

# Social Development and Management Program of The Mines and Geosciences Bureau-Car

DR. MA. REMEDIOS G. ORTEGA-LAROCO

*Baguio Central University, Baguio City Philippines*

*Abstract- This study aimed to establish how the Social Development and Management Program of MGB-CAR fared to the mining industry's multisectoral stakeholders and whether or not the implementation of the program is in accordance to the government's objective to develop mining communities through a participatory approach. The study applied the descriptive research design to scrutinize the issues related to the research being undertaken. The research strategy made use of a survey questionnaire as the primary instrument to gather data. The study was conducted at the Mines and Geosciences Bureau-CAR with the involvement of ninety personnel from the MGB-CAR Technical Department, LGUs, Mining Companies, and communities (host and neighboring) as the respondents. All gathered data was subjected to statistical treatment such as frequencies, weighted mean and average weighted mean. Based on the data gathered, the following are the findings of the study: mining industry multisectoral stakeholders were very much aware on the pertinent government orders and circulars to implement the SDMP, the MGB-CAR has very much attained the SDMP components in accordance to the approved 5-year and annual SDMP, the methods used to implement the SDMP were very much effective, and the challenges encountered in the implementation of the SDMP was moderately serious. From these findings, the following conclusions were made: mining industry multisectoral stakeholders to the Mines and Geosciences Bureau have good understanding on the government orders and circulars in the implementation of SDMP, mining industry multisectoral stakeholders to the Mines and Geosciences Bureau has performed well and accomplished the tasks and objectives of the SDMP components in accordance to the approved 5-year and annual SDMP, the methods used to implement the SDMP were very helpful, and the challenges encountered in the implementation of SDMP can be*

*associated to varying factors that should be addressed carefully when formulating implementing strategies/methods.*

*Indexed Terms- Administrative Order, circulars, Mining Act of 1995, implementation, methods, SDMP components*

## I. INTRODUCTION

The Mines and Geosciences Bureau dates back during the Spanish regime, known as the "Inspeccion General de Minas" which took charge of the administration and disposition of minerals and mineral lands. The Office, however, was abolished on July 1, 1886 but its functions and personnel were merged with the General Directorate of Civil Administration (<https://mgb.gov.ph>).

With the promulgation of the Commonwealth Constitution reverting the Regalian Doctrine which particularly asserts that minerals belong to the State and their disposition, administration, exploitation, and development shall be done through license, concession, or lease. Commonwealth Act No. 136 and 137 were both enacted on November 7, 1936. Commonwealth Act 136 created the Bureau of Mines while Commonwealth Act No. 137, otherwise known as the Mining Act of 1936, was actually the first major mining law that would stay for about 38 years until Presidential Decree 463.

On July 10, 1987, Executive Order No. 220 was issued by Pres. Corazon Aquino to implement Section 1, Article 10 of the 1987 Constitution, creating the Cordillera Administrative Region. Prior to the implementation of E.O. 220, the DENR-CAR was non-existent.

The issuance of Republic Act No. 7942 that was approved on March 3, 1995 and took effect on April

10, 1995 transformed the Staff Mines and Geosciences Bureau into a line bureau thus becoming the Central Office of the bureau while the Mines and Geosciences Development Services Regional Offices created pursuant to DAO No. 41, Series of 1990, became the regional offices of the same Bureau. Thus, MGB is comprised of a Central Office and the necessary regional offices with a Director and Regional Directors respectively reporting to the Secretary of the DENR.

The Mines and Geosciences Bureau envisions a minerals industry that is not only prosperous but also socially, economically and environmentally sustainable, with broad community and political support while positively and progressively assisting in government's program on poverty alleviation and contributing to the general economic well-being of the nation.

To realize its vision for the industry, MGB subscribes to the core requirements of Sustainable Development as applied to mining and geosciences:

- Protection and rehabilitation of the environment;
- Promotion of social and community stability;
- Preservation of options for future generations; and
- Competitive and prosperous mining industry.

The Mines and Geosciences Bureau is solely authorized to have direct charge in the administration and disposition of mineral lands and mineral resources, at the same time, ensure that mining companies are compliant to the government's mandate on the provision of the Social Development and Management Program (SDMP) to their respective host and neighboring mining communities thus essentially advocating responsible mining vis-a-vis sustainable development for the mining communities (<https://mgb.gov.ph>).

