

## MINERALS INDUSTRY IN THE CORDILLERA ADMINISTRATIVE REGION – CY 2017

For the mining industry in this region, the year ended with a continuing challenge. These challenges breed resiliency among stakeholders of the industry and continues to keep everyone strong and wiser.

To date, four (4) companies are still engaged in large scale mining operations namely: Philex Mining Corporation (copper), Lepanto Consolidated Mining Company (gold), Itogon Suyoc Resources, Inc. (gold) and Benguet Corporation (gold) with operations through the small scale miners as service contractors on a 60-40 percent sharing where Benguet Corporation gets 40% and the service contractors get 60%, all located in the province of Benguet.

### MINERAL PRODUCTION

Volatile global economic growth and lower demand affected the region's metallic production causing decrease by an average of seven percent (-7.26%) for the mineral production of silver and gold. Consequently, the value also decreased by more than ten percent (-10.53%).

The region's production stream remains at three (3) gold mines, a copper mine with gold and silver as by-product.

The volume of gold production decreased by almost seventeen percent (-16.93%) with production recorded at 4,411 in 2016 and 3,664 in 2017. Corresponding value also went down by thirteen percent (-13.13%) with value recorded at eight and a half billion in 2016 (₱8,558,744,471.45) down to seven billion (₱7,434,847,125) in 2017.

On the other hand, silver production increased by two percent (2.46%) from 4,394 in 2016 to 4,502 in 2017. Its value dramatically increased by more than one hundred percent (101.30%) with the amount of one hundred eighteen million (₱118,923,247.18) in 2016 to more than two hundred million (₱239,393,556) in 2017.

Copper concentrate production decreased by ten percent (-10.68%), from 73,109 in 2016 to 65,300 in 2017. Despite the decrease in production its value however increased by twenty three percent (23.82%) from 3.7 billion pesos in 2016 to 4.6 billion in 2017.

Non-metallic mineral production increased by almost fifty percent (49.32%) from 782,730.99 in 2016 to 1,168,830 in 2017. Production value in pesos increased by one seventy percent (173.69%) from 240,571,017.99 in 2016 to 658,422,598 in 2017. Production of quicklime increased by one percent (1.36%) from 9,253.79 in 2016 to 9,380 in 2017; its value decreased by less than one percent (-.70%) from 76,744,197.90 in 2016 to 76,205,755 in 2017.

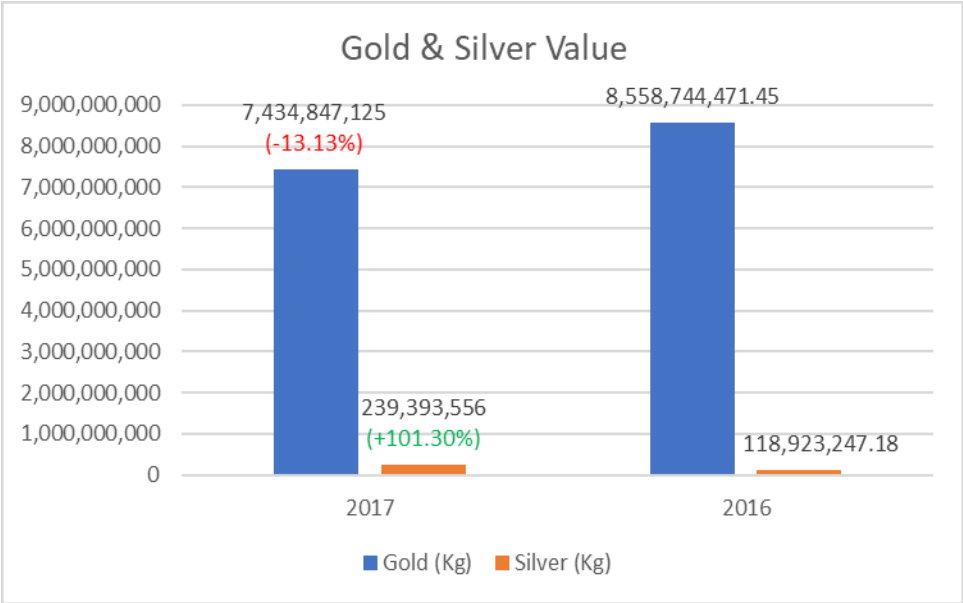
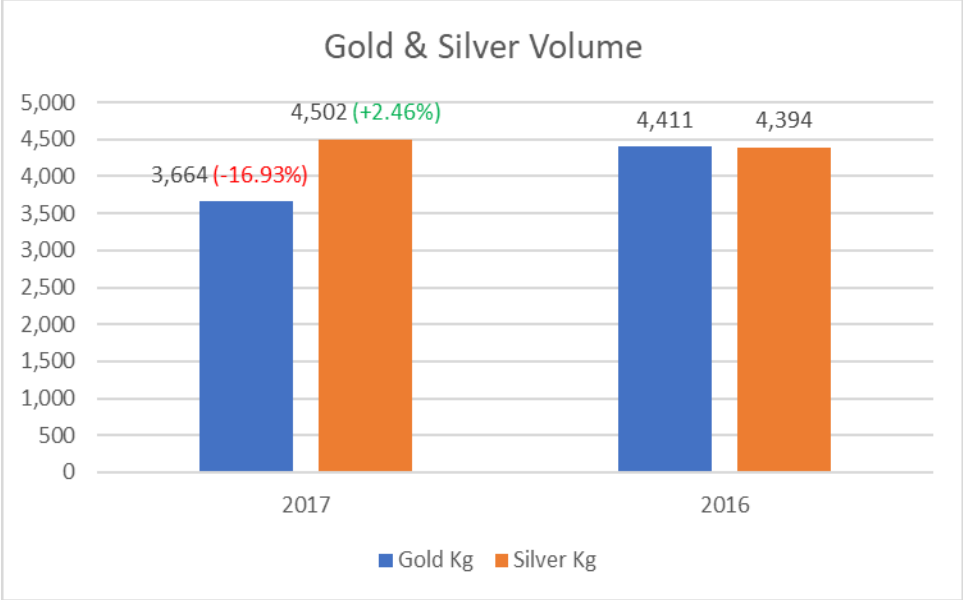
Slaked lime production decreased by almost one hundred percent (-98.31%) from 3, 201.75 in 2016 to 54 in 2017. Its value however increased by seventy percent (70.69%) from 205, 213.18 in 2016 to 350, 285 in 2017.

