.

Surigao del Sur also has the largest number of applications for production-sharing agreements (APSAs) in the region, with 19; followed by Agusan del Norte, with 18; Agusan del Sur, with 17; Surigao del Norte, with 12; and Dinagat Islands, with five.

Foreign Mining Companies In Caraga

ANGLO-AMERICAN is one of the world's most diversified mining companies. It was in a joint venture with local firm Philex Mining Corp. in the Boyongan Copper Project at the boundaries of Surigao del Norte and Agusan del Norte.

Anglo-American also has a joint venture project with Manila Mining Corp. for the Bayugo Gold-Copper Project - the Kalayaan Project, in Surigao del Norte. Likewise, it has 12 pending applications for exploration permits, seven in the Surigao and Agusan Norte areas.

Anglo American has been accused in August 2007 by a British Charity War on Want of *"...profiting from the abuse of people in the developing countries in which the company operates."*

MGB - Caraga List Of Existing Exploration Permits (EPs)

As Of June 30, 2008

Total 43: 28%

Total Hectares: 12,388.4498 hectares

1. Manila Mining Corporation EP-XIII-014A Tubod, Bacuag, Placer, Mainit and Sison, Surigao del Norte **2,176.2810 has.** Copper, gold & other associated minerals
2. Minimax Mineral Exploration Corp. EP-XIII-018 Malimono and Mainit, Surigao del Norte **168.67 has.** Gold and other associated minerals
3. Estrella F. Bautista EP-XIII-021 Santiago & Tubay, Agusan Del Norte **84.3900 has.** Gold, copper
4. Ninety Niners Development Corp. EP-XIII-OMR-04-2006 (OEP-2006-001) Offshore area of Malimono, Surigao del Norte **358.6800 has.** Gold, etc.
5. MRL Gold Phils., Inc. EP-XIII-022 Malimono, Surigao del Norte **508.1200 has.** Gold, copper
6. Minimax Mineral Exploration Corp. EP-XIII-016 Malimono & Mainit, Surigao del Norte **1,939.5737 has.** Gold, etc.
7. Oriental Synergy Mining Corp. EP-03-2007-XIII (SMR) Claver, Surigao del Norte **74.4885 has.** Nickel, chromite
8. Century Peak Corporation EP-SMR-010-XIII Loreto and Libjo, Dinagat Islands (within Parcel III Surigao Mineral Reservation) **3,188.2566 has.** Nickel, copper, etc.
9. Kalayaan Copper-Gold Resources, Inc. EP-XIII-014B Tubod and Placer, Surigao del Norte **286.63 has.** Gold, etc.
10. SEMCO Exploration & Mining Corp. EP-XIII-024 Cabadbaran, Agusan del Norte **422.04 has.** Gold, etc.
11. SEMCO Exploration & Mining Corp. EP-XIII-025 Cabadbaran, Agusan del Norte **1,620.00 has.** Gold, etc.
12. Oceanagold (Phils.) Res. Corp. EP-XIII-023 Prosperidad & Bayugan, Surigao del Sur **1,920.0000 has.** Gold, etc.

According to the charity, "...in the Philippines and South Africa, local communities threatened with Anglo American mines have faced severe repression in their fight to stay on their land, while in Ghana and Mali, local communities see little of the huge profits being made by AngloGold Ashanti but suffer from fear and intimidation and from the damaging impact of its mines on their environment, health and livelihoods."

BHP BILLITON is the largest mining TNC worldwide and one of the biggest buyers of nickel in the Philippines. It has a purchasing agreement with Platinum Group Metals Corp. (PGMC), which operates two nickel mines in Surigao Norte and Isabela. It collaborated with QNI Philippines in 2002, which made a joint venture agreement with Asiaticus Management Corporation (Amcors) over the Pujada mining project in Davao Oriental.

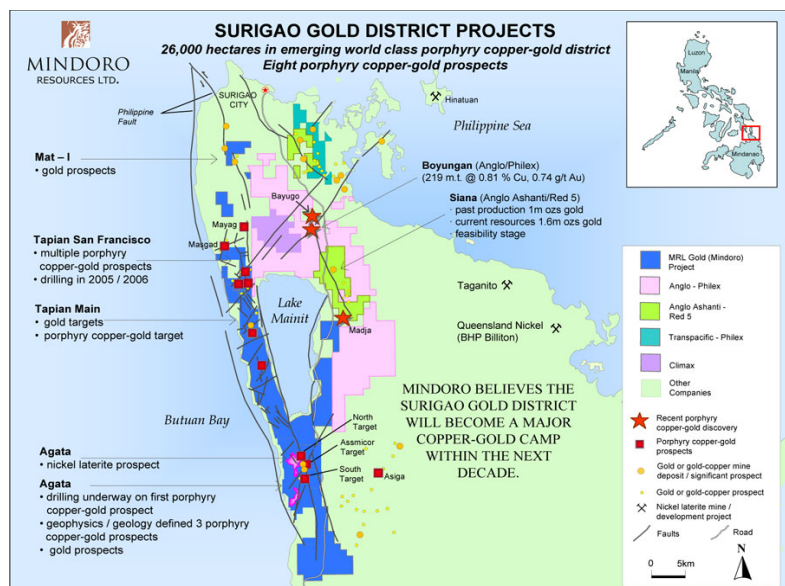
RED 5 LIMITED has a 90% beneficial interest in the Siana Gold Project. The project covers an area of approximately 33 square kilometers focused around the Siana Gold Mine in the established gold mining region of Surigao del Norte. It has over 1,700 shareholders including AngloGold Ashanti Australia Limited with 10% share.

MEDUSA MINING LIMITED is an Australian mining company that "focuses mainly on the Philippines." It owns the Mindanao Mineral Processing and Refining Corporation (MMPRC) which is in charge of the Bananghilig and Co-O mines in the Barobo Gold Corridor in Barobo, Surigao del Sur. MMPRC is involved in small scale mining and organizing mining cooperatives. It also operates the Das-agan Project in the Lingig Copper Discovery.

Its subsidiary, Philsaga Mining Corporation (Philsaga) operates the Tambis Project, comprising the Bananghilig and Kamarangan prospects with Philex Gold Philippines Inc. with an MPSA covering 6,262 hectares of land in Barobo, Surigao del Sur.

