



## **Think tank seeks review of mining law, log ban**

**by Czeriza Valencia, May 22, 2017**

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The Foundation for Economic Freedom (FEF) is urging the government to lift restrictions that hinder the proper utilization of the country's natural resources.

Speaking at the BusinessWorld Economic Forum in Taguig City on Friday, FEF president Calixto Chikiamco said policies governing the use of natural resources and agricultural assets are preventing the growth in investments in rural areas.

"There is a negative investment environment in rural areas," he said.

"Our agriculture policy, for instance, consists mostly of populist measures. There is failure of land reform and yet it is one of the priority bills of the administration," Chikiamco added.

The lack of balance between environmental protection and economic interest, he said, is also preventing the country from realizing gains in the logging and mining sector.

Chikiamco thus urged the government to review the imposition of the total log ban on natural and residual forests that had been put in place by the Aquino administration since 2011 to strengthen the government's anti-illegal logging campaign.

"In forestry, I think the government should revisit the total log ban policy of the previous administration. What is needed here is a sustainable forest management act and secure property rights for those in forestry production," he said.

The Philippines has a competitive advantage in forestry products, said Chikiamco, noting forest trees can mature in the Philippines in 10 to 15 years compared to 20 to 25 years in other countries,

He also urged the government to find a balance between environmental protection and effective exploitation of the country's mineral resources.

A paper published by state-run think tank Philippine Institute for Development Studies (PIDS) said the ban caused the deterioration of the Philippine wood processing industry. With the implementation of this order, the number of wood processing firms in the country fell. In the Caraga region for instance, only 27 firms survived as of 2015 from 119 in 2010.

"We used to export wood, now we import it," said Chikiamco.

"There was a strong anti-mining stance by the previous secretary and we hope it will be reversed with the new secretary," he said, referring to the replacement of former Environment Secretary Gina Lopez.

Assuming her post is former Armed Forces chief of staff and retired general Roy Cima. His appointment was received by the mining industry with "cautious optimism."

"But then again, it will take some time before investors feel comfortable on security of policy, Chikiamco said.