



Region: Eastern Visayas (Region VIII)
Municipality: 40
Barangays: 1,503
Population: 1,966,768 (as of 2015)
Income classification: 1st Class Province
Major economic activities: mixed agriculture, fishing, industrial, energy, mining

Economic Growth

The Philippine government commits to provide a competitive investment climate and adequate protection of the rights and privileges of mining investors.

Mineral Statistics

Php31,777,457.55
Estimated amount contributed by the operating mines in the province in the form of taxes and fees

Mining Investments

US\$125,000 or Php6,500,000.00 million
(as of December 2016)
Total reported investments of mining projects in Leyte

Mineral Commodities

Php73,285,709.45
Estimated value of chromite and nickel ore produced in Leyte for 2014

Php107,410,420.00

Estimated total value of iron concentrate exported in 2014 to China

Employment

540 as of 2014
Workers employed at the mining companies including various ISAG in Leyte. While estimates vary, it is conservatively assumed that for every basic job in the mining company, about four non-basic jobs may be generated in the upstream and downstream sectors.

Taxes Paid

Php31,777,457.55
Amount of national and local taxes and fees generated and contributed to the Philippine economy in 2014-2016 by operating mining companies in Leyte.

Leyte
MINERAL PROFILE

The Philippine government promotes the rational exploration, development, utilization and conservation of mineral resources guided by its commitment to responsible minerals development



Mineral Resource Development Projects
2 iron mines

- Strong Built (Mining) Development Corporation (SBMDC) operated by Leyte Ironsand Corporation
- Vincent Tan Tiong operated by Nicua Corporation

Social Equity and Development
The Philippine government recognizes the rights and participation of the communities and ensures fair and equitable sharing of benefits among the company, the government and host communities.

Land Area and Mineral Potential

578,382 hectares
Total land area of Leyte in hectares.

32.38% or 7,935.12 hectares
Percentage of Leyte's total land area covered by operating mines out of 24,502.11 approved mining rights.

Environment Protection and Management

The Philippine government ensures the adequate protection of the environment, before, during, mining operations and beyond the life of the mine.

Social Development and Management

Php31,645,000.00
Amount committed by operating mines for the development of their host and neighboring communities through their approved Social Development and Management Programs which benefited about two barangays.

Environmental Protection and Management

Php385 million
Amount committed for the implementation of approved plans/programs/projects/activities under the Environmental protection and Enhancement Programs and Final Mine Rehabilitation and/or Decommissioning plans, respectively.

Mining Forest Program

1670 seedlings
Number of seedlings planted by the operating mines in mined-out and other barren areas as of December 2016.

LEYTE

Mineral Profile

I. GENERAL INFORMATION

Region: *Eastern Visayas (Region VIII)*

Province: *Leyte*

Population (as of 2015): 1,966,768

Income classification: 1st Class Province

Major economic activities: mixed agriculture, fishing, industrial, energy and mining



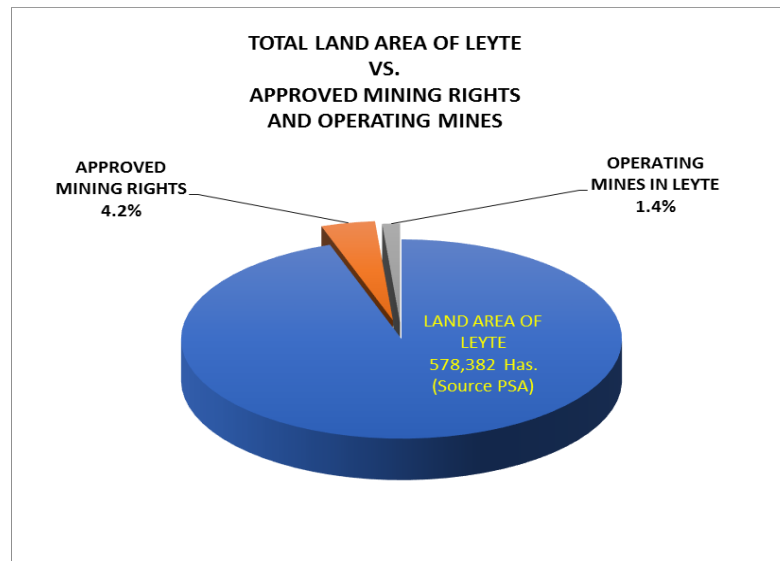
Leyte is the largest of the six provinces of Eastern Visayas. It lies adjacent to the island of Samar, connected by the San Juanico Strait, and east of the islands of Cebu and Bohol. It is bounded in the north by the Carigara Bay and in the east by the Leyte Gulf. To the west is the Camotes Sea, while the province of Southern Leyte lies south. The land is mountainous with a very rugged range cutting the island in half from northwest to southeast.