It has Joint Venture Agreements (JVA) with MRL Philippines to mine areas in the Surigao Agusan del Norte areas and Bunawan Mining Corporation in Agusan del Sur along with a memorandum of agreement with Abacus Consolidated Resources and Holdings Inc. for exploration of 8,100 hectares in Agusan del Sur.

MINDORO RESOURCES LTD. is a Canadian company that organizes small-scale mining cooperatives. Its Philippine subsidiary is MRL Gold Philippines Inc. manages the Agata and Tapian San Francisco Mining Projects which covers 7 areas for copper, nickel and gold mining. The Agata and Tapian San Francisco Projects are



situated in the Surigao Gold District in Surigao del Norte.

The mining areas of Red 5 Limited and Mindoro Resources Ltd. surrounds Lake Mainit, the Philippine's 4th largest lake.

SEMCO EXPLORATION AND MINING CO. is British-owned. It has exploration permits for copper and gold in close to 2,000 hectares in Cabadbaran and Tubay, Agusan del Norte along with an exploration permit for its Pakuan Property of over 10,000 hectares at Pakuan, Cantilan, Surigao Sur.

CENTURY PEAK METALS HOLDINGS CORPORATION owns Century Peak Corp. (CPC), the nickel mining company operating in Loreto, Dinagat Islands and Century Hua Guang Smelting Inc.. Century Hua Guang Smelting Inc. is a joint venture of CPMHC with the owners of Zhejiang Hua Guang, a privately-owned Chinese corporation and one of the largest nickel pig iron producers in China, to establish a blast furnace facility in the Philippines with the purpose of producing nickel pig iron.



COAL

Benguet Consolidated Holdings first explored for coal in 1985. The Surigao Coal Project was shelved however, because of the “unstable peace and order situation in the area.” In 2004 it renewed its efforts to operate the coal mines which has reached 12 coal blocks or 12,000 hectares in 2007. It is currently in the “development and production phase.”

DOE Coal Areas on Offer (PECR 2005-2009)

PECR 2005

1. Gigauit, Surigao del Norte
2. Tandag-Tago-Lianga-Bislig, Surigao del Sur

PECR 2006

3. Area 4 : Gigaquit, Surigao Del Norte, 2,000 Has.
4. Area 5 : Kitcharao, Surigao Del Norte, 1,500 Has.
5. Area 6 : Cagwait-Marihatag, Surigao Del Sur, 1,000 Has.
6. Area 7 : San Agustin-Lianga, Surigao Del Sur, 6,000 Has.
7. Area 8 : Tandag-Tago, Surigao Del Sur, 4, 000 Has.
8. Area 9 : Bunawan, Agusan Del Sur, 7,000 Has.
9. Area 10 : Trento, Agusan Del Sur, 2,000 Has.

PECR 2009

1. Area 19: Bunawan, Agusan del Sur (Parcel 1) Area = 4,000 Has.
2. Area 19: Bunawan, Agusan del Sur (Parcel 2) Area = 3,000 Has.
3. Area 20: Sibagat, Agusan del Sur Area = 6,000 Has.
4. Area 21: Trento, Agusan del Sur Area = 4,000Has.
5. Area 22: Kitcharao, Surigao del Norte Area = 3,000 Has.
6. Area 23: Gigaquit, Surigao del Norte Area = 2,000 Has.
7. Area 24: Cagwait-Marihatag, Surigao del Sur Area = 1,000 Has.
8. Area 25: San Agustin - Lianga, Surigao del Sur Area = 6,000 Has.
9. Area 26:Tandag - Tago, Surigao del Norte = 4,000 Has.

In 2005 the Department of Energy (DOE) launched its Philippine Energy Contracting Round (PECR) in 2005, 2006 and 2009. Coal Operating Contracts (COC) were signed the year after each PECR. Coal blocks in the Andap Valley Complex in Surigao del Sur has been included on offer since 2005. The Complex covers the municipalities of Tandag, Tago, Cagwait, San Agustin, Marihatag and Lianga in Surigao del Sur. Offered in its PECR 2006 and 2009 are coal blocks in Bislig, Surigao del Sur; Gigaguit and Kitcharao in Surigao del Norte and Bunawan, Trento, Sibagat in Agusan del Sur.

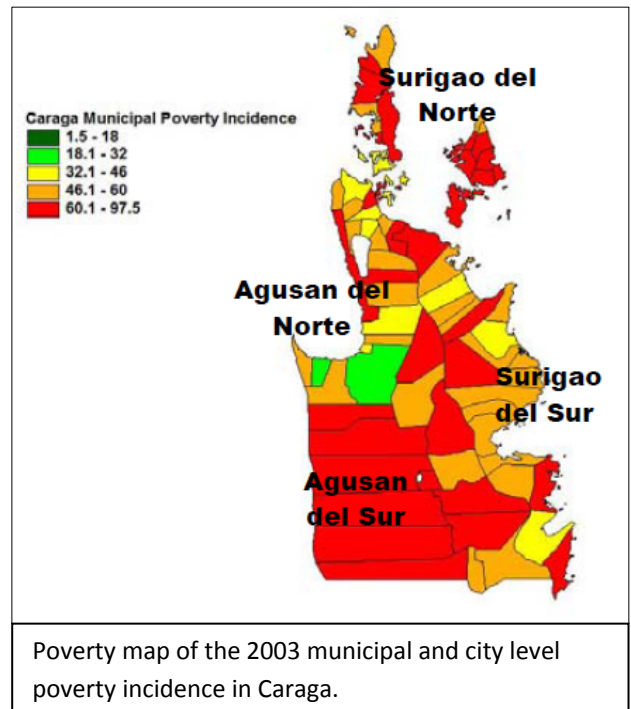
DOE 6 Coal Operating Contracts (COC) as of 2009

1. Philippine National Oil Company – Exploration Corporation (PNOC-EC): Tago: Exploration
2. Benguet Corporation: Lianga, Marihatag & San Miguel, Surigao del Sur: Development and Production
3. Great Wall Mining & Power Corp. (*former COC of CAREMINER): San Miguel, Tandag, Surigao del Sur: Exploration
4. Lodestar Consolidated Holdings, Inc. (Bought from Abacus Consolidated Resources & Holdings Inc.: Tandag, Surigao del Sur: Exploration
5. Oriental Energy and Power Corp.
6. ASK Mining and Exploration Corp.
7. Bislig Ventures and Development Corp. (M.G. Mining and Energy Corporation), Bislig, Surigao del Sur: Exploration (2 COCs)

Around 70,000 hectares of land has been contracted for coal mining as of September this year.