The Mines and Geosciences Bureau-CAR (MGB-CAR) is located at No. 80 Diego Silang Street, Baguio City, with five (5) divisions composed of the (a) Finance and Administrative Division (FAD) which includes the Office of the Regional Director. It provides general administrative services pertaining to human and financial resources and property and

records management.; (b) the Geosciences Division (GD) which undertakes land geo-scientific surveys (including mineral exploration, geological mapping, geo-hazard assessment, and vulnerability assessment, engineering geological and geo-environmental studies, and, provides geological laboratory and information services; (c) the Mine Management Division (MMD) which undertakes initial evaluation of mining and mining-related applications, monitoring of the disposition and utilization of mineral lands and resources, and survey of mineral lands; (d) the Mine Safety, Environment and Social Development Division (MSESDD) conducts the evaluation and monitoring of implementation of programs and investigate incidents/complaints on mine safety and health, environmental management and social development which is the focus of this study.

Cognizant of the agency's advocacy on responsible mining and sustainable development, Republic Act No. 7942 or "The Philippine Mining Act of 1995" dutifully encompasses provisions for the development of host and neighboring communities by permitted/approved mining Contractors/Permit Holders/Lesseees. Chapter XIV, Section 134 of Administrative Order No. 96-40 entitled, "Development of Mining Communities, Sciences and Mining Technology", of the Department of Environment and Natural Resources (DENR) that was issued on December 19, 1996, aptly referred to as the Social Development and Management Program (SDMP), specifically mandates mining companies "to implement programs/projects/activities (P/P/As) for the development of their respective host and neighboring communities (HNCs) that are covered by their permit areas in order to promote the general welfare of the inhabitants living therein; assist in developing mining technology and geosciences through corresponding manpower training and development; and allot annually a minimum of 1.5% of the Total Operating Cost (TOC) or direct mining and milling costs of the previous year necessary to implement community P/P/As such as, but not limited to, the protection and respect of socio-cultural values, infrastructure, health, livelihood, education and Information Education and Communication (IEC). Any unspent amount and/or savings, for any given year, allotted for the implementation of the various programs, shall be added to the succeeding year's allotment and may be

re-programmed after consultations with concerned host and neighboring communities”.

As likewise provided, the SDMP is prepared every five (5) years by all Contractors/Permit Holders/Lesseees engaged in mining operations in consultation and in partnership with the host and neighboring communities and thereafter submitted to the concerned Regional Office of the Mines and Geosciences Bureau (MGB) for approval. Once approved, the Contractor/Permit Holder/Lessee enters into a Memorandum of Agreement (MOA) with the host and neighboring communities, duly represented by their respective Punong Barangays. To ensure the implementation of the approved SDMP, the MOA has to be initially registered with the concerned MGB Regional Office whose duty is to periodically audit compliance of the companies through monitoring, evaluation, verification and report preparation vis-a-vis the submitted periodic (monthly/quarterly/semi-annual/annual) accomplishment reports of operating mining companies.

The mining companies' compliance to the SDMP is broadly manifested through the creation of the Community Relations Office, ably headed by a Community Relations Officer (CRO) that is primarily tasked to marshal the resources needed and serves as the facilitator and coordinator for the successful implementation of all approved 5-year programs of the SDMP. An Annual SDMP which is sourced-out from the approved 5-year program is also submitted to the regulatory body for approval.

Contractors/Permit Holders/Lesseees found not implementing its approved SDMP or operating without such approved program shall, on the first offense, be liable to a fine not exceeding ₱5,000.00. A succeeding offense shall be a sufficient ground to suspend mining/milling operations in the mining areas (<https://mgb.gov.ph>).

Under MGB-CAR's jurisdiction are two (2) giants of the mining industry, Philex Mining Corporation (PMC) located at Padcal, Tuba, Benguet, and Lepanto Consolidated Mining Company (LCMC) in Mankayan, Benguet, both of which have been continuously recognized by government regulatory bodies and non-government agencies (NGOs) for

enforcing the concept of sustainable development to their host and neighboring communities through the SDMP since year 2000 to date.