It is composed of forty (40) municipalities and two cities, Ormoc (independent component city) Baybay (chartered city) and the capital Tacloban (highly urbanized city), which serve as its commercial centers. It has five (5) congressional districts and has a total of 1,503 barangays.

II. LAND AREA AND MINERAL POTENTIAL

The total land area of Leyte is 578,382 hectares. The total area covered by the approved mining rights is only 4.2% or 24,502.11 hectares of the total land area of Leyte and only 32.38% or 7,935.12 hectares are covered by operating mines out of 24,502.11 approved mining rights.

The province is the site of the largest geothermal plant in Asia, making it one of the resource-rich provinces of the Philippines. Excess energy of the numerous powerplants in the geothermal valley that generate electricity is supplied to the national grid that adds to the energy demand in Luzon and Mindanao. Mining industry has started to pick up in the province with the exploration in MacArthur. The iron smelting in Isabel has been operational for more than 20 years since its inception.



Number of Mining Rights Issued by National Government in Samar

TYPE OF MINING RIGHT	NUMBER	AREA
Mineral Production Sharing Agreements (MPSA)	10	24,245.95
Sand and Gravel Industrial Permit (SGIP)	29	256.16
TOTAL	39	24,502.11

III. MINERAL RESOURCES DEVELOPMENT PROJECTS

Leyte used to host two (2) operating mines:

	Mining Projects/ Operators
2 iron mines	<ul style="list-style-type: none">• Strong Built (Mining) Development Corporation (SBMDC) Located at Dulag, Mayorga, MacArthur, Javier and Abuyog, Leyte• Vincent Tan Tiong Operator: NICUA Corporation located at MacArthur and Javier, Leyte

**SBMDC voluntarily suspended its operations on September 01, 2014 due to the very low price of iron in the world market. Meanwhile, the MPSA of Vincent Tan Tiong operated by NICUA Corporation was suspended by the Mines and Geosciences Bureau, Central Office on September 2012.*

IV. ECONOMIC CONTRIBUTION

In 2014-2016, mining has significantly contributed to the province's economic landscape in the form of fees and taxes such as occupation and extraction fees and excise taxes paid by the mining companies.

As shown in the table below, from 2014 up to 2016, the mining sector contributed a total of PhP31,777,457.55.

Taxes, Fees and Royalties Collected, 2014-2016

CONTRACTOR	TENEMENT NUMBER	ANNUAL OCCUPATION FEE	EXCISE TAX (Shipment)	EXTRACTION FEE	ROYALTY (MGB)
Strong Built (Mining) and Development Corporation	MPSA-254-2007-VIII	1,111,732.50	2,142,208.40	-	-
Vincent Tan Tiong	MPSA-290-2009-VIII	39,375.00	-	-	-
Edgar L. Lim	MPSA-317-2010	142,551.17			
Explosive Consultation & Application (ECA) Phils., Inc. (NAMI)		1,208,479.58			
Explosive Consultation & Application (ECA) Phils., Inc.		608,902.50			
Various Sand and Gravel Permittees.	SGIP			26,524,208.90	
		3,111,040.25	2,142,208.40	26,524,208.90	

➤ Mining Investments

Total reported investments of mining projects in the province amounted to US\$125,000 or PhP6.5 million (as of December 2016).

Investment of Operating Mines in Leyte, 2012

CONTRACTOR	TENEMENT NUMBER	COMMODITY	AMOUNT SUBSCRIBED (US\$ Million)	INVESTMENT (PhP Million)
Strong Built (Mining) Development Corporation	MPSA-351-2011-VIII	Magnetite Sand, Etc.	125,000.00	6,500,000.00

Note: Foreign exchange rate used US\$1.00 = Php46.00

➤ **Production**

The total mine production of iron concentrate in 2014 was 29,880.69 dry metric tons with estimated value of PhP73,285,709.45.

Iron Concentrate Leyte, 2014

Name of Company	Project Name	2014	
		Qty.	Value
Strong Built (Mining) Development Corporation	Leyte Ironsand Project	29,880.69	73,285,709.45

➤ **EXPORTS**

- The total iron concentrate exported in 2014 was 43,000 dry metric tons valued at US\$2,422,000.00.