WHO BENEFITS?

PGMA claims that the push for mining investments is to create jobs and alleviate the economic condition of Filipinos especially the residents of communities in and surrounding the mining concessions. Mining recorded its highest employment level in 1989 with 168,000 or .77%. After the Mining Act was passed in 1995 107,000 were reported employed by the mining and quarrying sector. It increased to 130,000 in 1997 and decreased to 100,000 in 1998 after the question of the constitutionality of the Mining Act was forwarded to the Supreme Court. In 2005, after the Supreme Court overturned its own decision and upheld the constitutionality of the Mining Act, the mining industry employed an estimated 118,000 or .4% of total labor force. In 2008 it accounts for .5% of total labor force. These figures however account for employment in both large and small scale mining and quarrying and so over-estimates the number of jobs generated by large scale mining companies. It is estimated that only 10,000-15,000 persons are employed by large scale mining companies.



Majority of residents in these municipalities and provinces remain poor.

In 2006, Caraga ranks second, next only to ARMM among the poorest regions in the country. Poverty Incidence was 45.5%. Surigao del Norte where mining is most rampant, is the 4th poorest province in the country, Agusan del Sur the 9th and Surigao del Sur the 35th poorest. Cagdianao in Claver, Surigao del Norte where the Nickel Asia Corporation operates its Cagdianao Mines is among the poorest municipalities in 2003 with a poverty incidence of 74.5%.

In spite of the mining onslaught, the number of mining companies and mining operations, Caraga region remains basically agricultural. Mining did not bring in the jobs, with majority of mining operations using the open pit method that do not require a large labor force. In fact, the destruction brought by mining, especially siltation and pollution has decreased the livelihood of farmers and fisherfolks in communities surrounding the mining areas.

Mining Companies Rake In The Profits

Meanwhile mining companies rake in the profits. To name a few, Lepanto Mining reported a 92% increase in sales from its subsidiaries which include Manila Mining Corporation. Oceanagold reported revenue that doubled to \$217.2 million or 49% in 2008. Philex Mining reported revenues of P2.2 billion for the second quarter of 2009. Medusa Mining, owner of Philsaga reported a revenue of \$57,252,098 in June 2009.

With all these earnings, mining companies are virtually milking cows for politicians, donating large amounts of money to campaign kitties during elections. Same goes for officials of the DENR, PENRO, CENRO, the police, even the military deployed within the mining concessions. No substantial amount has been given for social services. Roads are being constructed with the taxes they pay to the national and local governments but these roads really serve the mining companies' trucks and equipments first rather than the people in the area. A large chunk of the budget for the building of these roads and bridges also go to the pockets of the National Government and Department of Public Works and Highways (DPWH) officials as "grease money".

CASUALTIES OF MINING: *Lumad and Peasant Communities*

Not content with the permission to rape the ancestral lands through the Mining Act of 1995, provisions in the IPRA ensured that the rights of the extractive industries supersedes that of the lumad people. The "Free Prior and Informed Consent" needed for mining companies to operate within ancestral lands can be secured through deceit, cooptation and brute force.

The Gloria Macapagal-Arroyo regime has unleashed the Armed Forces of the Philippines in areas where there is most potential for mining investments and where opposition against such encroachment is strong. It created the National Internal Security Plan (NISP), a counter-insurgency program, with the implementation of the Oplan Bantay Laya 1 and 2 in hinterland communities supposedly to "cleanse the area of insurgents."

In reality however, OBL does more than that; it aims to remove resistance to resource extraction, especially mining. It has given special attention to removing opposition of the lumad people by creating and implementing the NISP-Indigenous People to suppress the lumad people's fight to preserve their ancestral lands.

It targeted Caraga region as one of the priority areas when it first implemented OBL 1 in 2003 and in the present OBL 2 which started in 2007.

There are 6 battalions deployed and scattered all over the Caraga region: 36th, 58th, 23rd, 26th, 29th and 30th IBPA. The 30th IB PA concentrates on Surigao and Agusan del Norte; the 36th IBPA in Agusan del Sur and Surigao del Sur, the 58th IBPA in the first district of Surigao del Sur. The 29th and 23rd IBPA are deployed in the CAFGU detachments in Agusan del Sur. The 26th IB PA are deployed in San Luis, La Paz and Talacogon in Agusan del Sur.

