



# Philippine Resources

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# Addressing the challenges of the SDMP

By Patricia A. O. Bunye

In its five years of existence, Diwata – Women in Resource Development, Inc. (Diwata) has consistently sought to fulfill its mission of serving as a platform for learned dialogue on pressing (and often controversial) issues on resource development.

At the 5th Community Relations (ComRel) Officers Conference [on the occasion of the 64th Annual National Mine Safety and Environment Conference (ANMSEC)] in Baguio City, Diwata presented a panel entitled “Responding to SDMP Challenges: A Diwata Discussion” participated in by the ‘women on the ground’, community relations practitioners and community members who, on a daily basis, are responsible for the implementation of their respective Social Development and Management Programs (“SDMP”).

Diwata Vice President Joan Adaci-Catiling opened the panel with an introduction of Diwata and its advocacies, while Diwata Trustee Marianne Molin-

tas acted as moderator and introduced our panelists, namely: Nelly Ballola, Sustainable Development Consultant of Far South East Gold Resources, Inc.; Simplicia Ananayo, Social Investment Senior Supervisor, OceanaGold (Philippines), Inc.; Benita Amgasen of Barangay Ampukao, Itogon, an impact community of Philex; and Sandra Ramos, Multi-Partite Monitoring Team member and former member of SDMP Monitoring and Evaluation Team, Philex.

Under the Philippine Mining Act of 1995 (Mining Act), mining contractors are required to assist “in the development of its mining community, the promotion of the general welfare of its inhabitants, and the development of science and mining technology.”

Specifically, under the Mining Act’s Implementing Rules and Regulations (IRR), the assistance is implemented through the SDMP, which is defined as a “comprehensive five-year plan [geared] 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.”

The SDMP may be used to fund the following activities:

- a. Human Resource Development and Institutional Building - [Projects/ Programs/Activities (PPAs) geared towards strengthening existing local institutions, fostering the creation of new community organizations, and providing marginalized/disadvantaged groups the opportunity to participate fully in the development of their communities, including capacity- and capability-building on project management, organizational development, entrepreneurship, and skills development/training];
- b. Enterprise Development and Networking - PPAs geared towards the development and promotion of economically viable community enterprises by providing members of the community access to capital and thereby enhance and stimulate existing livelihood industries and other income generating activities, help create new ones, and develop market diversification;
- c. Assistance to Infrastructure Development and Support Services - PPAs geared towards stimulating and facilitating other forms of economic activity, such as the development, construction, improvement, and/or maintenance of farm-to-market roads, water systems, post-harvest facilities, bridges, and electric power, among others;



(From left) Marianne Molintas, Sandra Ramos, Benita Amgasen, Nelly Ballola, and Simplicia Ananayo

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**The Diwata delegation led by its Chairman Delia Domingo Albert at the Museo Kordilyera.**

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d. Access to Education and Educational Support Programs - PPAs geared towards providing educational opportunities to members of the community, including scholarships from primary to tertiary education, technical/vocational education, provision of apprenticeship programs, construction/repair/improvement of school buildings and related facilities, provision of school furniture and fixtures, and subsidy to teachers, among others;

e. Access to Health Services, Health Facilities and Health Professionals - PPAs geared towards achieving overall improvement in the living conditions and health of the host and neighboring communities, such as the provision of health facilities, access to health services, medicines and professionals, health education and preventive measures, training of health paraprofessionals, maternal-child health care and family planning, provision of health insurance, establishment of nutrition and immunization programs, access to clean and potable water, and provision of waste and sewage disposal facilities, among others;

f. Protection and Respect of Socio-

Cultural Values - PPAs geared towards safeguarding the existing socio-cultural values of the host and neighboring communities to promote social cohesion and cultural awareness, and to instill community pride; and

g. Use of Facilities/Services within the mine camp or plant site by the host and neighboring communities.

The Mining Act and its IRR require contractors to annually allot a minimum of 1.125% of their operating costs to the SDMP, which, for an operating mine, would amount to millions of pesos.

Based on July 2017 figures, mining companies have committed at least PHP14.098 billion for the development of their host and neighboring communities through their SDMP, benefitting around 835 barangays.

Diwata's panelists sought not to share best practices, but identify challenges and how these are being overcome.

