

MINERAL PROCESSING PERMIT COMPLIANCE MONITORING

REGION II

TOTAL NO. OF MPP HOLDERS:										
COMPANY	MPP NO.	DATE APPROVED	EXPIRY DATE	DATE LAST AUDITED	FINDINGS			RECOMMENDATIONS	REMARKS	
					Terms and Condition of the MPP	Compliance	Remarks/Observation			
1	John Bordman Ltd. Of Iloilo, Inc.	010-015-VI	April 29, 2010	April 28 2015	June 16 - 17, 2014	A. Environmental Concerns			The operation of the company has stopped since October 2013. Since the Plant Manager was not around during the plant visit and only the Hydration Supervisor was present, we could not get a straight answer on why the operation has stopped. One reason given was that there is a zoning ordinance that the local government has crafted wherein the plant site of the company is now considered to be situated inside a residential zone such that the plant shall have to be relocated near the mine site inside the industrial zone area. Another reason given was that the ownership of the company may have changed.	
						That the Permit Holder shall assume Full responsibility and be liable for damages to and/or public property that may be occasioned by its operation under the Permit;	Complied	No damage was indicated in the MMT Reports.		
						That the Permit Holder shall effectively use the best available appropriate anti-pollution technology and facilities to protect the environment in compliance with the requirements of ECC and P.D. No. 984.	Complied	The permittee has complied with ECC requirements to put up setting ponds, silt traps and waterspays.		
						The Permit Holder shall abide by the provisions of its ECC, including statements made later in support thereof which shall be considered as internal part of this permit;	Complied	Complied with ECC conditions.		
						B. Reportorial Requirements				
						That the Permit Holder shall comply with the reporting requirements pursuant to Section 270 of DAO No. 96-40 as amended;	Partially complied	Some reports were submitted not within the prescribed period.		
						1. Monthly Report on Production Sales and Inventory of Metallic Minerals and Employment as prescribed in MGB Form No. 29-1 within fifteen (15) days after the end of each calendar month;	Partially complied	The Reports were submitted late.		
						2. Quarterly Energy Consumption Report as prescribed in MGB Form No. 29-18 within fifteen (15) days after the end of each calendar quarter, and	Partially complied	The Report was submitted late.		
						3. Intergrated Annual Report as prescribed in MGB Form No. 29-16 within two (2) months after the end of each calendar year;	Partially complied			
						That the Permit Holder shall file and keep books of accounts, reports and correspondences which shall be opened at all times for verification by the DENR Secretary/MGB Director or his/her duly authorized representative/s;	Complied	The separate books of account for the raw material deliveries and for the finished products sold are available for perusal.		
C. Payment of Taxes										
That the Permit Holder shall fully and timely pay all taxes, including excise tax, and fees due, and other fiscal obligations in accordance with existing laws, rules and regulations;	Complied	Copies of Ors and other pertinent documents are available.								
D. Employment										
That the Permit Holder shall not discriminate on the basis of gender and that the Permit Holder shall respect the right of women workers to participate in policy and decision processes affecting their rights and benefits;	Complied	Male and female were hired.								
That the Permit Holder shall give preference to goods and services produced and offered in the Philippines of comperative quality and in particular, shall give preference to Filipino construction enterprises, shall erect buildings which can be constructed by using materials and skills available in the Philippines, shal employ Filipino subcontractors for road construction and transportation and shall purchase Philippine household equipment, furniture and food;	Complied	The raw materials and skills requirements are sourced out from local sources/suppliers.								
Since the stoppage of operation, most of the employees were retrenched resulting to labor disputes. The workers filed legal actions against the company.								The company was not able to submit the Integrated Annual Report for 2013 (MGB Form 29-16). Appropriate penalties for the non-submission of the report should be meted out on the company as provided for in Sec. 271 of DAO No. 96-40 as amended.		
JBLII has submitted to the Audit team separate copies of Supply Agreements and Quarry Petmits between the company and Marciano Orquia, Reynaldo Gabito, and Charlie Gabay. However, upon scrutiny of the documents presented, we saw that the quarry permit of Mr. Orquia (QP 003-2006 B) has already expired last September 2011 and that of Mr. Gabay (QP 003-2007 B) expired last December 2012. We recommended that MGB R.O.VI checks the validity of these Quarry Permits with the Provincial Mining Regulatory Board and impose appropriate penalties/sanctions to the permittees if no renewal of permits were undertaken.										

