

CORPORATE ENGAGEMENT PROJECT

Mindanao, Philippines: Community Perspectives on the
Business Responsibility to Respect Human Rights in Countries
Affected or Threatened by Conflict



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This document was developed as part of a collaborative learning project directed by CDA. It is part of a collection of documents that should be considered initial and partial findings of the project. These documents are written to allow for the identification of cross-cutting issues and themes across a range of situations. Each case represents the views and perspectives of a variety of people at the time when it was written.

These documents do not represent a final product of the project. While these documents may be cited, they remain working documents of a collaborative learning effort. Broad generalizations about the project's findings cannot be made from a single case.

CDA would like to acknowledge the generosity of the individuals and agencies involved in donating their time, experience and insights for these reports, and for their willingness to share their experiences.

Not all the documents written for any project have been made public. When people in the area where a report has been done have asked us to protect their anonymity and security, in deference to them and communities involved, we keep those documents private.

Background

This report is part of the project entitled “Community Perspective on the Business Responsibility to Respect Human Rights in Countries Affected by Conflict” by CDA Collaborative Learning Projects, in collaboration with the Institute for Human Rights and Business (IHRB). Its purpose is to inform the development of guidelines for business respecting human rights while operating in areas of actual or potential conflict.

This report was conducted in Mindanao, Philippines through the assistance of Ecosystems Work for Essential Benefits Inc. (Ecoweb). ECOWEB is a non-government organization based in Iligan City, Lanao del Norte, Philippines. It operates in the provinces of Lanao del Norte, Misamis Oriental, and Zamboanga del Sur.

On behalf of ECOWEB the research was initiated by its board member, Jane Ruby J. Asperin who is also a faculty of the Department of History at Mindanao State University, Marawi City. She was assisted by Sharon O. Bulaclac in the conduct of field visits in the areas of Zamboanga del Norte, while in the Bukidnon area she was assisted by a local guide. The rest of the areas of research, Lanao del Norte and Misamis Oriental, were covered on her own.

Methodology

The areas covered in this report are the sites of cement manufacturing companies in Kiwalan and Lugait, areas of mining companies in Canatuan, Balokbahan and Konakon of Zamboanga Peninsula, and a site of agricultural business at Barangay Villa Vista in Bukidnon.

This report explores the perspectives of a wide range of community members who have personally experienced the presence of multinational corporations in their area. They represent various sectors like traditional leaders, religious leaders, community elders, farmers, small entrepreneurs, youth, housewives/women, workers/laborers, and government workers.

No structured questionnaires were used during interviews but the sharing of the respondents was guided to revolve around issues of business, human rights and conflict. The goal was to engage communities in an informal and open-ended process to explore how they perceive and articulate their rights and their perspectives on business operations.

Acronyms

SDMP -Social Development Management Program

LGU – Local Government Unit

MPSA – Mining Project Sharing Agreement

CADT – Certificate of Ancestral Domain Title

NCIP – National Commission for Indigenous Peoples

IP – Indigenous People

DENR – Department of Environment and Natural Resources

MGB – Mines and Geosciences Bureau

FPIC – Free, Prior and Informed Consent

ECC – Environment Compliance Certificate

DRR – Disaster Risk Reduction

CoP – Culture of Peace

NPA –New People’s Army

MNLF – Moro National Liberation Front

MILF – Moro Islamic Liberation Front

Introduction

Location & Resources

Mindanao is in the southernmost section of the Philippine archipelago and is the second largest island in the Philippines, with an area of 102,043 square kilometers. Endowed with rich mineral resources, its metallic deposits include lead, zinc, ore, iron, copper, chromites, magnetite and gold. Its non-metallic mineral resources include marble, salt, sand, gravel, silica, clay, and limestone.