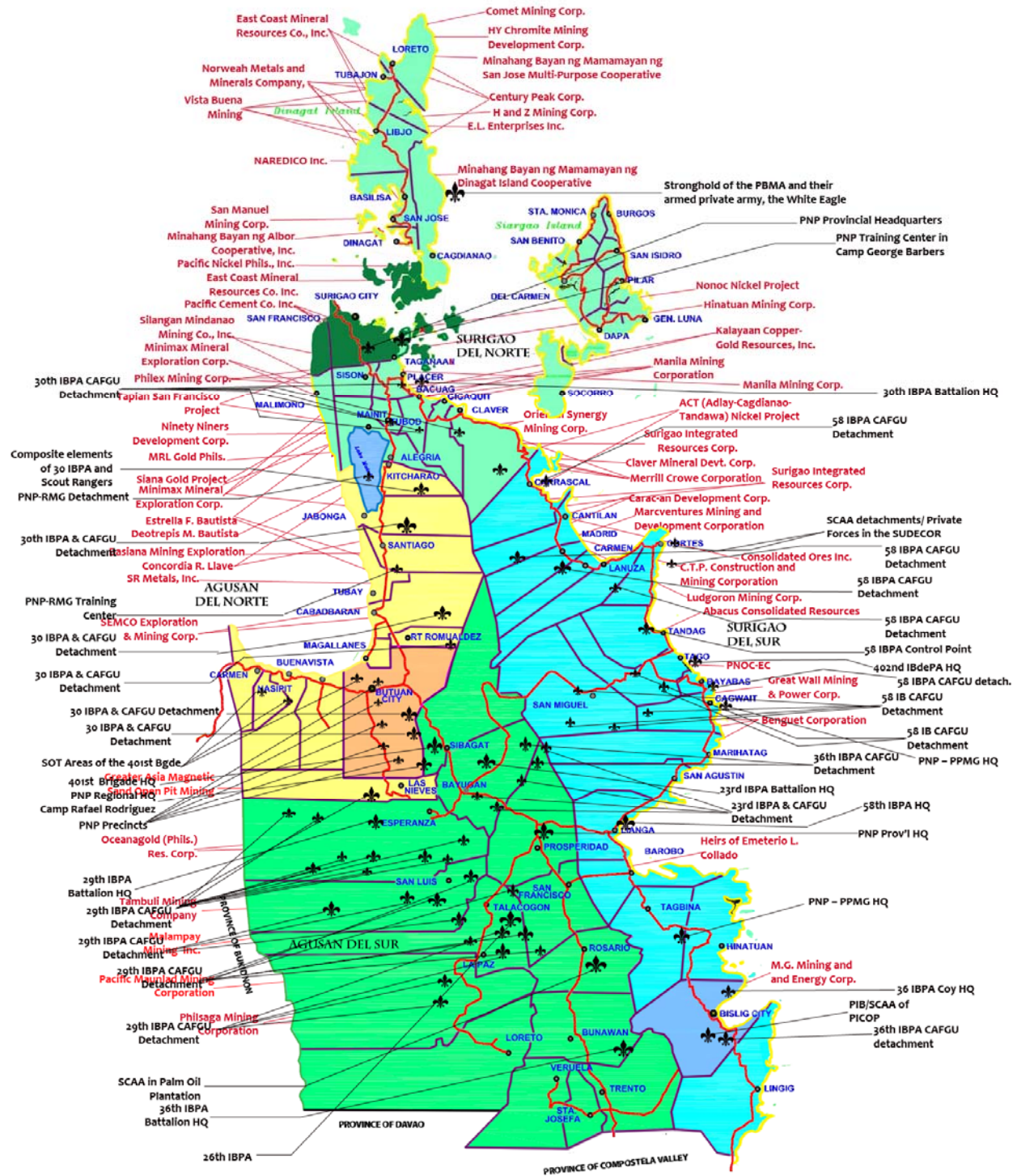
There are two infantry brigades in the region, the 401st Infantry Brigade main headquarters is located in St.Christine, Lianga, Surigao del Sur and the 402nd Infantry Brigade in New Leyte, Prosperidad, Agusan del Sur. Logging and mining companies have their own security forces (Special Citizen Auxiliary Army-SCAA), the largest number of SCAAs are of the PRI scattered in the municipalities of Tagbina, Hinatuan, Bislig ang Lingig; SCAAs of the FPPI are in Bunawan, Rosario, and Trento in Agusan del Sur while the Puyat SCAAs are in Lanuza, Carmen, Madrid and Cantilan in Surigao del Sur. There is also an increase in the number of paramilitary forces like the CAFGU, CVO, BIN, Bantay Bayan, Bantay Purok, village patrols in every barangay in what is called the Barangay Defense System (BDS).

Special attention is given to lumad communities who have been vocal with their opposition to the intrusion of mining companies into their ancestral lands. In these areas, the military has encouraged the recruitment to paramilitary armed lumad groups like the Lumadnong Pakigbisog sa Karaga (LUPAKA), Bungkatol Liberation Front (BULIF) and Wild Dogs. Because these groups have been exposed as mercenaries for the AFP, it is now recruiting the lumad to the Task Force Gantangan-Bagani Force (TFG-BF) as part of its RSOT. Community members who refuse to join the TFG-BF are branded as NPA supporters. Lumad organizations who expose the complicity between the military and the TFG-BF, who expose the real objective of organizing the TFG-BF -- that of ensuring support for mining operations -- are maligned and the leaders subjected to attacks by the military. In areas where the TFG-BF has succeeded organizing chapters, rights to mine ancestral lands are sold to mining companies with the TFG-BF becoming "tribal dealers" or negotiators-turned-private security group for the mining companies.

Added to these are the forces of the Philippine National Police (PNP) who have stations in every municipality along with numerous police outposts.

Still the Arroyo administration has failed to get its target \$650 million in mining investments because of the people's continued vigilance. So in 2008, she created the Investment Defense Force (IDF), a special unit within the AFP whose main task is to provide a "protective shield" for mining operations thereby sending a message to the

investors that the state will ensure the removal of all opposition against mining. This also warns those who oppose mining that the state will bring down its might to remove anyone who stand in the way of its goal.



Through her declaration, the Gloria Arroyo regime has identified the people's resistance and insurgency as two of the main reasons why mining investors are still hesitant to invest in the Philippines. By her actions, she has shown that not even the people's clamor and natural disasters can stop her rabid drive to sell out the country's invaluable environmental and ecological resources for profit.

I NCREASING HUMAN RIGHTS VIOLATIONS

The interests of extractive companies have always been put above that of the people living in these communities, mostly lumad and peasants. Even before the start of Oplan Bantay Laya 1 in 2003, the Arroyo administration has used military might to silence any opposition to its push for the extractive industry. But with Oplan Bantay Laya 1 and 2, the protection of big business interests has become more comprehensive and the elimination of any opposition to its operations more systematic. It has targeted communities of the lumad people who remained strong in their commitment to preserve the ancestral lands for the next generation. Because of this, the clearing of areas and guarding of operations of extraction companies resulted in massive human rights violations against the lumad people and peasants.

Anticala and Pianing, Butuan City: Alto-Sierra-Climax Mining Company

The Manobo in Anticala and Pianing, through their organization the Lumadnong Kahugpongan sa mga Mag-uuma sa Habagatang-Silangang Dapit (LUKAMASDA) are opposing the entry of Alto-Sierra-Climax Mining Company that was given by DENR-MGB the right to mine 10,000 hectares of Pianing and Anticala forestland. Aside from the 10,000 hectares, the DENR has allowed the logging of another 40,000 hectares of forestland in the area. Both are within the ancestral land of the Manobo tribe. Another 4,364.44 hectares of forestland has been declared as watershed forest reserve (Taguibo Watershed) by the DENR during Pres. Ramos's administration. The Taguibo watershed covers a total area of 4,364 hectares for protection and conservation under the public domain of the City of Butuan.