MGB-CAR records show that over the years, the expenditures of these mining companies on their respective health, education, livelihood, public infrastructure and IEC programs in order to comply with the government mandate are so enormous that even testimonies from mining stakeholders in the Cordillera Region recognized that the companies' approved SDMP have greatly contributed to the development of their respective host municipalities and barangay constituents, namely: Itogon and Tuba, Benguet, for PMC; Mankayan, Benguet, and Cervantes, Ilocos Sur, for LCMC hence significantly augmenting the Philippine government's program components on health, education, livelihood, public infrastructure (HELP) and information education and communication (IEC).

Another drawback of adopting CSR is that a mining company runs the risk of making a community dependent on the mining activity for community development. Mining companies, a handful of them in the country under the banner of the Chamber of Mines of the Philippines, are aware of this issue and in turn begun to invest in the community in a sustainable manner that generates real and tangible social benefits. This study aimed to assess and evaluate the responsiveness of the Social Development and Management Program of the Mines and Geosciences Bureau-CAR as to its objective, implementation, attainment and challenges, the results of which will serve as guide and reference in rationalizing existing policies and practices for better execution and continuity of the program not only by mining stakeholders in the Cordillera Administrative Region but to other researchers as well.

## II. REVIEW OF RELATED LITERATURES

For over five decades, management scholars have been seriously searching for a proper definition and domain of corporate social responsibility (CSR). The search has stirred several controversies and reached no common agreement (Davis, 1973). After an extensive review of this search, Davis (1973: 312) concluded that CSR is the “firm's consideration of, and response to,

issues beyond the narrow economic, technical, and legal requirements of the firm to accomplish social benefits along with the traditional economic gains which the firm seeks". This definition makes five clear points: a) The realm of CSR matters yonder the legal, procedural and pecuniary requirements; b) CSR entails that the establishment should foremost contemplate these matters, and c) then retort to them d) despite the fact of puckering outmoded fiscal advances; e) the upshots of CSR are community reimbursements. Utmost exponents of CSR that postdate Davis (1973) have obliquely acknowledged this characterization of CSR, if not in all its opinions (Jena, et al. 2020).

Immanuel Kant enlightens the understanding of CSR by the following insights: a) CSR actions are most often driven by ends, objects and determinations, and are therefore, hypothetical imperatives, and not necessarily, categorical imperatives; b) theoretical necessities generate imaginary or provisional responsibility that may be exonerated; c) categorical imperatives ground absolute or unconditional responsibility that cannot be exonerated, and d) most executive duties that directly deal with customers are categorical; that is, marketers cannot use consumers as means to their own ends, but as ends-in-themselves. "No integrity in the world can dodge the fact that in numerous instances the attainment of good ends is bound to the fact that one must be willing to pay the price of using morally dubious means or at least dangerous ones and facing the possibility or even the probability of evil ramifications" (Weber, 1958:121).

Deputyship, and consequently also accountability, lies only in the comprehensive renunciation of one's individual life to the supplementary. Only the altruistic person lives dependably, and this means, that lone the altruistic person lives (Bonhoeffer, 1965:225). We must work in the world and take account of its human needs, its nature and its possibilities. In all this, we should be aware that the decision that we take and the deeds we do are truly our own. We cannot seek protection of any law; we cannot take refuge in any principles that might justify our inaction or failure. The acceptance of responsibility involves the acceptance of the guilt of failure and of the evil consequences. Accountable deeds essentially decide not amid accurate and erroneous, but between correct and correct or between incorrect and incorrect. "It is

precisely in the responsible acceptance of guilt that a conscience proves its innocence ... the responsible man becomes guilty without sin" (1965: 214-6).

Operative autonomy is not something given. It must be cultivated; it must be won. The key point is to reach a willingness to persuade oneself or to submit to the persuasion of others. One must be persuaded to genuineness and openness, too. Incomplete intellectual and volitional development leads to moral impotence. From Bonhoeffer and Lonergan, we derive the following: a) acceptance of responsibility may involve the acceptance of the guilt of failure and evil consequences; b) most executive choices may not be between good and evil or between right and wrong, but between right and right, and between wrong and wrong. The committed executive chooses the better right and the lesser wrong; and, c) responsibility presupposes effective freedom: the higher the effective freedom the higher is responsibility.