People

The people of Mindanao are divided into three broad categories: 1.) the Muslims or Moro people 2.) the Indigenous Peoples (IPs) known as the Lumads, and 3.) the other original inhabitants and the migrants known as Christians. The four major Moro groups are the Tausugs of Sulu, the Maguindanaos of Cotabato, the Maranaos of Lanao and the Ilanuns along Ilana Bay. About five percent of the total population are Lumads. There are approximately 35 groups; among them are the Subanon of Zamboanga Peninsula, the Higaunon of Bukidnon and Lanao, the T'boli of Cotabato, and the Manobo of Agusan. Since the beginning of the colonial period from the 16th century, rather than engage in aggressive or violent clashes with outsiders, the Lumads retreated to the hinterlands/mountains. (Rodil, 2006)

The other original inhabitants in the lowlands of northern and eastern Mindanao speak mostly Bisayan dialects and had begun to be Christianized as early as the 17th century of the Spanish colonization. These groups were better able to deal with and participate in economic growth and expansion, compared to the Moro and the rest of the Lumads who retreated to the hinterlands.

Mindanao was dubbed as the “Land of Promise” by the government and the migrants of the 20th century from Luzon and the Visayas, and their descendants who were later known as settlers. Since 1948, they make up the majority population of the region, and since 1970 about seventy percent of the total population. The encouragement by government for their migration and permanent settlement in Mindanao has become a source of conflict. Their migration was part of a grand design by the government to subjugate the Moro groups that they considered “belligerent” and the Lumad groups they considered “illusive” in order to integrate them into the Philippine body politic. (Salah, 2007)

Mindanao Conflict

It would be an over simplification to attribute the conflict in Mindanao to diversity in ethnicity and religion. Mindanao has the poorest provinces in the country, in particular the Muslim dominated provinces and the Lumad dominated barangays¹. While there are other factors, poverty has played a primary role in the unresolved violent conflicts. (Diaz, 2003)

¹ A Barangay is a term for a village and the smallest administrative division in the Philippines

While there were advances towards peace accomplished by the Ramos Administration with the 1996 peace accord with the Moro National Liberation Front, and continued peace talks with the Moro Islamic Liberation Front, the Estrada Administration undid a lot of the work with its declaration of an “all out war” against the MILF in 2000. When the Arroyo administration stepped in, the answer of her administration to address poverty was again, to present Mindanao as a “land of promise”, this time to private enterprise. With the new administration of Aquino grappling with the legacy of previous administrations, the Mindanao conflict is of paramount concern.

Context of the areas visited

Balokbahan is one of the 28 barangays of the municipality of Bayug, Zamboanga del Norte. It is one of the most remote barangays, about 37 kilometers from the national highway. There are only 159 houses in Balokbahan. Eighty percent are Subanon and the rest are a mixture of Bisayans and other ethnic groups.

In the 1980's Balokbahan and other barangays in Bayug became the bases of the New People's Army (NPA). An organization considered by the government to be a rebel group with a communist ideology. The relentless pursuit of the Armed Forces of the Philippines (AFP) against the NPA created great disturbances to the lives of the local people and allowed harsh interrogations and arbitrary detentions of those locals they considered aligned with rebel forces. According to an NGO worker:

“Poverty and mistreatment of the AFP, made the Subanons more sympathetic to the NPA. Violence escalated, resulting to the militarization of the area. The presence of the military composed mainly of Christians paved the way for the entry of more Christian settlers.”

NGO worker, Iligan City, Lanao del Norte

Konakon is another barangay of the municipality of Bayug. It is 12 kilometers from the municipal center. It is also home to majority Subanon, making up about 63.49% of the population. There are about 130 households (2007 census), including some Bisayans and other ethnic groups.

The Barangay Captain said that their area is very rich in minerals. The people in Konakon have heard rumors that many companies, without having consulted them, are working on an MPSA (Mining Project Sharing Agreement) in the office of the Mines and Geosciences Board (MGB) of the Department of Environment and Natural Resources (DENR), in order to enter the barangay.

The people of Konakon say they want to prepare for any eventuality. The Barangay Captain believes his area needs development support and private enterprise can play a role. However, he also wants to guarantee the welfare of the community.

Canatuan is home to Subanons who have been living there since the colonial times. The Subanons reached the interior part of the Zamboanga Peninsula Mountain Range in their efforts to avoid the imposition of power and influence by colonial powers and later in the 20th century, by migrant peoples. The years have slowly brought trickles of Bisayans and other ethnic groups to the Subanon territory.