One common challenge, as highlighted by Simplicia Ananayo, is the usual competition for the benefits, with the host barangay often insisting that it is entitled to the lion's share. It would therefore require skillful negotiations on the

part of the company, particularly its ComRel officers to ensure equitable sharing.

Another challenge, as articulated by Nelly Ballola, is to ensure that the ComRel team itself is well trained and "able to think through the eyes of the company" as it would be difficult to sell the idea of sustainability if the team itself does not understand or is unconvinced of the merits of the SDMP programs.

Sandra Ramos, for her part, lamented that the community's expectations are often very high, expecting the MMT to take on responsibilities above and beyond SDMP implementation.

"Political interference" would also often rear its ugly head, with projects that were not identified or assessed in the planning process being insisted upon by local political leaders.

This then leads to the question of whether the responsibilities of many LGUs with respect to, among others, infrastructure in their localities, is effectively being passed on to mining contractors.

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Nelly Ballola opined that it would be ideal for the company, the community and the LGUs to be truly partners, particularly in the planning process so that the company could complement or supplement, instead of taking over, what the LGUs are expected to provide.

Simplicia Ananayo illustrated that, in the case of OceanGold, the SDMP planning process is taken very seriously such that the plans must be adopted by the local legislative council in a resolution, which must ultimately be presented to the Mines and Geosciences Bureau (MGB) for its comments and, if necessary, for adjustment or tweaking by the company based on the MGB's feedback, to ensure that the stakeholders are all on the same page.

Sandra Ramos added that what is important is that the SDMP is not seen as an entitlement or an obligation of the company, but an opportunity that all community members must take care of.

In the case of their community, she said they were mindful that they should not rely on Philex forever, and should therefore conserve and grow what they are receiving from Philex now through their cooperative.

The panel agreed that, while the law and rules on the SDMP are good and quite clear, there apparently are still differences in standards and implemental per region, which must be harmonized. It was also agreed that the approach should not merely be "compliance with the law" but "developmental and

programmatic". In this regard, Nelly Ballola pointed out that it is important for the SDMP programs to be implemented by an existing organization which has been trained and capacitated on the "enterprise development approach".

The value of a scorecard with measurable accomplishments was also recognized by the panelists as a tool for MGB to properly evaluate the SDMP.

In this regard, it must be noted that the SDMP is effective for, and is required to be submitted, every five years "to meet the changing needs and demands of the communities".

However, experience has shown that the period of five years, without post-implementation review, is too long and, in some instances, the SDMP in force fails to meet its purpose as it becomes irrelevant or not beneficial to the affected communities for failure to adjust to the changing realities affecting the host communities and the surrounding areas.

One of the invited reactors, Atty. Karla Espinosa, National Coordinator PH EITI, highlighted the need for the role of a ComRel officer to be understood by wider audience, and expressed appreciation for the frank and candid discussion of the panel, which she found "reflective and forward looking".

She also suggested, as a representative of a transparency organization, that the rich data available from ComRel practitioners be systematized and consolidate as this would further ensure the proper implementation of the SDMP.

The second reactor, Engr. Felizardo Gacad of MGB-CAR, underscored the importance of government support, particularly of the LGUs, as well as the need to ensure continuity from each 5-year period of implementation to the next in order to achieve the developmental goals of the SDMP. He also stressed the importance of the social impact assessment as a component of successful SDMP implementation.

In her synthesis of the afternoon's discussion, Diwata Vice President Rodalee Ofiaza thanked the panelists for articulating the 'realizations on the ground' and voiced her own hope that all stakeholders would try to see the process from each other's lenses so that there would be a better understanding of each one's role.

She emphasized that the responsibility for implementing the SDMP is not solely the company's or the government's or

the community's, but a shared one. In closing, she shared Diwata's wish that, through more meaningful dialogues, we could improve systems and processes, and not merely critique them, so as not to lose sight of our goal to develop as a nation.

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Still in line with its special concern and advocacy for IP women and children, Diwata and its friends also toured the fairly new Museo Kordilyera at the University of the Philippines Baguio as guests of the curator, Dr. Analyn Salvador-Amores.

At the time of our visit, the featured exhibit was on tattoos, one of the fields of study of Dr. Amores, the author of "Tapping Ink, Tattooing Identities," an anthropological account about Kalinga tattoos.

While we have been visiting Baguio annually for the ANSMEC, our visit to the Museo Kordilyera gave us a much better understanding of the culture of the region. Don't miss it on your next trip to Baguio! ■



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