Liability signifies a rather adverse slant that explores the circumstances and eventualities under which agents act and which make them deserve praise or blame, reward or punishment for actions they committed or omitted (Aristotle, 1984). Going yonder liability, commitment signifies a positive tactic that dashes ethical accountability to mediator's purposes, causes, empathetic, intellectual, and negotiation former to and throughout the decision-action. In measuring ethical origin or obligation, Aristotle (1984) claimed that involuntary actions are triggered by restraints and illiteracy, while voluntary actions are caused by full knowledge and deliberation, even though often driven under duress.

The former is given because of external constraints and inner impulses, while the latter is not given, but must be learned and earned through intellectual, volitional and moral development – real challenges to executive moral growth and corporate moral climate. These internal characteristics of commitment in responsibility, however, can be identified only on the account of the negotiator or by corollary on pragmatic conduct of the mediator. Both bases may be imperfect, defective and easily overestimated. Though legal accountability cannot evade observing into the internal environment of purposes, scheming and negotiation, it ultimately transfers onto the exterior environment of

verifiable items and tangible dealings. Ethical accountability, on the other pointer, sights the atmosphere and individual veracity of the mediator. Morally accountable individuals deliberately and meticulously pledge themselves to a task and willingly admit responsibility for its achievement or fiasco.

Corporate Social Responsibility (CSR), according to the United Nations Industrial Development Organization (UNIDO 2019), is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. It is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives (Triple-Bottom-Line-Approach), at the same time, addressing the expectations of shareholders and stakeholders. It is therefore important to draw a distinction between CSR, which can be a strategic business management concept, and charity, sponsorship or philanthropy. The concept of CSR clearly goes beyond making a valuable contribution to poverty reduction but it will directly enhance the reputation of a company (Jena, et al. 2020).

A properly implemented CSR concept can bring along a variety of competitive advantages, such as enhanced access to capital and markets, increased sales and profits, operational cost savings, improved productivity and quality, efficient human resource base, improved brand image and reputation, enhanced customer loyalty, better decision making and risk management processes.

Business Ethics Theory is the normative stakeholder theory in CSR which draws its philosophy from ethics and affirms that business corporations are morally responsible to look after the concerns of a larger group of stakeholders which could include owners, customers, vendors, employees and community rather than its stockholders i.e. the owners of the business alone (Rodin, 2005). The concepts of business ethics and social responsibility have distinct identities. Yet, they are often used to refer to the same argument or code. The term business ethics is supposed to be “a combination of two very familiar words, namely business and ethics” (Dimitriadis, 2007). This theory justifies CSR on 3 varied but interrelated ethical grounds: changing and emerging social responsiveness

and social expectations to particular social problems, eternal or intrinsic ethical values always inspired by Kantian ethics and denoted as some normative and universal principles like social justice, fairness and human rights, corporate citizenship. The business ethics theory views CSR more as philanthropic and ethical responsibilities rather than legal and economic responsibilities.

Corporate social responsibility is a commitment that a business makes towards the betterment of the society at large. In the twenty first century, the market was made of homogeneous products; as a result, the companies started to invest heavily in corporate social responsibility so that they can stand out in the market. There were already various surveys that proved that corporate social responsibility adds to brand equity. Corporate social responsibility not only improves the brand name in the minds of the customers but also does leave a positive mark in the minds of the employees and the society. In a nutshell, the aim of applying corporate social responsibility strategies is to earn: positive reputation in the market, protect the environment from destruction, reputation from local communities, increase employee job satisfaction, and stakeholder theory (Chetty, 2014).

Sustainable development, according to Grant and Kenton (2019), focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs. The concept of sustainability is composed of three pillars: economic, environmental, and social, also known informally as profits, planet, and people. Sustainability encourages businesses to frame decisions in terms of years and decades rather than on the next quarter's earnings report and to consider more factors than simply the profit or loss involved. Sustainability is a form of economy and society that is lasting and can be lived on a global scale. The society-changing potential of the claim, “more justice between generations, more global justice at the same time”, faces the peril of getting out of sight. Sustainability is just not the trivial general claim to take social, economic and environmental policy serious independent of any relationship in time and space and to strike a sound balance between these aspects (Ekaradt, 2009).

