



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 122

**ESTABLISHING A NATIONAL POLICY FRAMEWORK FOR
DEVELOPING THE CRITICAL MINERALS INDUSTRY AND REORGANIZING THE
MINING INDUSTRY COORDINATING COUNCIL FOR THE PURPOSE**

WHEREAS, Section 2, Article XII of the 1987 Constitution provides that the exploration, development, and utilization of mineral resources shall be under the control and supervision of the State;

WHEREAS, Section 22, Article II of the 1987 Constitution provides that the State recognizes and promotes the rights of indigenous cultural communities within the framework of national unity and development;

WHEREAS, Section 2 of Republic Act (RA) No. 7942, or the "Philippine Mining Act of 1995," declares that all mineral resources within the territory and exclusive economic zone of the Republic of the Philippines are owned by the State, and that the State shall promote the rational exploration, development, utilization, and conservation thereof through the combined efforts of government and the private sector in a manner that enhances national growth, safeguards the environment, and protects the rights of affected communities;

WHEREAS, RA No. 12253, or the "Enhanced Fiscal Regime for Large-Scale Metallic Mining Act," declares it a policy of the State to exercise full control and supervision over the exploration, development, and utilization of mineral resources, and ensure that the State receives its fair share from the development thereof, and encourage responsible private sector participation and investments through transparency, public accountability, and legal stability in mining agreements;

WHEREAS, Executive Order (EO) No. 79 (s. 2012) institutionalized reforms in the Philippine mining sector to promote responsible mineral utilization, strictly enforce environmental protections, ensure equitable revenue sharing for the state and local communities, and constituted the Mining Industry Coordinating Council (MICC) to oversee the implementation of these reforms;

WHEREAS, the Philippine Development Plan 2023-2028 and the 2026 Strategic Investment Priority Plan recognize domestic processing of critical minerals and development of value-adding activities and downstream industries as national

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strategies to foster industrialization and improve the country's position in the global green technology value chain;

WHEREAS, the Philippines has identified at least nine (9) million hectares of prospective areas with potential to hold various mineral resources that can position the country as a key player in the global value chain for critical minerals, including those essential for the transition to a low-carbon economy;

WHEREAS, there is a need to establish a coherent and integrated national policy framework to strengthen the country's Critical Minerals Industry, promote value-added processing and downstream industries, enhance investments and competitiveness, ensure responsible and sustainable mining practices, and harmonize government policies and programs relative thereto; and

WHEREAS, there is also a need to strengthen inter-agency coordination and policy coherence in the formulation and implementation of strategies, programs, and regulatory measures relating to the development of the Critical Minerals Industry;

NOW, THEREFORE, I, FERDINAND ROMUALDEZ MARCOS, JR., President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Section 1. National Policy Framework for Developing the Critical Minerals Industry. The National Policy Framework for Developing the Critical Minerals Industry is hereby established. It shall provide strategic direction for developing the Critical Minerals Industry in the country, in accordance with relevant laws, rules, and regulations.

Section 2. Guiding Principles. The National Policy Framework for Developing the Critical Minerals Industry shall be guided by the following principles:

- a. **State Ownership:** Mineral resources in public and private lands within the territory and exclusive economic zones of the Republic of the Philippines are owned by the State and, as such, the State shall receive its fair share in the full economic value thereof. All critical mineral projects shall be considered as national priority projects, and entities undertaking such projects shall be considered contractors of the State. The exploration, development, utilization, and conservation of these resources shall be regulated by the State to ensure their rational utilization, thereby contributing to national growth.
- b. **Economic Development through Critical Minerals:** The State shall promote the responsible development and utilization of critical minerals and support value-adding and downstream industries, recognizing that these resources are crucial for the Philippines' national security and development, and serve as essential raw materials for industrial activities, including the clean energy transition, digital transformation, and infrastructure development.

- c. **Environmental Protection and Social/Cultural Development:** The government shall implement responsible and sustainable mining practices to strengthen the industry's capacity to manage environmental impacts, while ensuring that the social, cultural, and economic development of host and neighboring communities aligns with the United Nations Sustainable Development Goals.
- d. **Policy Stability and Enabling Mechanisms for Private Sector Participation:** The State, recognizing the key role of the private sector in advancing the responsible development of the country's critical mineral resources, shall maintain a stable, predictable, transparent, and internationally competitive investment environment. The State commits to honoring validly executed agreements, ensuring regulatory consistency, promoting whole-of-government coordination, and facilitating the timely implementation of strategically critical mineral projects, consistent with the Constitution, RA No. 7942, EO 79 (s. 2012), and other applicable laws, rules, and regulations.