The opening of Mindanao to large mining companies in the 1990's displaced many Subanon people, who felt a need to protect the Canatuan mountain that was sacred to them and prompted them to confront the companies who they considered intruders.

Soliling, a secretary of the Subanon Council of Leaders said that their struggle started against small-scale miners and escalated against the large mining company. It took over a decade before they received the Certificate of Ancestral Domain Title (CADT) which affirmed a Subanon claim over the 8,312 ha. of land in Canatuan.

The TVI (Toronto Ventures Resources Incorporated) mining company operates on a limited area inside Canatuan. Inside of this area are guard posts with company guards from a paramilitary unit called the SCAA (Special Civilian Armed Auxiliary). The guards do not belong to the Armed forces of the country; however their camouflage uniforms are similar to the AFP which makes the Subanon feel insecure rather than feeling protected.

Villa, Vista is a barangay in the municipality of Sumilao, located in the province of Bukidnon. Sumilao is known for its farmers who achieved national media attention when they elevated their struggle for land ownership against businessman Norberto Quisumbing, through a two-month hike from Mindanao to Luzon and camped in front of the Department of Agrarian Reform in Manila in 2007. The farmers gained a lot of sympathy from different sectors including the church, opposition leaders, and even local people. Many municipalities in Bukidnon province are known to have the presence of the NPA (New Peoples' Army) and local government units fear the group will breed discontent among the local populace.

In the mid 1970s, an American owned company named Philippine Packing Co. negotiated to rent land in Villa Vista and turned them into pineapple plantations. To this day, the acres of lands are still rented for pineapple. However, the company changed its name to Del Monte Philippine Inc. (DMPI). The people interviewed perceived the change as something unfavourable because after the change, the company began hiring workers through limited labour contracts and the many benefits previously enjoyed by employees, such as free medical services, minimum wage compensation, comfortable transportation, and insurances, ended.

Kiwalan is host to two large cement manufacturing companies; the Iligan Cement Corporation (ICC) and the Mindanao Portland Cement Corporation (MPCC). ICC is one of the top ten cement manufacturers in the Philippines. Established on February 19, 1971, the ICC Cement plant is the 16th cement processing plant to have been established in the country and started as an expansion program of the Mindanao Portland Cement Corporation. In recent years, an international investor named Lafarge bought both of these companies.

Kiwalan is a barangay east of Iligan city. Kiwalan's population is predominantly Christian. There is a small Muslim neighbourhood at the back of the cement company. Muslim families

have there for many generations and have established a good rapport with their Christian neighbours, but similar to many parts of Lanao, relationships have become strained during ongoing wars.

Lugait. As the westernmost municipality of Misamis Oriental, Lugait lies approximately 80 kilometres from the capital of the province which is Cagayan de Oro City and is approximately 17 kilometres north of Iligan City.

One of the leading industries in Lugait is the cement manufacturing, operated by Holcim Philippines Inc. The company enjoys the endorsement of DENR and MGB as a model industry.

Themes

This section presents the themes that emerged from the responses of the people regarding their perceptions of the responsibilities of business companies in relation to Human Rights in their respective communities. Focus is given to the impact of the company on the quality of their lives, environmental impacts of business operations, the question of rights over ancestral lands, how they have been consulted, how conflicts are dealt with, practices of hiring and compensation for labor, the incidence of migrant workers, security issues, politics and governance.

Quality of Life

When interviews were conducted in Kiwalan, the local government unit (LGU) chief claimed that, despite tensions between him and the cement companies due to the failure of the companies to present a development plan, he did note that the economic status of many families in Kiwalan and Lugait had improved due to employment provided by the companies. Children were able to go to school and become professionals.

“I am grateful for the company because my father who was one of those employed, was able to send us, his children to school.”

Barangay Captain. Kiwalan, LdN

The cement companies had also impacted the commercial activities in Kiwalan as migrant workers and traders flocked to the area. However, farmers and fishermen of Kiwalan expressed that they didn't benefit much from these changes.

“The fish that we catch is very limited. It is not even enough for the consumption of our family. Farming is also barely able to support the needs of our children for school.”

Purok 14, Kiwalan, LdN

Residents of

The fisherman who was interviewed felt that waste from the factory caused the lessening of their fish catch and farmers claimed that their crops are not able to grow as healthy because of air pollution. Compared to employed residents living in the town center, the households of the farmers and fishermen are poor.