Different kinds of theoretical perspectives have been used over the years to explain why business organizations engaged or did not engage in CSR activities and CSR disclosure (Adams, et al., 1998; Amran & Siti-Nabiha, 2009; Bayoud, et al., 2012). These potential CSR theoretical perspectives can be broadly classified into “Economic Theories” and “Social and Political Theories”. The economic theories, such as decision usefulness theory, agency theory, and positive accounting theory, consider only the economic aspects of CSR practice, or in other words, market outcomes of CSR disclosure. In addition, these theories consider mainly financial stakeholders, rather than a wider spectrum of stakeholders. Gray, et al. (1995a) contend that social and political theories such as legitimacy theory, stakeholder theory, and institutional theory have more ability to provide insightful theoretical perspectives on CSR practices than purely economic theories do. Moreover, Deegan (2009) highlighted the fact that a considerable relationship exists between these three theories with regard to CSR practices.

III. METHODOLOGY

This study utilizes a quantitative approach, which gathers pertinent information through a descriptive-survey method that pays attention to comprehending and deciphering the significance participants and to understand the Social Development management Program implementation of Mines and Geosciences Bureau-CAR, mining companies, Local Government Units (LGUs). The study involved a total of ninety (90) personnel from the MGB-CAR Technical Department, LGUs, Mining Companies, and communities (host and neighboring). Total enumeration sampling method was used. This study used a survey questionnaire which were validated by the experts in the field.

IV. RESULTS AND DISCUSSIONS

Level of Effectiveness of the Methods Used to Implement the Social Development and Management Program

Methods Used	Level of Effectiveness							DE
	VM	M	Mo	S	L	TW	W	
	E	E	E	E	E	P	M	

	(5)	(4)	(3)	(2	(1			
							)	)
1. Information Education and Communication (IEC)								
a. Community meetings/ consultations	64	17	7	2	0	413	4.5 VM 9 E	
b. Training/seminars/ periodic assemblies	59	19	10	2	0	405	4.5 VM 0 E	
Area Weighted Mean							4.5 VM 4 E	
2. Approved 5-year and Annual SDMP	63	17	8	2	0	411	4.5 VM 7 E	
3. Multipartite periodic monitoring and validation by MGB-CAR Regional Office	60	20	6	4	0	406	4.5 VM 1 E	
4. Annual periodic audit by MGB-Central Office	58	18	8	6	0	398	4.4 VM 2 E	
5. Community participation (planning, consultation, implementation, monitoring and validation)	61	15	11	3	0	404	4.4 VM 8 E	
6. Submission of periodic accomplishment reports	59	22	6	3	0	407	4.5 VM 2 E	
7. Compliance Monitoring and Rating/Scorecard	58	21	7	4	0	403	4.4 VM 8 E	
Overall Average Weighted Mean							4.5 VM 0 E	

Legend:

Numerical Value	Statistical Limits	Descriptive Equivalent	Symbol
5	4.21-5.00	Very Much Effective	VME
4	3.41-4.20	Much Effective	ME
3	2.61-3.40	Moderately Effective	MoE
2	1.81-2.60	Slightly Effective	SE
1	1.00-1.80	Least Effective	LE

Table 1 presents the respondents' observations on the level of effectiveness of the methods used to implement the Social Development and Management Program. With an overall average weighted mean value of 4.50 and a descriptive equivalent of very much effective, this shows that the respondents highly observed the methods used to implement the SDMP to have been very helpful. This also implies that the methods used by the MGB-CAR in implementing the SDMP were highly appropriate and compatible for the program.

Having gained the top three highest weighted mean values, the methods approved 5-year and annual SDMP, Information Education and Communication, and submission of periodic accomplishment reports was observed to have the highest effectiveness in the implementation of the SDMP. With the approved 5-year and annual SDMP and periodic accomplishment reports, the MGB will have a thorough and firm grasps on the compliance of the mining companies on the rules and regulations being enacted. This will also allow the bureau to closely monitor the projects being implemented by the mining companies. Moreover, conducting community meetings/consultation and providing training/seminars/periodic assemblies have given the community opportunity to improve their knowledge and at the same time gain more knowledge from the other participants. In fact, assemblies, meetings and consultation can greatly improve the knowledge of participants as they will be able to clarify issues that they do not understand from the professionals and/or from the other participants.