Section 3. National Exploration and Mineral Reservation Program. The Department of Environment and Natural Resources (DENR), through the Mines and Geosciences Bureau (MGB), shall implement a national exploration and mineral reservation program to identify and evaluate new critical mineral deposits, prioritizing those essential for clean energy transition, digital transformation, and infrastructure development. For this purpose, "critical minerals" shall refer to minerals that are essential inputs for clean energy transition technologies, advanced manufacturing, digital infrastructure, national defense, and other strategic industries necessary to promote industrialization, energy security, economic resilience, and sustainable development.

The DENR, in consultation with the Mining Industry Coordinating Council (MICC), shall issue the Philippine Critical Minerals List within thirty (30) days from the effectivity of this Order, and shall thereafter periodically review and update the same, as may be necessary.

The DENR-MGB shall undertake preliminary exploration in identified prospective areas, such as but not limited to freed-up areas covered by cancelled, expired, relinquished, or surrendered mining tenements and offshore areas with high prospectivity for critical minerals, and upon confirmation of mineral potential, recommend their declaration as a mineral reservation.

Section 4. Strict Implementation of the "Use It or Lose It" Policy for Critical Minerals Mining Tenements. The DENR shall strictly enforce the timely and responsible development of critical mineral mining tenements. Critical mining tenements that are found to be in material non-compliance with approved project timelines, work programs, or development commitments, without valid justification due to *force majeure* or causes beyond the control of the contractor, shall be subject to cancellation or other appropriate sanctions, in accordance with existing laws, rules, and regulations. Any order of cancellation or imposition of sanctions shall take effect immediately upon issuance.

For this purpose, the DENR, in consultation with MICC, shall, within thirty (30) days from the effectivity of this Order, formulate and issue clear, uniform, and objective criteria and procedures for the evaluation of compliance with mining tenement obligations and the determination of material non-compliance therewith, consistent with applicable laws, rules, and regulations.

The DENR-MGB shall likewise issue guidelines governing the procedure of cancellation and disposition of areas covered by cancelled mining tenements involving critical minerals to ensure their timely and responsible development. Such guidelines shall include procedures for technical evaluation, mineral resource assessment, environmental and social screening, determination of the appropriate mode of disposition, qualification standards for prospective proponents, and such other requirements as may be necessary to promote the sustainable development of critical mineral resources.

Section 5. Accelerated Privatization of Government-Owned Critical Mineral Mining Assets. The Privatization and Management Office, in coordination with the DENR-MGB and other concerned agencies, and consistent with existing laws, rules, and regulations, is directed to accelerate the disposition and privatization of all government-owned critical mineral mining assets.

Section 6. Declaration of Freed-up Areas and Mining Assets as Mineral Reservation. Areas covered by cancelled, expired, relinquished, surrendered, or otherwise freed-up critical mining tenements may be considered and recommended for declaration as critical mineral reservations, subject to:

- a. The final verification and assessment by the DENR-MGB for mineral potential and adherence to principles of sustainable and responsible mining; and
- b. Strategic importance in relation to critical minerals and domestic industrialization goals.

The declaration of these areas as mineral reservations shall be established through a Presidential proclamation or issuance, upon the recommendation of the DENR Secretary. Upon declaration, the DENR-MGB shall dispose of these areas subject to the applicable guidelines on the disposition of the cancelled mining tenement and other relevant laws and regulations.

Section 7. Streamlining and Digitalizing the Mining Permitting Process through a Virtual One-stop Shop. The DENR-MGB, in coordination with relevant government agencies and local government units (LGUs), is hereby directed to:

- a. Within six (6) months from the effectivity of this Order, implement streamlined requirements and procedures in processing all mining-related applications, including the conduct of public consultation, and establish an inter-agency monitoring committee for all mining applications.

The streamlined procedure shall apply simultaneous processing to replace the current sequential process, set clear timelines, and establish a performance-based accountability of all government

agencies/instrumentalities involved in the permitting process.

- b. Within one (1) year from the effectivity of this Order, develop and operationalize a fully integrated digital platform that consolidates all national and local government permits, licenses, and regulatory clearances related to mining applications. For this purpose, the platform shall interconnect and integrate existing agency regulatory systems and databases, avoiding the duplication of functions or the establishment of redundant systems.

Section 8. Promotion of Value-Adding Critical Mineral Processing Investments. The Department of Trade and Industry - Board of Investments (DTI-BOI), in coordination with DENR and in consultation with industry stakeholders, shall promote investments for value-added mineral processing covering the entire mineral value chain.