The cement companies are known to provide assistance for infrastructure projects by giving free bags of cement to non-profit organizations. People expressed appreciation for this. However the farmers and fishermen felt that the company should give priority to them and should do so by employing their men and giving scholarships to their children. They also want more expansive health assistance, other than the donation of limited cold medicine.

In Lugait there appears to be a good relationship between the Holcim Company and local people. One health worker praised the initiative of the company in assisting with the nutritional health of children. Because of the initiative, the company had received recognition from the Department of Social Welfare and Development for having succeeded in their feeding program. But she also suggested that some people, who were not direct recipients of such programs, might think differently about the company. In particular, the farmers who feel that their rights over land were violated when they were forced to sell to the company for the following reasons:

1. Their farm had been made an island by the quarrying of the company;
2. Their right of road has been controlled by the company;
3. Dust and pollution have destroyed their plants;
4. Were promised of a job in the company;
5. The lure of immediate payment in exchange of their land;

Environment

Individuals in all the communities included in this report expressed concern about the impact of the company operations on their environment. Individuals in Kiwalan have linked their human rights to the environment and felt vulnerable to the risks of flooding as a result of the degradation of the trees and vegetation at higher ground.

“I worry what will happen to Kiwalan when they are finished with us. I do not want Kiwalan to be like another Cebu. When the miners were through they just left and the people bore the negative impact of the environment. The mountains are so barren, watershed had been destroyed, and water has become so scarce. Kiwalan has a very narrow coastal area. The barren mountains are just adjacent. When the rain comes, we can be easily flooded.”

Brgy. Captain, Kiwalan, Lanao del Norte

Air pollution is also one of the concerns in Kiwalan. Community members want the company to follow the national standards set to lessen this problem by using anti-pollutant devices. The Muslim community complains that, as a means to save operation costs, the ICC does not always use this device.

“The plant emits so much pollution especially at night. We cannot see the stars anymore. They just put on the anti-pollutant device and during the day only, and especially if there is a DENR inspector.”

Muslim traditional leader, Kiwalan, Iligan City, Lanao del Norte

Due to the problem of climate change, there has been intensification of DRR (Disaster Risk Reduction) Trainings in many parts of Mindanao and ECOWEB has done these trainings in

Kiwalan. The community has stated it would greatly appreciate if the company can play an active role in organizing the community in order to enhance their skills to mitigate the impacts of disasters, like earthquakes and typhoons.

Right to Land

Ancestral domain has been a conflict issue in many parts of Mindanao including Canatuan, Konakon, and Kiwalan. The first two are home to the Subanon IP communities and the latter to the Maranao Moro neighbourhood. Like many parts of Mindanao these areas have been affected by violent conflict due to the presence of armed groups who confronted the government.

Small scale miners operated in Canatuan before the entry of Toronto Ventures Incorporated (TVI) in the 1990s. The original Subanon People in Canatuan opposed the entry of TVI through protest which resulted in the escalation of conflict with the use of violence. Complications increased when the Armed forces of the Philippines intervened, and accused and charged the protestors as NPA rebels.

“Basically, it is not just with the TVI that we struggle. Early on, we struggled against the logging companies and the small-scale miners. We wanted to protect the land that is sacred for us.”

Soliling (Secretary to the Subanon Council). Paduan, Siocon, Zamboanga del Norte

“Canatuan became a ghost town for a certain period when many of us were forced to flee because they charge us as rebels.”

Displaced small entrepreneur due to entry of big mining co. Canatuan, Zambo Norte

No mining companies have begun operations in Konakon yet, but there is news that companies have applied for permits, which has made people apprehensive. The local leaders have mobilized the community to prepare for what they perceive as an inevitable arrival of mining companies. The said leaders consulted NGOs, Church-based groups on the promotion of Justice, and other stakeholders by organizing a forum to develop a plan of action. They said they do not want to experience the kind of conflict in Canatuan over territorial issues.

“We need to know that we have control over our lands. We do not want the conflict that happened in Canatuan to happen in our place.”