Subsequently, having gained their respective weighted mean values, the methods multipartite periodic monitoring and validation by MGB-CAR Regional

Office and community participation (planning, consultation, implementation, monitoring and validation) was observed to have been effective as well. While multipartite periodic monitoring and validation has allowed the MGB to establish a firmer hold on the issues related to the mining industry and higher accomplishment in the implementation of the various acts and circulars, the community participation has allowed the stakeholders to have confidence in the projects being implemented and that has boosted their trust with the transparency of the bureau.

Meanwhile, although carrying the descriptive equivalent of very much effective yet shown to be at the bottom rank, the methods compliance monitoring and rating/scorecard and annual periodic audit by MGB-Central Office can be said to have the least effectiveness when compared to the other method. Although slightly less effective when compared to the other methods, at least by continuously monitoring and rating the compliance of the mining companies and the community, the provisions stipulated in the acts and circulars will be guaranteed to be observed and enacted. Moreover, by conducting annual periodic audit, the bureau will be able to scrutinize the projects being implemented by the mining companies and check their performance in accordance to their approved 5-year and annual SDMP.

Overall, this result does not conform to the assumption of the study stating the effectiveness of the methods used to implement the Social Development and Management Program was moderate. Instead, the study found that the methods used in the implementation of SDMP were very much effective.

#### Degree of Seriousness of the Challenges Encountered in the Implementation of the Social Development and Management Program

Having gained an average weighted mean value of 2.82 with the descriptive equivalent of moderately serious, this shows that the implementation of SDMP have met various difficulties. Although these difficulties may have not caused much serious effects, but the fact that the implementers were met with difficulties shows that there were various factors that are highly affecting the implementation process of the program. There is no perfect and flawless process in

everything we do because at one point in doing things, there will always be a time where we will be challenged by things that we deem insignificant during the starting point. However, sometimes, these insignificant matters will turn into something that would cause us to face difficulties. The same with the MGB's implementation of the SDMP, however meticulous and careful they had planned and prepared for their projects there will always be a time where they would experience a setback due to varying reasons that they had at first thought is less likely to happen.

On this point, the list of challenges presented in the table can be considered as the best example in this issue. Having ranked in the top 3 challenges, this shows that they have the highest impact in the implementation of SDMP. In which, this also implies that most of the difficulties faced by the MGB in the implementation of SDMP were at most directly and/or indirectly related to the mining companies' efficiency in releasing the project's budget and paying their dues for the finished projects to the contractors, and the quality of the contractors' finished projects.

Having gained the highest weighted mean value, the difficulty brought by the complaints of contractors on the untimely release of budgets from the mining company thus delaying the implementation and completion of project was observed to have been the most serious. In every project that is planned and implemented, budget always plays a vital role to its completion; and the delay of its release will surely give a huge impact. In planning or developing projects, the time duration it will take will always be included in it as this serves as the target frame for the contractors to finish their work before moving to new one; hence, the delay in the releasing of budgets will greatly affect their working speed as it will also cause them delay in finishing the project allocated to them. As the department that is leading the overseeing of the SDMP, the MBG will of course be affected by the complaints of the contractors, especially so when the time comes where the contractors will be questioned for their delayed work.

Subsequently, with the second highest weighted mean value, the difficulties faced by the implementers from the complaints of contractors on the delayed payments

of mining companies for accomplished projects was also observed as very serious. Another challenge the MGB faces is the contractors' complaints on the delayed payments for their services. By nature, workers/employees work to get paid and have income to support their families; hence, it is only right that their salary/wages should be paid on time. In fact, delayed release of salary/wages is happening in every corner of the service industry and is slowly causing drastic changes in the mindsets of workers. However, there is nothing they could actually do but inwardly grumble and patiently wait for their salary/wages to be released as quitting their jobs will not solve their problems at all. Even as the overseeing department, the MGB cannot really do anything but to seek the attention of the mining companies that have not yet released the payments of the contractors and prompt them for explanation to come up with solutions that will satisfy the contractors. Aside from this approach, they cannot really do anything as forcing the mining companies will be going overboard.

And, with the third highest weighted mean value, the challenge brought by the sub-standard projects of contractors upon verification was also observed as very serious. For every project that is being done, especially in the field of services, quality precedes quality. In terms of infrastructure projects, the quality of the finished project is the most important. However, in the mining industry, not many contractors are really capable of achieving this. Although they may have the qualifications, as they were able to get the contract for the project, this does not necessarily mean that their finished work is up to the standards.