In June 2001, just a few months after Gloria Arroyo's assumption of office as president after Joseph Estrada's ouster, about 500 Manobo in Anticala and Pianing, Butuan City were threatened and harassed, as the 20th IB PA accused them of being NPA supporters. From 2004 up to the present, members of the peasant organization UMAN, Bayan Muna, Anakpawis, Gabriela, Anak ng Bayan and Migrante subjected to surveillance and monitoring by the 23rd, 30th and 58th IB PA during the military operations in this area.

On August 25, 2006, two cases of frustrated killing perpetrated by the 30th IB PA during the conduct of SOT were documented against Lynde Racho and Jelmar Concon. Lynde was then a regular fourth year high school student of the Anticala National High School. His father, Rudy Racho, was an active member of the Unyon sa mga Mag-uuma sa Agusan del Norte (UMAN; Union of Farmers in Agusan del Norte). Jelmar was a resident of lower

Anticala who was visiting his grandmother; he later died due to complications from his injuries. They were accused of being NPA members.

Butuan City

On November 3, 2008, Antonio Udarbe of Lekda, Buenavista, Agusan del Sur was summarily executed by members of the Bungkatol Liberation Front (BULIF) led by Datu Ronald Manhumosay. Sitio Lekda is one of the targeted sites for the expansion of the Oil Palm Plantation in Agusan del Norte.

On April 6, 2009, Francisco “Francing” H. Emnace, former council member of Unyon sa mga Mag-uuma sa Agusan del Norte (UMAN)—KMP and member of the council of Farmer’s Association of Western Butuan City (FAWBC) was summarily executed by members of the BULIF and 30th IB PA. The killing was meant to oppose expansion of oil palm and other plantations.

Cabadbaran, Agusan del Norte: SEMCO Exploration and Mining Company

On December 2003, military men believed to be from the 20th IB PA massacred 6 individuals in Barangay Calamba, Cabadbaran, and San Antonio, RTR in Agusan del Norte. Another 13 individuals were threatened and harassed, their properties destroyed or seized. This occurred amidst the community’s active protest against the establishment of a CAFGU detachment in their area.

In February 27, 2004 residents of Purok 4, Palidan, Barangay Mahaba, Cabadbaran, Agusan del Norte were harassed by military men during military operations.

Illegal mining activities are ongoing in San Antonio, RTR, Agusan del Norte. The road constructed towards the Butuan City side is alleged to be used as service road for the mining activities.

Las Nieves, Agusan del Norte

In October 18, 2006, 59 families with 327 individuals of Sitio Bukbukon, Sitio Carbon, Sitio Anas and Sitio Ohot, Brgy. Lawan- Lawan, Las Nieves, Agusan del Norte were forced to evacuate because of military operations of the 23rd IBPA upon the command of Datu Ronald Manhumosay. KNM is a lumad organization which led the mass “surrender” of its members from the Higaonon tribe after successive anti-insurgency campaigns and military operations in 1986 – 1994. The surrender was brokered by Datu Ronald Manhumosay and other lumad aristocrats.

In January 21, 2007, Somo Singga, a Higaonon leader, was summarily executed in Lawan-lawan, Las Nieves, Agusan del Norte. Perpetrators were members of the Bungkatol Liberation Front (BULIF) a paramilitary group formed by the Kahugpungan sa Nagkahiusang Minorya (KNM), recognized by the NCIP and TRICOM, as a tribal organization. Datu Ronald Manhumosay is the president of the (KNM). This group had been operating from CADC 18 to Km.30 onwards.

Esperanza; Bayugan and Prosperidad, Agusan del Sur: Oceanagold Phils., Shannalyne, Teclan and Goldenbell Hills Mining Companies

The mountain areas of Esperanza; Bayugan and Prosperidad have always been militarized because of its rich forest resources. One of the big foreign logging company in operation is Shannalyne Inc. whose takeover of the PICOP logging concession in 2001 was backed by then DENR Sec. Heherson Alvarez, earning the ire of then Cong. Prospero Pichay. Alvarez was taken out of the DENR a few months after. The discovery of gold within the mountains of Esperanza, Bayugan and Prosperidad makes it more of a target for “clearing operations” of the military.

In 2003, about 70 families from 4 Higaonon communities in Sinakungan, Esperanza, Agusan del Sur were victims of reconcentration. Community members were forced to evacuate when elements of the 36th IB PA and the Scout Rangers of the 402nd IBPA summarily executed a community member, harassed, assaulted and injured 6 more and used them as guides during the military operation.

On June 24, 2004 the residents of Hugmakan and Laboo communities in San Juan, Bayugan, Agusan del Sur were harassed by elements of the 29th IB PA. Community members were used as guides during the military operations, forced to build a military detachment and made to surrender as NPAs while some civilians were recruited into becoming CAFGUs and LUPACA members.

On March 15, 2006, Felix L. Barinque, an active member of the Nagkahiusang Mag-uuma sa Agusan del Sur (NAMASUR) – KMP, was summarily executed in Barangay Berseba, Bayugan, Agusan del Sur by men believed to be from the 29th IB PA.

On March 23, 2007 five teenagers were illegally arrested and detained by the 29th IB PA during their hot pursuit operations in Canhumay, Brgy Laperian, Prosperidad, Agusan del Sur. Two of the detained were minors.

April 30, 2009, in Manuampong, Brgy. Balobo, Esperanza, five minors were victims of strafing, indiscriminate firing and bombings during the military operations of the composite 26th, 30th IB PA, the 23rd Cadre Battalion, SCAA/CAA, MIB and BULIF. On that same day about 1,971 people evacuated from their communities because of food blockade, divestment and destruction of properties, coercion, threat and harassments. Perpetrators were the 26th, 30th IBPA, 23rd Cadre Battalion, SCAA/CAA, MIB, 402nd Infantry Brigade and the paramilitary BULIF and Wild Dogs.

On May 3, 2009, Orong Namasulay, a Higaonon, became a victim of frustrated extra-judicial killing by elements of the 26th IB PA in Agsabo, Esperanza. He was accused of being an NPA member.