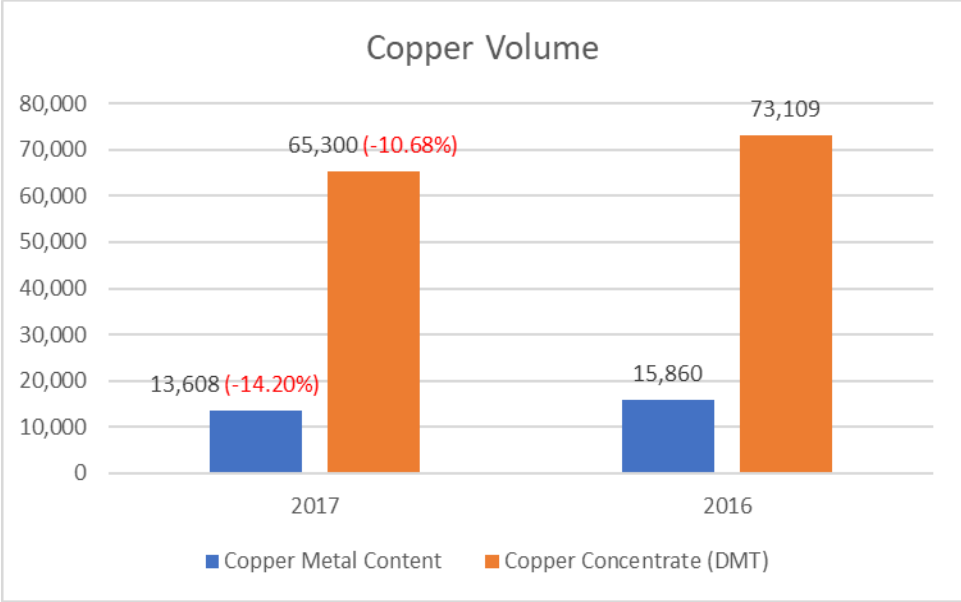
Limestone production was recorded for this year at 10, 573 with a corresponding value of four million (₱4, 725, 912).

Production of sand and gravel recorded an increase of almost fifty percent (49.14%) from 770, 275.45 in 2016 to 1,148,823 in 2017. Its corresponding value pegged an increase of two hundred fifty percent (252.73%).

