

Permits Dribbling Out in Philippines

By Richard Mills

It was certainly the most newsworthy event of the year for the mining industry. Reuters and Bloomberg were among a crowd of 60 reporters and cameramen from media sources around the world.

The event was a press release to announce the release of 3 exploration permits to a Canadian company with a long and conscientious history in Philippines called Mindoro Resources (and a related entity called Egerton Gold). The important event was an achievement of the government and meant to emphasize to the world's mining community that Philippines is open for business. It is certainly clear there has been a significant policy-shift from an uneasy tolerance to outright promotion of mining.

Despite all the excitement though, the 3 permits awarded are a few drops from a bucket of 1300 that sources say are outstanding in the Mines & Geosciences Bureau. Permit delays are said to be at a critical stage and mining managers are worried.

In a rare show of solidarity, virtually all of the major international chambers of commerce signed an open letter to President Gloria Arroyo to express their concerns. Chief among these is the new screening procedures recently introduced by the Secretary of Mines, Angleo Reyes, that add more steps to the review process.

While putting on a public face of displeasure, most experienced managers privately seem to understand the government's situation. Everyone knows they sincerely desire a vibrant mining industry but they are naturally terrified by the prospect of future environmental failures like those recently experienced by Lafayette Mining. That "small spill" by a once favoured company was a terrible blow to the credibility of foreigners in Philippines. Almost every manager active in Philippines express extreme displeasure by the affair and say it "should never have happened."

Let's hope the foreigners do a bit better in the future and everyone can get to work to make mining the premier industry it once was in Philippines.

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