On September 2, 2009 Datu Mampaagi Belayong became a victim of extra-judicial killing. He was a highly respected leader of the Higaonon community in Brgy. Kinamaybay,

Esperanza and the founding chairperson of Linundigan, a progressive and militant organization of Higaonons in Esperanza, Agusan del Sur and Las Nieves, Agusan del Norte. He was killed by Datu Manlapangan Bato and his companion who were members of the Task Force Gantangan-Bagani Force led by Vic Makaundag, Mama Magulang Bot-anon, and Commander Bawang of the Bungkatol Liberation Front (BULIF).

La Paz; San Luis, Agusan del Sur: Agusan Marsh

Mountain areas in San Luis are logging areas. The Casilayan Softwood Development Corporation and Provident Tree Farms Inc. (PTFI) own large logging concessions within its forestland. Tambuli Mining Company Inc. and Malampay Mining Inc. are known to have secured the rights to 15,000 hectares each for mineral exploration and production in these municipalities. Operating in La Paz are RMI and Agusan Palm Oil Inc. The Pacific Maunlad Mining Corporation also has mining rights for more than 8,000 hectares of land.

The first spate of extrajudicial killings documented in the Caraga region under OBL 1 was in the Banwaon communities of San Luis, Agusan del Sur in November 2005. The cases were against the local Banwaon organization Tagdumahan, the Religious of the Good Shepherd – Tribal Filipino Mission (RGS-TFM) Program, their staff and supporters. There were 11 cases of killings and frustrated killings documented along with several dislocations because of military operations and abuse by the CAFGU which has become the private army of Mario Napongahan, CADC claimant in San Luis.

Rosario and Bunawan, Agusan del Sur: Philsaga, Philex Mining

In April 5, 2006 Florencio Cervantes was summarily executed by men believed to be from the 36th IB PA in Sta. Cruz, Rosario, Agusan del Sur. Florencio was a barangay councilor, an active Bayan Muna supporter in the 2004 election and active supporter of NAMASUR. He was also a lay minister of the Our Lady of the Holy Rosary Parish.

In March 2007 Cepriano Ligaspo, was summarily executed in the course of the RSOT operations of the 36th IBPA. In Rock Island, Bunawan, Agusan del Sur, where he resided, residents were hamletted and forcibly recruited to the paramilitary group Alsa Masa.

In Rosario, Agusan Del Sur, during the same RSOT operations, Alejandro Gabica, a member of NAMASUR, was illegally arrested and detained with his two daughters, one of whom was his 12 year old child.

On May 6, 2007, Jorge Dinolan, an active member of NAMASUR – KMP was summarily executed in Loreto, Agusan del Sur.

Tagbina; Hinatuan; Bislig; Lingig, Surigao del Sur: PICOP, Bislig Ventures Construction and Development, Inc. (BVCDI)/ M.G. Mining and Energy Corporation, ASK Mining and Exploration Corp.

Located in the forested areas of Tagbina, Hinatuan and Bislig in Surigao del Sur is the concession area of PICOP Resources Inc. covering 35,545 hectares of forestland.

In January 2007, massive military operations were launched by the military from different units/commands. There was heavy shelling, bombardment and hamletting of more than a hundred households in Sitio Anislagan and Greenfield, Brgy. Sta. Juana, Tagbina. 14 residents of Hinagdanan, Tagbina were forced to surrender as NPA members and 7 residents from Bislig, Tagbina, Hinatuan in Surigao del Sur and Bunawan in Agusan del Sur were illegally arrested and detained at the 36th IB headquarters in Scaling, San Roque, Bislig City.

Andap Valley Complex, Surigao del Sur: Benguet Corporation, Abacus/Lodestar Consolidated

Even during the late 80's the Andap Valley Complex which spans the municipalities of Tandag, Tago, Cagwait, Marihatag, San Agustin and Lianga in Surigao del Sur have been subject of interests for gold, chromite, copper and coal mining. Among the many companies operating and about to operate in the mountain areas of the 7 municipalities are Benguet Corporation, SEMIRARA Coal Corp, Atlas Mining Corporation, Montenegreen Mining Corporation, PNOC-EC and Sabina Mining Corporation. Strongest opposition to mining operations in this area is posed by the lumad organization MAPASU with its 22 member communities. In Benguet Corporation's 1985 Report, it cited "peace and order" as one of the reasons for the temporary termination of its coal operations.

In 2002, massive military operations were launched in communities in and around the Andap Valley Complex. In October 3, 2002 five leaders of the MAPASU were harassed, threatened to be killed, physically assaulted and subjected to interrogation and maltreatment by the 62nd IB PA then led by Col. Alexander Yano, who were then launching a military operation.

In June of 2005, the Department of Energy (DOE) offered 7,000 hectares of land within the Andap Valley Complex for coal mining. Five months later, in May 2005, 204 families with 1,234 individuals from 14 communities were forced to evacuate because of the massive human rights violations committed by the composite teams of the 58th IB PA, 36th, SRPA and DRC. A community member, Jessie Bacasmas was shot by the military in evacuation while there were 6 victims of enforced disappearances. Four remain missing to date.

Among the documented cases were indiscriminate firing that victimized 95 individuals in 5 communities; aerial bombardment, physical assault, illegal arrests and the use of civilians as guides and shields in operations. The lumad community schools were not spared as military men used the schools as camps.

In February 17, 2006 Melanio Evangelista of the Kapunungan sa mga Mag-uuma sa Surigao Sur (KAMASS) was summary executed in his home in Unidad, Cagwait, Surigao del Sur.

Again in November 2007, 391 families or 2,175 individuals from 14 lumad communities within and surrounding the Andap Valley Complex evacuated when 2 armoured personnel carriers (APC) and 2 6x6 trucks full of military men arrived and encamped in the communities. They also positioned a cannon right in the middle of the school grounds, prompting the evacuation.

Some of the cases of human rights violations documented were unjustified arrest, illegal search and seizure, use of civilians as guides and/or shield in military operations, hamletting and food blockades. Military men entered and surrounded lumad community schools and a lumad highschool, making the students too afraid and disturbed to attend classes.

After 14 days of languishing in temporary shelters and abandoned huts in Brgy. Caras-an, Tago, about 20 lumad families from Sitio Lagangan decided to return to their communities on December 8, only to flee their homes again, after six days of repeated interrogation and intimidation from elements of the AFP's 58th IB PA. The military was brokering the signing of a Memorandum of Agreement between local leaders and the Philippine National Oil Company (PNOC) for the latter to resume their mining operations in the area. The project was initiated in coordination with the National Commission of Indigenous Peoples (NCIP)-Caraga.