Caught in the middle, the following challenges were observed to have caused moderate difficulties towards the implementers. With a moderate weighted mean value, the difficulties faced by the implementers when some SDMP projects and activities do not appear to fall cohesively upon an integral framework of sustainable development were observed to have been moderate, in the sense that the difficulty was not too high or too low. But still, this does not mean that the difficulty brought by this problem is not affecting the program.

Moreover, respondents also observed the seriousness of problems occurring when the SDMP expenditures



are difficult to verify since purchases of materials/supplies for the approved P/P/As are directly made by companies and not covered by COA regulation. Sometimes, having a centralized financial unit is more advantageous as compared to having independent units, especially so for large scale projects as the liquidation record can be easily traced and verified as there will only be one record for every purchase of materials/supplies. On the other hand, having independent units will make the verification more complex and that it will be more time consuming as there were different companies and suppliers.

Also, with moderate seriousness, the respondents observed the insistence of mining communities that the SDMP fund is their money hence should be delivered to the LGUs for safekeeping and shall be released only when there are projects that should be funded to have brought some difficulties.

On the other hand, the challenges late submission of accomplishment reports, incomplete data in submitted accomplishment reports, and hesitance or refusal of community representatives to join the monitoring and validation of completed projects were observed to be the least serious amongst all the challenges encountered by the implementers in their implementation of SDMP. In every project that is accomplished, it is crucial that a summative report should be submitted to the monitoring/supervising department as these reports will serve as documentations and data for verification and other purposes that the department may have. Moreover, one point to make is that these reports should have complete data and information to achieve consistency. Because when reports are missing data, this will greatly affect the overall information about the projects. Further on, as shown by its weighted mean value, the stakeholders were not that unenthusiastic to participate in the monitoring and validation of completed projects. This also means that, although there was slight hesitance from the stakeholders to partake in the monitoring and validation, this does not really affect the overall participation of the stakeholders.

Overall, this result conforms to the assumption of the study stating the seriousness of the challenges encountered in the implementation of the Social

Development and Management Program was moderate.

In summary, the study found that the mining industry multisectoral stakeholders to the Mines and Geosciences Bureau were very much aware on the pertinent government orders and circulars to implement the Social Development and Management Program and that the MGB-CAR has very much attained the SDMP components in accordance to the approved 5-year and annual SDMP. Further on, the methods used to implement the Social Development and Management Program were very much effective, but the challenges encountered in the implementation of the Social Development and Management Program was moderately serious.

## V. FINDINGS, CONCLUSIONS, RECOMMENDATIONS

### *Findings*

1. Multisectoral stakeholders and the Mines and Geosciences Bureau were aware of the government orders and circulars to implement the Social Development and Management Program.
2. MGB-CAR has attained the SDMP components in accordance to the approved 5-year and annual SDMP.
3. The methods used to implement the Social Development and Management Program were effective.
4. Challenges encountered in the implementation of the SDMP was moderately serious.

### *Conclusions*

From the results of the data gathered, the following conclusions were made:

1. The mining industry multisectoral stakeholders to the Mines and Geosciences Bureau have good understanding on the government orders and circulars in the implementation of SDMP.
2. Mining industry multisectoral stakeholders to the Mines and Geosciences Bureau has performed well and accomplished the tasks and objectives of the SDMP components in accordance to the approved 5-year and annual SDMP.
3. The methods used to implement the SDMP were very helpful.

4. The challenges encountered in the implementation of SDMP can be associated to varying factors that should be addressed carefully when formulating implementing strategies/ methods.

#### *Recommendations*

Based from the findings and conclusions, the following recommendations are respectfully presented:

1. MGB-CAR are encouraged to continue their educational campaign to further develop the awareness of the multisectoral stakeholders on the government orders and circulars in the implementation of SDMP to inculcate the provisions, objectives, policies, and rules and regulations of the said orders and circulars.
2. MGB-CAR are encouraged to maintain and continue their strict implementation of the acts/orders/circulars and SDMP monitoring to ensure the mining companies' compliance and the communities' growth and development.
3. Effective methods are encouraged to be maintained and continuously used for further success in the implementation of SDMP, especially the approved 5-year and annual SDMP.
4. MGB-CAR together with the multisectoral stakeholders are encouraged to work together to develop and/or formulate effective solutions to the very serious challenges such as the delayed budget release, delayed payment for finished works, and the contractors' sub-standards work.

