MEMORANDUM CIRCULAR
No. 19-004
JUN 13 2019

SUBJECT: Clarification on Quarry Resources Pursuant to Department Administrative Order No. 2010-21, the Consolidated Implementing Rules and Regulations of Republic Act No. 7942, the Philippine Mining Act of 1995

Pursuant to the pertinent provisions of Item (a1), Section 2 (Definition of Terms) of Republic Act (RA) No. 7942, the Philippine Mining Act of 1995, and Item (c) of Department Administrative Order (DAO) No. 2010-21, the following are hereby provided, as follows:

A. Discussion/Legal Basis:

1. **Quarry Resources** refers to:
   a. "any common rock or other mineral substances" that "do not contain metal or metallic constituents and/or other valuable minerals in economically workable quantities."
   b. "non-metallic minerals..." including "precious and semi-precious stones, and other non-metallic minerals."

2. The **Director of Mines and Geosciences Bureau (MGB)** may declare "any common rock or other mineral substances" as quarry resources provided that such "do not contain metals or metallic constituents and/or other valuable minerals in economically workable quantities."

3. Non-metallic minerals including precious and semi-precious stones shall not be classified as under the category of **Quarry Resources** if the same were "later be discovered" and declared by MGB Director to be of "economically workable quantities."

4. **Quarry** is an area that is dug out from a piece of land or the side of a mountain in order to get stone or minerals.

5. **Quarrying** means the process of extracting, removing and disposing quarry resources found on or underneath the surface of public or private land.

6. The declaration by the MGB Director of the "economically workable quantities" of minerals is at the instance when the MGB approves the Declaration of Mining Project Feasibility (DMPF) as provided under **Section 24 of RA No. 7942 and**

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7. **Section 24 of RA No. 7942**

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Section 30 of DAO No. 2010-21, which is filed after the mineral discovery or exploration under the Mineral Agreement (MA) or a Financial or Technical Assistance Agreement (FTAA).

7. Areas covered by FTAA applications are opened for quarry resources mining applications upon written consent of the FTAA applicant and verification by the MGB Regional Office concerned.

8. Sand and gravel permit applications shall not require consent from the FTAA, Exploration Permit (EP) or MA applicant, except for MA or EP applications covering sand, gravel and/or alluvial gold.

In view of the foregoing, the following clarifications are provided:

1. Any common rock or other mineral substances or any non-metallic minerals, including precious and semi-precious stones may be categorized as Quarry Resources, provided that these resources are not covered or by an approved DMPF under an Exploration Permit, an MA or an FTAA.

Thus, without the DMPF, these common rock or other mineral substances or any non-metallic minerals, including precious and semi-precious stones are categorized as Quarry Resources and may be covered by mining applications provided under Chapter VIII (Quarry Operations) of DAO No. 2010-21. These are mining applications for:

a. Quarry Permit – issued to any Qualified Person by the Provincial Governor/City Mayor through the Provincial/City Mining Regulatory Board for the extraction, removal and disposition of quarry resources covering an area of not more than five (5) hectares, and a production rate of not more than fifty thousand (50,000) tons annually and/or whose project cost is not more than Ten Million Pesos (PPh10,000,000.00), for a term of five (5) years from the date of issuance thereof, renewable for like period but not to exceed a total term of twenty-five (25) years.

b. Sand and Gravel Permits, as follows:
   i. Commercial Sand and Gravel Permit
   ii. Industrial Sand and Gravel Permit
   iii. Exclusive Sand and Gravel Permit

c. Gratuitous Permits, as follows:
   i. Government Gratuitous Permit
   ii. Private Gratuitous Permit
2. Large-scale quarry mining operations may be applied for EP or MA applications subject to Section 69 of DAO No. 2010-21.

3. Mining applications covering quarry resources under Chapter VIII of DAO No. 2010-21 or mining applications for large-scale quarry operations may be filed subject to Section 15 and Section 4 in re: Areas Closed to Mining Applications of DAO No. 2010-21 and DAO No. 2012-07, respectively.

4. Mining applications for Quarry Resources shall be allowed within an FTAA applications subject to (a) written consent of the FTAA applicant and (b) verification by the MGB Regional Office concerned.

5. Sand and gravel permit applications shall not require consent from the FTAA, EP or MA applicant, except when the EP or MA applicant is applying for sand, gravel and/or alluvial gold.

6. Silica and all other quarry resources may be covered by a Quarry Permit or an EP or MA subject to the foregoing clarifications.

For guidance,

[Signature]

ATTY. WILFREDO G. MONCADO