On May 22, 2008 twenty families with about 100 individuals, including about 35 children with ages between 2 months to 17 years old, from Sitio Lagangan, Brgy. Caras-an, Tago, Surigao del Sur evacuated because of military build-up and human rights violations. They were followed by the evacuation of 47 families from the lumad communities in Km. 15, Manluy-a and Panokmoan in Brgy. Diatagon, Lianga, Surigao del Sur on June 7 – 13, 2008.

Recently more than 1,700 individuals from 15 communities in Lianga and San Agustin, Surigao del Sur evacuated to the Diocesan Pastoral Center in Tandag on July 18 because of military encampment in their communities and forced recruitment to the Task Force Gantangan-Bagani Force (TFG-BF). They returned last August 30 after the military pull-out from their communities. At present, residents from Lagdik, Lianga have again evacuated because of the return of the military and continued recruitment to the TFG-BF.

San Miguel; Tandag, Surigao del Sur: Benguet and Atlas Mining

The mountain areas of Tandag connects to San Miguel and Tago, Surigao del Sur. These areas are part of the Andap Valley Complex on one side while the other side connects to the concession area of the SUDECOR, a logging company owned by the Puyat family.

The hinterland farming and lumad communities in Tandag has been subjected to massive military operations and vilification campaigns against its organization KAMASS. In June 28, 2005, Jerry Barrios, a CAFGU for 13 years, was accused of being an NPA supporter and was illegally detained by the 58th IB PA in their headquarters .

On the same day, a 15 year old resident of San Isidro, Tandag was sexually abused and harassed by two elements of the 58th IB PA who were on RSOT operations. Cases of illegal search and seizure, torture and harassment were documented in 2005.

In August 20, 2005, Hermelino Marqueza was summarily executed in Maitum, Tandag, Surigao del Sur. He was an active member of the Kahugpong sa mga Mag-uuma sa Surigao del Sur – Kilusang Magbubukid ng Pilipinas (KAMASS – KMP).

In April 2, 2007, Dandan Quillano, 12 years old, and his mother were killed after members of the 58th IB PA strafed at them along with 9 others in Carromata, San Miguel, Surigao del Sur. Col. Jose Vizcarra, Commanding Officer of the 401st IB said that the victims were members of the NPA.

Claver; Placer; Gigaquit in Surigao del Norte: Nickel Asia Corp., Manila Mining Corp.

Gigaquit is the forested area next to Claver and Placer in Surigao del Norte, which has several operating nickel and gold mines, the biggest are the five mining operations of Nickel Asia Corporation and Manila Mining. Mamanwa leaders and residents of the hinterland communities are subjected to threats, harassments, forced recruitment for paramilitary forces and dislocations.

In July 15, 2004 Felesiano Febrero was tortured in Daywan, Gigaquit, Surigao del Norte for his alleged support of the NPA.

Surigao City

On November 20, 2006, Rudyrick Aspili, a student leader of the SCMP became a victim of extrajudicial killing. His wife worked as the secretary of a human rights lawyer in Surigao City. His father-in-law was an active labor leader of the Kilusang Mayo Uno (KMU; May 1 Movement) in the same city.

On July 5, 2007 two urban poor organizers were snatched by unidentified men believed to be from the 30th IBPA in Lower Sangay, Brgy. Anomar, Surigao City.

2008 saw the continuation of Special Operations of the AFP throughout the Caraga region. Troop deployment remained beefed up, it is base to two brigades (401st and 402nd Infantry Brigade) and six batallions (23rd, 29th, 30th, 36th, 58th and the Military Intelligence Battalion). Concentration of RSOT (Reengineered Special Operations Team) operations are in communities believed to be strongholds of the communist movement allegedly because of the presence of people's organizations and a strong and organized protest against the incursions of big mining companies. In the course of these RSOT, crimes are committed by the military men; such was the case of rape on three occasions of a 14 year old girl by an element of the 30th IBPA who was part of the RSOT in Brgy. Mabini, Surigao City on January 2008.

In April 8, 2008 Jerson Picato, a 38 year old farmer and motorcycle driver from Brgy. Bagacay, Claver, Surigao del Norte was killed by unknown assailants.

ENVIRONMENTAL DEGRADATION

The more than 186,031.6998 hectares of mountain land being mined or 13.88% has resulted to various environmental damage. Areas near mining concessions are easily flooded because of the increase in siltation. Agricultural production and fishing have decreased.

As of June 2008: Caraga
MPP: 103,643.25
EP: 12,388.4498
Coal Production and Exploration: 70,000
TOTAL: 186,031.6998
% of Total Forest land: 1,339,800: **13.88%**
% of Total Land Area: 1,884,697: **9.87%**

According to the Caraga Millenium Development Goals-2007, about 1.2 million hectares or 62 percent of the region's land area is within the watershed. These areas support irrigation systems, livelihood, transportation route for the watershed occupants and source of household and industrial water for the rural and urban areas. The presence of extractive companies has destroyed these watershed areas.

Floods

Most typhoons pass by Caraga particularly Surigao del Norte as they enter the country. With the destruction of forests, many areas in the region has become easily flooded. In February 2006, flooding resulted in the death of 13 persons. Damages to infrastructure alone reached P296 million while crop damages reached P50,689,567.00.

Most affected were areas in Surigao del Sur, Butuan City, municipalities of Esperanza and San Francisco, Agusan del Sur and Las Nieves and Jabonga in Agusan del Norte.

In January of 2007 five people died by drowning during floods. Flood victims reached to 193,347 persons or about 41,861 families. There were 255 barangays affected by the flood particularly in the provinces of Agusan del Norte, Agusan del Sur, Surigao del Sur and the cities of Surigao and Butuan.

Since January 2009 there had been eight persons killed while 68,000 persons fled their homes because of flooding in different parts of the Caraga region.

In 2009 at least 68,696 people were forced out of their homes when flashfloods hit 341 barangays in 34 towns and four cities in the region in January. 13 towns in Agusan del Sur were affected by floods, eight towns in Agusan del Norte, four in Surigao del Norte, four in Surigao del Sur and five in Province of Dinagat Islands including cities of Butuan, Surigao, Bayugan, Tandag and Bislig.