#### REFERENCES

- [1] Agudelo, L. et al. (2019). A literature review of the history and evolution of corporate social responsibility. Retrieved from: <https://doi.org/10.1186/s40991-018-0039-s>
- [2] Benguet Corporation-Balatoc Mines. (2020). Annual social development and management program.
- [3] BMC Forestry Corporation-Irisan Lime Project. (2020). Annual social development and management program.
- [4] Chetty, P. (2014). Role of corporate social responsibility towards brand equity. Retrieved from: <https://www.projectguru.in/publications/role-corporate-social-responsibility-towards-brand-equity>
- [5] Department of Environment and Natural Resources Administrative Order No. 96-40, Chapter XIV, Section 134, "Development of Mining Communities, Sciences and Mining Technology".
- [6] Ekardt, F. (2009). Theory of sustainability. Retrieved from: <http://www.sustainability-justice-climate.eu/en/nachhaltigkeit.html>
- [7] Grant, M. and W. Kenton. (2019). Retrieved from: <https://www.investopedia.com/terms/s/sustainability.asp>
- [8] <https://cutt.ly/3nN5HFT>
- [9] Itogon-Suyoc Resources, Inc. (2020). Annual social development and management program.
- [10] Jena, A., et al. (2020). International Journal of Scientific and Technology Research. Volume 9. Retrieved from: <https://www.ijstr.org>
- [11] Lexocology.com. (2020, April 29). Law business research. Retrieved from: <https://www.lexocology.com/library/detail.aspx?g=f9cba1-f31e-40ed-b448-a19fa1ffb67c>
- [12] Lepanto Consolidated Mining Company. (2020). Annual social development and management program.
- [13] McCombes, Shona. (2020, September 3). Descriptive research. Retrieved from: <https://www.scribbr.com/>  
<https://www.scribbr.com/methodology/descriptive-research/>
- [14] Mines and Geosciences Bureau. History of the mines and geosciences bureau. Retrieved from: <https://mgb.gov.ph>
- [15] ML Carantes Development and General Construction Enterprises. (2020). Annual social development and management program.
- [16] Mountain Rock Aggregates. (2020). Annual social development and management program.
- [17] Philex Mining Corporation. (2020 Annual social development and management program.
- [18] Philex Mining Corporation. (2009). Category: Corporate SOV Awardee. Retrieved from: <http://www/pnvsca.gov.ph/sov.page.php?article=awardees/2009/org.philex>

- [19] Rahul, R. (2012). Theories of CSR. Retrieved from:  
<https://www.projectguru.in/publications/theories-of-csr>
- [20] Republic Act No. 7942. The Philippine Mining Act of 1995.
- [21] Saunders, et al. (2019). Research methods for business students. Retrieved from: <https://www.researchgate.net>
- [22] Schooley, S. (2019). What is corporate responsibility? Retrieved from:  
<https://www.businessnewsdaily.com/4679-corporate-social-responsibility.html>
- [23] Virola, R. (2011). Measuring the economic contribution of volunteer work: the Philippine experience. Retrieved from:  
<http://2011isiproceedings.org/papers/950542.pdf>
- [24] United Nations Volunteers. (2012). Volunteerism and social inclusion: an extract from the 2011 state of the world's volunteerism report. Retrieved from: <https://cutt.ly/xb66B4e>
- [25] UNICEF. (2016). Urban wash: working with people, the importance of monitoring and evaluation. Retrieved from:  
<https://moodle.digital-campus.org/mod/page/view.php?id=32063>
- [26] Ureta, K. G. (2019). Mindful mining, Manila standard. Retrieved from:  
<https://www.manilastandard.net/spotlight/corporate-philanthropy-csr-champions-of-today/287416/mindful-mining.html>
- [27] Valentine, I. G., et al. (2016). Effect of beneficiaries participation in project monitoring and evaluation on project success. Retrieved from: <http://www.researchpublish.com>
- [28] Wasilwa, C. W. (2015). Effect of community participation on sustainability of community-based development projects in Kenya. Retrieved from: <https://www.linkedin.com/pulse/effect-community-participation-sustainability-based-calebwasilwa>