Mineral Commodity/Mineral Products	2016		2017	
	Quantity	Value in Pesos	Quantity	Value in Pesos
<b>GOLD (Kg)</b>	4, 411	8,558,744,471.45	3,658	7,429,082,125
<b>Gold (Small Scale)</b>			6	5, 765, 000
<b>SILVER (Kg)</b>	4, 394.42	118,923,247.18	4,502	239,393,556
<b>TOTAL</b>	<b>8, 805.42</b>	<b>8,577,677,718.63</b>	<b>8, 166</b>	<b>7, 674, 240, 681</b>
<b>COPPER Concentrate (DMT)</b>	73, 109	3,781,363,677.00	65, 300	4,682,113,790
<b>COPPER Metal Content</b>	15, 860		13,608	
<b>TOTAL</b>	<b>88, 969</b>	<b>3,781,363,677.00</b>	<b>78, 908</b>	<b>4,682,113,790</b>
<b>Quicklime (MT)</b>	9, 253.79	76,744,197.90	9,380	76,205,755
<b>Slaked Lime (MT)</b>	3, 201.75	205,213.18	54	350,285
<b>Limestone</b>			10,573	4,725,912
<b>Sand and Gravel</b>	770, 275.45	163,621,606.91	1,148,823	577,140,646

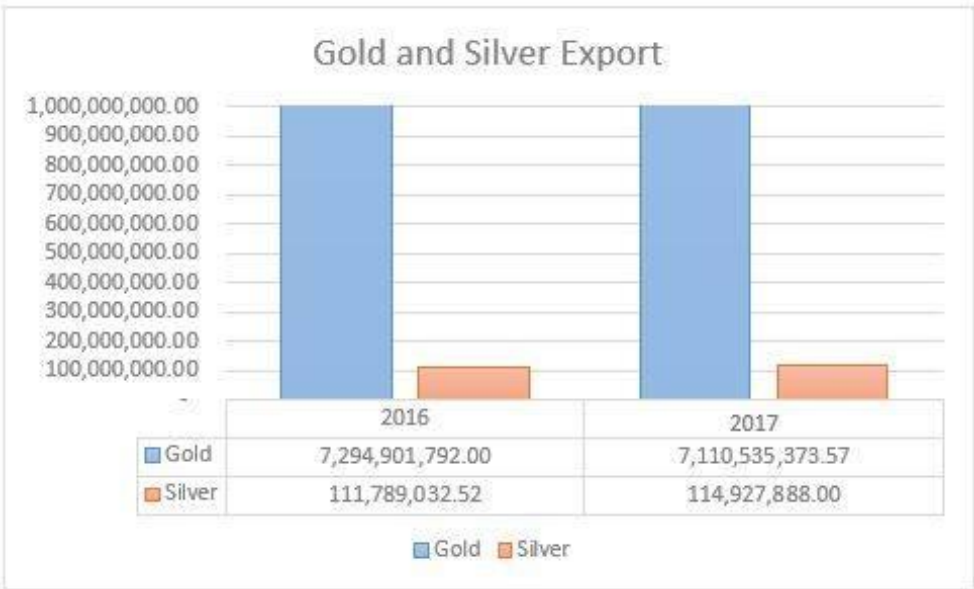
TOTAL	782, 730.99	240, 571, 017.99	1, 168, 830	658, 422, 598
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**EXPORTS**

The export of minerals from the region posted a decrease for gold while an increase for silver. Gold export registered a decrease of almost three percent (-2.53%) from 7.29 billion in 2016 to 7.1 billion in 2017. However silver posted an increase of almost three percent (2.81%) from 111 million in 2016 to 114 million in 2017.



## LOCAL SALES

Metallic mineral sales increased by eleven percent (11.36%) from ten billion (10, 890, 976, 096.71) in 2016 to twelve billion (12, 127, 652, 132.57) in 2017.

## EMPLOYMENT

Direct jobs from the mining industry decreased by thirteen percent (13%), with a total employment of 8, 883 in 2016 to 7,193 this year. While estimates vary, it is conservatively projected that for every basic job in the mines, about four ancillary/indirect jobs may be generated in the upstream and downstream sectors.

## SOCIAL DEVELOPMENT AND MANAGEMENT PROGRAM

The total amount committed by mining companies in the region for the development of their host and neighboring communities through approved Social Development and Management Program (SDMP) is ₱220 million. 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 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.

### Community Development Plan

The amount of seventeen million pesos (₱17 Million) has been committed by companies with exploration permit. Community Development Plan (CDP) refers to the two-year plan of the contractor for the development programs of the host community.

## ENVIRONMENT PROTECTION AND MANAGEMENT

The total amount committed for the implementation of approved plans/programs/projects/activities under the Environmental Protection and Enhancement Program (EPEP) is ₱712 million. EPEP refers to the comprehensive and strategic environmental management objectives, criteria and commitments including protection and rehabilitation of disturbed environment.