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					That the Permit Holder shall give preference to Filipinos in all types of employment for which they are qualified and that technology shall be transferred to the same through trainings, symposia, seminars and workshops, among others;	Complied	No special trainings required.	Furthermore, it is also recommended that the MGB Regional Offices update the status of all MPP holders in their jurisdiction and submit a database listing including copies of the permits to the Mining Tenements Management Division in the Central Office.	
					That alien employment shall be limited to technologies requiring highly specialized training and experience subject to the required approval under existing laws, rules and regulations;	Complied	No aliens/foreigner workers were employed.		
					E. Efficient Processing Technology				
					That in every cases where foreign technologies are utilized and where alien executives are employed, an effective program of training understudies shall be undertaken.	Complied	No specialized foreign technology are being utilized.		
					That the Permit Holder shall utilized the best available appropriate and efficient processing technology and that for purposes of value-adding, it is encourage to pursue downstream processing.	Complied	Existing aggregate processing technology is being utilized.		
					F. Others				
					That the Permit Holder shall hold the Government free and harmless from all claims and accounts of all kinds, as well as demands and actions arising out of accidents or injuries to persons or properties caused by its operations, and indemnify the Government for any expenses or costs it incurs by reason of any such claims, accounts, demands or actions;	Complied	No accidents or injuries to persons were reported.		
					That the Permit Holder shall comply with the provisions of the Act and DAO No. 96-40, as amended, and other applicable laws, rules and regulations governing health, safety, sanitation, pollution control, zoning, labor and those pertaining to environmental protection, enhancement and rehabilitation. Violation of any of these applicables laws and	Complied	The company has complied with the requirements of the Multi-Partite Monitoring Team.		
					A. Environmental Concerns			1. Some of the documents needed by the audit team were not presented right away during the conduct of the validation. 2. The company has not fully complied with the terms and conditions on its MPP. Documents such as Agreement/Supply Contract, Monthly Report on Production, Sales and Inventory of Metallic Minerals and Environment, Quarterly Report on Energy Consumption, Annual Integrated Report, and Human Resources Department Record were not presented during the conduct of the validation. 3. The importance of the MPP audit should be taken seriously by the company through compliance with all the terms and conditions stipulated in the agreement. Submission of documents should be done on the required time and it should be accurate. 4. MGB-Regional Office No. II should impose appropriate penalties to the company. Also, they should see to it that all MPP holders in their area of responsibility should submit on time all the required documents pertaining to the said contract.	
					That the Permit Holders shall assume full responsibility and be liable for damages to and/or public property that may be occasioned by its operation under the Permit;	Partially Complied	No report/ recorder damages as of date of audit. Submitted only one (1) copy of MMT report.		
					That the Permit Holder shall effectively use the best available appropriate anti-pollution technology and facilities to protect the environment in compliance with the requirements of ECC and P.D. No. 984.	Partially Complied	No Daily Production Report was presented to the audit team. Submitted only one (1) copy of MMT report.		
					The Permit Holder shall abide by the provisions of its ECC, including statements made later in support thereof which shall be considered as internal part of this permit;	Partially Complied	No Daily/Monthly Production Reports, and Employment Records were presented to the audit team. Only EMB permits were presented. Submitted only one (1) copy of MMT report.		
					B. Reportorial Requirements				
					That the Permit Holder shall comply with the reporting requirements pursuant to Section 270 of DAO No. 96-40 as amended;	Not complied			
					1. Monthly Report on Production Sales and Inventory of Metallic Minerals and Employment as prescribed in MGB Form No. 29-1 within fifteen (15) days after the end of each calendar month;		No reports have been submitted to MGB-RO-No.II		

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2	Golden Sea Mineral and Management Corporation				2. Quarterly Energy Consumption Report as prescribed in MGB Form No. 29-18 within fifteen (15) days after the end of each calendar quarter, and	Not complied	No reports have been submitted to MGB-RO-No.II		
					3. Intergrated Annual Report as prescribed in MGB Form No. 29-16 within two (2) months after the end of each calendar year;	Not complied	No reports have been submitted to MGB-RO-No.II		
					That the Permit Holder shall file and keep books of accounts, reports and correspondences which shall be opened at all times for verification by the DENR Secretary/MGB Director or his/her duly authorized representative/s;	Partially Complied	No Daily Production and Integrated Annual Reports was presented to the audit team. Submitted only one (1) copy of MMT report.		
					C. Payment of Taxes				
					That the Permit Holder shall fully and timely pay all taxes, including excise tax, and fees due, and other fiscal obligations in accordance with existing laws, rules and regulations;	Not complied	Only copies of local taxes paid were presented during the audit		
					D. Employment				
					That the Permit Holder shall not discriminate on the basis of gender and that the Permit Holder shall respect the right of women workers to participate in policy and decision processes affecting their rights and benefits;	Not complied	GSMMC was not able to submit its employment records.		
					That the Permit Holder shall give preference to goods and services produced and offered in the Philippines of comperative quality and in particular, shall give preference to Filipino construction enterprises, shall erect buildings which can be constructed by using materials and skills available in the Philippines, shal employ Filipino subcontractors for road construction and transportation and shall purchase Philippine household equipment, furniture and food;	Partially Complied	No reports were submitted to the audit team though several Filipino employees were observed in the work site during the visit.		
					That the Permit Holder shall give preference to Filipinos in all types of employment for which they are qualified and that technology shall be transferred to the same through trainings, symposia, seminars and workshops, among others;	Not complied	GSMMC was not able to submit documents on training and seminars.		
					That alien employment shall be limited to technologies requiring highly specialized training and experience subject to the required approval under existing laws, rules regulations;	Not complied	No report of any alien employment was made during the audit		
That in every cases where foreign technologies are utilized and where alien executives are employed, an effective program of training understudies shall be undertaken.	Not complied	GSMMC was not able to submit documents on training and seminars.							
That the Permit Holder shall utilized the best available appropriate and efficient processing technology and that for purposes of value-adding, it is encourage to pursue downstream processing.	Not complied	No reports were submitted during the audit							
F. Others									

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					That the Permit Holder shall hold the Government free and harmless from all claims and accounts of all kinds, as well as demands and actions arising out of accidents or injuries to persons or properties caused by its operations, and indemnify the Government for any expenses or costs it incurs by reason of any such claims, accounts, demands or actions;	Partially Complied	No reported incident(s) within the audit period. Submitted only one (1) copy of MMT report.	