The report said floods destroyed 249 houses in Surigao del Norte, 190 in Agusan del Norte, 23 in Surigao del Sur and nine in Agusan del Sur. Reports from Agusan del Sur said some 4,725 people evacuated when the Agusan River overflowed following continuous rains. The Provincial Disaster Coordinating Council (PDCC) reported that of the 160 barangays affected by flashfloods.

Landslides

The depletion of trees has resulted to landslides. There are 186 high landslide prone areas and 234 moderate landslide susceptible sites in the region. Most of these landslide prone areas are situated in mining and logging areas or former logging and mining sites now abandoned.



Industrial Waste Contamination:

In Surigao del Norte, industrial waste and mine tailings are being dumped indiscriminately from open pits and tailings ponds of gold mining operations in the Hinatuan Passage. An open-pit chromite mine in Claver also caused heavy siltation of rivers. Because of indiscriminate dumping of mine wastes, 1,639 damage claims were filed and processed by the DENR from 1990-1994. The DENR has issued only a few minor citations against these operations; however, local grassroots action was able to suspend some mining in 2000.



In Agusan del Norte, gold mining at commercial and small scale is prevalent in Cabadbaran, Santiago, Tubay, and Jabonga. Mine tailings are dumped in rivers such as the Kalinawan River, draining into the Mindanao Sea and causing siltation of the coastal areas. Mining operations in San Roque, Kitcharao are also polluting the headwaters of the Lambug River. Ongoing mineral extraction activities are mostly small-scale operations, including 15 mining permits as well as illegal miners in the gold rush area in East Morgado, Santiago.



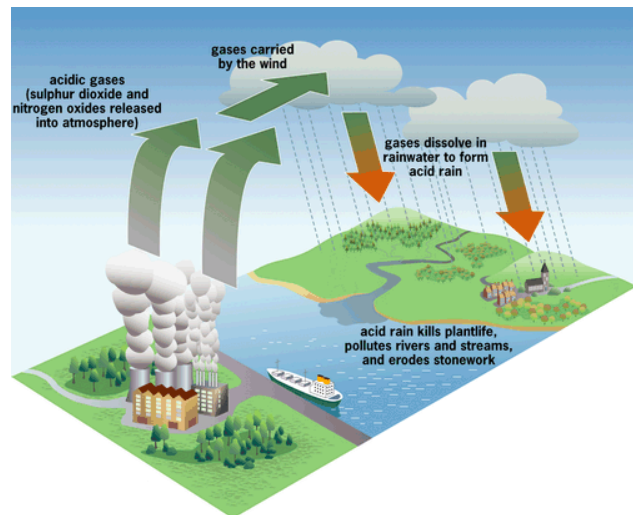
The same is happening in Barobo, Surigao del Sur. There have been reports of fish kills in rivers and lakes in Barobo and Lianga. Birth defects have been reported in Barobo communities where

cyanide and mercury are used in gold mining and processing have contaminated bodies of water and soil.

Mining at its present scale and practice has brought massive environmental and human damage. With the government's push for the entry of more mining companies and related industries, the destruction of nature will be greater and will come at a faster rate.

In 2013, the Sumitomo Nickel Smelting and Processing Plant in Claver, Surigao del Norte will be operational. As it starts its operations in the region, it will shutdown the same plant in its home country because of the environmental damage it had done.

Mineral smelting and processing plants will result in the contamination and loss of water sources and contamination of air. Industrial plants emit chemical gases which will be absorbed by the atmosphere. These chemicals can travel for thousands of kilometers and comes down in the form of rain, fog or dew. Once it reaches the ground, the acidity in the substance can harm and even destroy both natural ecosystems and cause diseases. Acid rain moves easily, affecting locations far beyond those that let out the pollution.



THE STRUGGLE CONTINUES

Inspite of the many efforts of the Arroyo administration to silence protests and intimidate the people into compliance, the people has stood their ground and are fighting and opposing the entry and abuses of the big and transnational mining companies.

There is a continuing call for the scrapping of the Mining Act of 1995 and replacing it with an alternatives that push for the responsible utilization of mineral resources and prioritize the interests of the majority of the Filipino especially the lumad people, peasants and workers.

Various environmental groups and progressive organizations have exposed abuses of mining companies and their non-compliance of environmental safeguards. Lumad organizations in Surigao del Norte have exposed the issue of non-compliance of the affected community's royalty entitlement from mining companies and actively calling for the recognition and strict implementation of this provision in the Mining Act of 1995.

LGUs in Surigao del Sur like Cantilan, Lanuza and Marihatag have resolutions banning the operation of mining companies within their municipalities inspite of the former having been issued permits for exploration and production. They cited mercury and cyanide contamination of drinking and irrigation water; soil, landslides and flooding of their

agricultural lands as reasons for these resolutions. Cantilan is one of the main rice producers of the region. Mining areas in Marihatag and Lanuza are within the watershed areas.

The 22 MAPASU communities are strongly opposing the entry of coal mining within their ancestral lands, bringing this protest to all possible venues to protect these lands from legal, large-scale and destructive mining.

CONCLUSION

The Caraga Region, rich in mineral and other natural resources, is a veritable treasure trove for the bankrupt Arroyo Regime. After selling out the Filipino people through the overseas job market, privatization of vital industries and businesses and conspiracy with foreign governments to preserve the interests of foreign big business in the country, the push for unhampered mining in Caraga has the vast potential for filling her coffers, propagating her hold on patronage politics and consolidating her position as a trusted ally of the biggest businesses in the world. Never mind that the toll on the people's lives and welfare is immeasurable. Never mind that the ecological costs are proving disastrous as the successive typhoons and weather changes prove.

As the Region is deluged with mining applications, it is becoming more evident that it is only through the people's vigilance that the environment can be protected, that ecological disaster may be prevented and that the national patrimony and ancestral domain may serve the interests of Filipino generations present and future.

Mga Tinubdan:

1. *Department of Energy, Philippine Coal Contracting Rounds*
2. *DOE: Presentation: Investment Opportunities in the Philippine Energy Sector, 2007*
3. *NEDA: Caraga Prospects, 2007*
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