For this purpose, the DTI-BOI shall formulate and implement a comprehensive development strategy that shall:

- a. Promote the establishment of downstream industries, with a focus on critical mineral refining, advanced material processing, and the manufacturing of finished products such as, but not limited to, batteries, electronic components, and renewable energy technologies;
- b. Support the development of side-stream industries, including energy generation, water supply systems, transport and logistics, and critical mineral recovery and recycling;
- c. Develop an incentives offer sheet to support value-added critical mineral processing and downstream industry growth consistent with RA No. 11534, or the "*Corporate Recovery and Tax Incentives for Enterprises Act*," as amended, and other relevant laws or issuances;
- d. Facilitate public-private partnerships and cluster development models where mineral producers collaborate with manufacturing sectors to localize production chains;
- e. Grant domestic mineral processing plants priority access to mineral ores at a fair, market-based price. The fair price shall be determined in accordance with transparent pricing benchmarks and allowable adjustments determined by the MICC; and
- f. Ensure a sufficient supply of critical minerals for downstream industries, particularly when local resources are unavailable or insufficient in quantity or quality, by diversifying sources, facilitating international partnerships, and establishing mechanisms to mitigate global supply disruptions.

Section 9. Securing Strategic Partnerships and Agreements on Critical Minerals. The DENR, Department of Foreign Affairs, DTI-BOI, Department of Energy, and other relevant agencies shall prioritize partnerships focused on responsible sourcing standards for critical minerals and environmental, social, and governance criteria as formulated and adopted by the MICC.

Section 10. Reorganization of the Mining Industry Coordinating Council. The MICC shall be reorganized as follows:

- Co-Chairpersons : Secretary, DENR
Secretary, Department of Finance
- Members : Executive Secretary, Office of the President
Secretary, Department of Justice
Secretary, Department of Science and Technology
Secretary, Department of Budget and Management
Secretary, DTI
Secretary, Department of Economy, Planning, and Development (DEPDev)
Secretary, Department of the Interior and Local Government
Secretary, Department of Labor and Employment
Chairperson, National Commission on Indigenous Peoples
President, Union of Local Authorities of the Philippines

The DEPDev shall serve as the Secretariat of the MICC, and shall provide administrative and technical support to the Council.

The Co-Chairpersons and members of the MICC may designate their respective alternates, with ranks not lower than Assistant Secretary or its equivalent, who shall be fully authorized to decide for or on their behalf.

The MICC shall have regular quarterly meetings and such special meetings as may be called upon by the Co-Chairpersons when deemed necessary.

The MICC may also request assistance from other government agencies and instrumentalities, including LGUs, to provide full and timely cooperation to ensure the effective and efficient implementation of this Order.

Section 11. Duties and Functions of the MICC. In relation to EO No. 79 (s. 2012), the MICC shall expand its functions to advance the development of the Critical Minerals Industry. To this end, the MICC shall perform the following duties and functions, without prejudice to other functions as may be directed by the President, through the Executive Secretary:

- a. Submit a comprehensive work plan for the Critical Minerals Industry to the Office of the President within ninety (90) days from the effectivity of this Order;
- b. Assess and review critical mineral mining-related laws, issuances, and agreements to identify regulatory gaps and recommend policies that optimize economic benefits, strengthen institutional governance, and enforce stricter environmental and social safeguards;
- c. Review investment-related aspects of the Critical Mineral Industry, and monitor program implementation;
- d. Advise the President on timely, effective solutions to overcome barriers to investment and promote industry growth;

- e. Formulate and adopt sourcing standards for critical minerals consistent with environmental, social, and governance criteria;
- f. Evaluate the feasibility of issuing a national valuation framework to assess the economic, social, and cultural effects of critical mining activities and their impact on free, prior, informed consent negotiations;
- g. Submit annual reports to the President, through the Office of the Executive Secretary, on the critical mineral reserves, semi-annual actual data, and multi-year forecasts on the inventory, production, and consumption of critical minerals; and
- h. Perform such other functions necessary to advance the development of the Critical Minerals Industry.

Section 12. Funding. The funding requirements for the initial implementation of this Order shall be charged against the current and available appropriations of the concerned agencies, subject to pertinent budgeting, accounting, and auditing laws, rules, and regulations. Thereafter, the funding requirements for its continued implementation shall be included in the respective budget proposals of the concerned agencies, subject to the usual budget preparation process and consistent with government accounting and auditing laws, rules, and regulations.

Section 13. Supplemental Guidelines. The DENR and MGB, in coordination with the MICC, shall formulate and issue supplemental guidelines to ensure effective implementation of this Order.

Section 14. Separability. If any part or provision of this Order shall be held unconstitutional or invalid, other parts or provisions not affected thereby shall continue to be in full force and effect.

Section 15. Repeal. All other rules, regulations, and issuances or parts thereof, that are inconsistent with this Order, are hereby repealed or modified accordingly.

Section 16. Effectivity. This Order shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation.

DONE, in the City of Manila, this 18th day of August in the year of our Lord, Two Thousand and Twenty-Six.

By the President:

RALPH G. RECTO
Acting Executive Secretary

