



## PHILSAGA MINING CORPORATION

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January 27, 2010

**ALILO C. ENSOMO, JR.**

OIC, Regional Director

DENR- Mines and Geosciences Bureau

Km.2, National Highway

Surigao City



Dear Director Ensomo:

Respectfully submitting herewith the company's Annual Social Development & Management Program (ASDM) 2009 accomplishment report for the two (2) host Barangays situated at Barangay Consuelo, Bunawan, and Barangay Bayugan 3, Rosario, all in Agusan del Sur.

Hope that this is in order. Thank you.

Very truly yours,

**COL SAMUEL G. AFDAL (RET)**

President



# **SDMP ANNUAL REPORT**

**Period Covered: January 2009 to December 2009**

## **A. General Information**

1. Name of the Company: **Philsaga Mining Corporation**
2. Plant Address/location: Bayugan 3, Rosario, Agusan del Sur
3. Contact person/Title, Phone and Fax Nos.

**Col Samuel G Afdal (Ret)**

President

Tel. No. (085) 839-3442/FaxNo. (085) 839-2253

**ENGR. FERDINAND A. CORTES**

Safety, Environmental, Community Relations  
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## **B. Community Development Framework**

Starting 2007, with the creation of Community Technical Working Group (CTWG) for Bayugan 3 and Consuelo, the company's five (5) year Social Development & Management Program (SDMP) 2007-2011 for the 1% DMMC was implemented based on implementing rules and regulations. In view of the fact that the company's 1% DMMC is being released quarterly, the CTWG agreed that Annual SDMP Budget must cover the 4th quarter of the preceeding year until 3rd quarter of the current year, hence covering the four (4) quarters. The 1% Direct Mining and Milling Cost (DMMC) of the host barangays were directly deposited at Development Bank of the Philippines (DBP) in their respective accounts for the identified PPAs to be implemented. For 2009 ASDMP, the projected budget is Php 4, 000, 0000.00 wherein CTWG-SB members prioritize fund allocations for identified programs/projects/activities. Strategies and Mechanisms were designed according to the SDMP framework being implemented throughout Caraga Region, thus the following:

### **1. Challenges, Goals and Objectives**

#### **Challenges**

1. Infrastructure projects tend to be of great preference from among LGUs instead of giving priority to the livelihood program.



2. Community value systems are still to be established.
3. The Multi-sectoral representatives demands for honorarium/compensation instead of volunteerism.
4. The Barangay Council requests to download some funds to the Barangay for implementation.
5. The Barangay is not complying the reportorial requirements on due time especially on the liquidation of the implemented PPAS downloaded fund.
6. Delay in the withdrawal of funds from DBP for the implementation of PPAs due to:
  - a.) Irregular MRFC quarterly meeting to approve quarterly releases;
  - b.) Delay in the releases of Barangay/LGU counterpart.
7. Access to potable water supply for both barangays are not yet realize.
8. Livelihood projects were not set as priority for the year in Barangay Bayugan 3, Rosario, Agusan del Sur.
9. Some CTWG members are very pessimistic on the livelihood aspect due to the failures of many livelihood projects in their area.

### **Goals**

1. To attain sustainable development through collaboration/coordination with different sectors of the community for the programs/projects' implementation.
2. To enhance the evolution of common values which will serve as basis for developing and inculcating individual and collective attitudes consistent with the national interest.
3. To promote general capability to effectively manage change and other situations that require coping and adjusting.
4. To contribute to nationwide efforts in increasing household and community based productivity towards self-reliance and self sufficiency in basic requirements.
5. To develop a uniform and equitable application of SDMP.
6. To institute national policy enactment that enhances implementation of SDMPs.



## **Objectives**

1. To effectively deliver primary health care services to the people.
2. To provide better & quality education.
3. To deliver quality social welfare services.
4. To increase income through sustainable livelihood projects.
5. Protection and sustainable utilization of natural resources.
6. To develop transportation facilities (farm to market roads/bridges).
7. To provide the community safe access to potable water supply.
8. Establish income generating projects.
9. Provide the basic social services to the host communities.
10. Ensure social awareness through proper information, communication and education dissemination.
11. Establish and develop infrastructure facilities.
12. Maintain networking and linkages with the local government units, government agencies, non-government organization, private sectors and other sector in the society.

## **2. Strategies and Approaches**

### **Strategies/Approaches**

1. Provision of additional health stations, facilities & health personnel especially to the far-flung community.
2. Construction of elem. school buildings & facilities & hiring of competent teachers.
3. Encourage private institution / NGO's to participate in the social services, programs & projects.
4. Develop barangay resettlement sites and relocate households living in the danger zones.
5. Identification of suitable programs & projects for specific land use.
6. Conduct information, education campaign (IEC).
7. Provision of territorial security, infrastructure support and social services both upland and lowland dwellers
8. Conduct of capability building trainings, assessments, consultations, dialogues and IEC



9. Conduct of consultations with concerned stakeholders to identify and prioritize responses and strategies.
10. Organize the small scale miners. Capacitate and empower them.
11. Strengthen CTWG members' capabilities through training, local study mission and capacity building.
12. Conduct of consultations with the different stakeholders.

### **3. Programs and projects (description)**

To become effective, the program must focus on the ability of the community organizing, a vehicle which will be institutionalized as the structure for meaningful community participation, making them aware that their directed and concerted efforts can help improve their conditions. Participation in situation that affects their lives is also their social obligations as well as a basic human right. Their effectiveness carrying out plans will be inherent to self-reliance of the community. The creation of the multi-purpose cooperatives or tap existing cooperative/associations to address the socio-economic problem of the host barangay or shall be the focus of this social development plan.

### **IEC CAMPAIGNS**

The mining community lacks knowledge about the company's impact to the community, municipality and the nation as a whole in terms of development, will it be economic, social or environmental. It is therefore necessary that an information, education and communication campaigns shall be promoted for the communities' appreciation on mining activities.

### **CAPABILITY BUILDING**

To properly implement the programs/projects and activities outlined in the SDMP, capability building activities shall be conducted such as trainings, workshops, cross-visits and other related learning



experiences (RLEs). Capability building makes the implementors and beneficiaries effective and efficient.

#### **LIVELIHOOD**

The provision of alternative or complimentary livelihood is geared towards improving and enhancing the mining community's economic situation, to reduce poverty and protect the environment.

#### **SOCIAL SERVICES DEVELOPMENT**

An enhanced and effective delivery of social services to the host community to address the most pressing problems.

#### **EDUCATION:**

This program shall be geared towards the improvement of the learning environment of the pupils and students to attain a better quality of education by providing better buildings, additional facilities and competent teachers. Security shall also be improved in schools by providing security guards.

#### **INFRASTRUCTURE/UTILITIES:**

This program is geared towards the development of support infrastructures supportive of social development such as construction/rehabilitation of roads, water system, security outposts, construction of IEC Center/covered court, irrigation canals, day care centers and other support facilities.

### **C. Monitoring and Evaluation**

It is in proper filing of documents and recording of financial disbursements that aid the company in tracking the implementation of the Annual SDMP. Likewise, coordination with the project beneficiaries has facilitated the monitoring on the physical accomplishments of said projects infact majority of PPAs identified for the year are successfully implemented however there are some infrastructures are still on going due to unpredictable weather conditions. Since some of the SDMP Fund is downloaded in the Barangay there is that difficulty to monitor the financial disbursements in their respective ends.