Iron Concentrate 2014

Name of Company/ Country of Destination	Estimated Exports Value			
	DMT	Value (₱)	Value (US \$)	Excise Tax Value (₱)
Strong Built (Mining) Development Corporation (China)	10,000	31,006,800.00	720,000.00	620,136.00
	12,933	32,332,800.00	720,000.00	646,656.00
	18,000	31,526,820.00	702,000.00	630,536.40
	5,000	12,544,000.00	280,000.00	250,880.00
TOTAL	43,000	107,410,420.00	2,422,000.00	2,148,208.40

➤ EMPLOYMENT

For 2014-2016, there were 254 personnel employed in the two operating metallic mines in Leyte but a total of 1373 in all mining companies including Sand and Gravel. While estimates vary, it is conservatively assumed that for every basic job in the mining company, about four non-basic jobs may be generated in the upstream and downstream sectors.

The role of mining when it comes to employment generation whether direct or indirect in the rural areas cannot be overly emphasized.

Employment* of Operating Metallic Mines in Leyte, 2014

CONTRACTOR/ PERMIT HOLDER	MINING TENEMENT/PE RMIT NUMBER	LOCATION	EMPLOYMENT 2014			EMPLOYMENT 2015			EMPLOYMENT 2016		
			Female	Male	Total	Female	Male	Total	Female	Male	Total
Various Sand and Gravel Permit Issued by MGB-RO8	-	Leyte	37	184	221	36	169	205	41	180	221
Strong Built (Mining) Development Corp.	MPSA-254-2007-VIII	Dulag, Mayorga, MacArthur, Javier and Abuyog, Leyte	21	232	253	29	242	271	5	12	17
Pheschem Industril Corporation	MPP-000001-2010-VIII	Brgy. Cantandoy, Palompon, Leyte	7	58	65	8	54	62	7	50	57
Vincent Tan Tiong (Operator: NICUA Corp.)	MPSA-290-2009-VIII	MacArthur & Javier, Leyte	1	-	1	No Data	No Data	No Data	No Data	No Data	No Data
TOTAL			63	482	540	73	465	538	53	242	295
			2014			2015			2016		

**Employment data is based on the notarized Monthly Production, Sales and Employment Data Report submitted by mining companies to the Mines and Geosciences Report under Chapter XXIX, Section 270 of DAO No. 2010-21.*

➤ TAXES PAID

- Total amount of national and local taxes and fees made by operating companies in Leyte to the Philippine economy amounted to PhP31,777,457.55
- Various SAG holders reported the highest amount paid with PhP26, 524,208.90
- Specific municipality where the mines operate is in MacArthur, Leyte.
- It is important to note that not all the taxes and fees paid by the mining companies go to the host province, municipality or barangays where they operate. Only a partial of the amount collected is downloaded to the Local Government Units.
- In terms of the excise tax collected, 60% goes to the national government and 40% to the local government. The 40% share of the local government will be distributed accordingly: Provincial (20%); City/Municipality (45%); and Barangay (35%)

V. SOCIAL DEVELOPMENT AND MANAGEMENT

Total amount committed by the mining companies in the province for the development of their host and neighboring communities through their approved Social Development and Management Program (SDMP) is PhP1,645,000.00. Around two barangays stand to benefit from the implementation of approved community/social projects.

SDMP refers to the comprehensive 5-Year plan of the Contractor authorized to conduct actual mining and milling operations towards the sustained improvement in the living standards of the host and neighboring communities by creating responsible, self-reliant and resource-based communities capable of developing, implementing and managing community development programs, projects, and activities in a manner consistent with the principle of people empowerment.

Summary of Approved 5-Year Social Development and Management Programs (SDMP)

Mining Company	Commitment in PhP
Strong (Built) Mining Development Corporation	PhP1,645,000.00.
Total	PhP1,645,000.00.

VI. ENVIRONMENTAL PROTECTION AND MANAGEMENT

The total amount committed by the mining company operating in the province for the implementation of their approved plans/programs/projects/activities under their Environmental Protection and Enhancement Programs (EPEP) is PhP385 million. EPEP refers to the comprehensive and strategic environmental management plan for the life of the mining project on which Annual EPEPs are based and implemented to achieve the environmental management objectives, criteria and commitments including protection and rehabilitation of the disturbed environment.

The total amount committed by the mining company operating in the province for the Final Mine Rehabilitation and/or Decommissioning Plans (FMR/DP) is PhP156 million. FMR/DP is an integral component of the EPEP that specifically deals with mine closure. While Final Mine Rehabilitation and/or Decommissioning Fund is the financial mechanism established by a Contractor/Operator to support the implementation of the FMR/DP.

**EPEP data is pending approval by the MGB CO and accounts only for SBMDC.*

➤ **MINING FOREST PROGRAM**

The total number of seedlings planted by mining companies in the province is 1670 in mined-out areas and other areas as of 2016. As of December 2016 a total of 4.122 hectares were reforested.