Brgy. Captain/IP leader. Kunakon, Bayug, Zamboanga del Norte

In Kiwalan, Lanao del Norte, residents in the Muslim Neighborhood felt pressure to sell their land to the cement company. They felt that the company was giving them a hard time in responding to their complaints which included the need to repair their cemetery which had eroded from flooding due to the quarrying on higher grounds.



Exposed skeleton at the Muslim burial ground at the back of the Cement Company in Kiwalan, during the flood due to quarrying on higher ground.

The conflict over rights to ancestral domain was settled in Canatuan when the government granted the Certificate of Ancestral Domain Title to the original Subanon Settlers. It delineated a 500 ha. area for TVI in the established domain of 8,312 ha. of the Subanon Community. Konakon residents continue to hear about mining company plans to operate in the area and remain opposed to their presence. In Kiwalan, the LGU and other NGOs assisted residents in the Muslim neighbourhood to raise awareness about their problems. The Cement Company has offered to repair the damage to their cemetery and look into other concerns of the Muslim families.

Still there are those who remain apprehensive and are worried for the future, and community members want reassurance from the company that their plans do not include further expansion of the land they are now operating on.

Prior Consultation

People in Konakon demand a consultation in which DENR and MGB are transparent in responding to their inquiries. They want the companies interested in operations to follow legal procedures, as provided by PD 1586 of the Philippine Constitution, which include obtaining their Free, Prior and Informed Consent (FPIC) through proper consultation, as one requirement for the granting of the DENR of the ECC (Environment Compliance Certificate) for companies operating in the Philippines

“The MGB should give us clear answers who are currently applying permit to explore or operate in Konakon. We have been asking them about it, but until now they have not responded.”

IP leader/Bragy. Captain. Konakon, Bayug, Zamboanga del Norte

Consequently, the community has contacted the Social Justice Program of the Catholic Church, some NGOs and other support groups for assistance. A meeting was organized where they presented their demands, including issues regarding peace and order.

An NGO worker, who advises the leaders of Konakon considers it a positive thing that the leaders are proactively preparing their community. The meetings and dialogues they organize can be a good opportunity for business and government to engage the people in future plans and

development efforts. It remains to be seen how corporations will respond to this initiative from the people.

Resolving Conflict

The granting of the CADT to the Canatuan Subanon community, headed by their leader Timuay Jose Boy Anoy, helped in the resolution of the conflict against the TVI, perceived by them to be favored by the government and by the other Subanon community who was won over and used by the TVI to justify their entry in the beginning. Jose Boy Anoy and the Canatuan Subanon were able to establish their position as the true Subanon Community claimants of the 8,213 ha Ancestral Domain in Canatuan Mountains.

At the time of the interview Soliling Onsimo, the Canatuan Subanon Community secretary, said that the mining company now recognizes their authority and the Subanon community members are gladdened by this. They appreciate the company's recent gesture, when it visited their "House of Gokum" (House of the Council of Elders) when some problems in the community needed to be mediated. The leaders welcomed this initiative by the company to use their traditional way of resolving conflict and felt this was a sign the company has come to respect them.

"After our long and arduous struggle with them, the company respects us and we respect them too. It is enough for us for now."

Soliling, Subanon Tribal Secretary. Canatuan, ZDN

Hiring Practices & Labor Rights

The community of workers in Villa Vista expressed they had appreciated the hiring practices of the company when it had been named the Philippine Packing Company. At the time, workers were promoted to regular status with benefits. In addition, they had a system of provident fund deducted from their salary; a fund they could withdraw in the latter years of their service

"We were better off when the company was still named Philippine Packing Company. All workers can become regulars with all the benefits. They were well paid too."

Grandma of the community. Bragy. Vista Villa, Sumilao,, Bukidnon

Since the change of the company's name to DMPI, many of the benefits have been stopped and the hiring process changed. This is a common concern in all the areas visited. More and more companies have resorted to the use of contracting agencies who are the ones directly accountable to the workers. Whatever complaints the workers have can only be directed to the agency. The companies are thus not held accountable to the community members working for it.

This practice has resulted in abuses towards laborers, as it leaves them few options to negotiate their own welfare, and with only the option of working for a short period with very little chance of becoming a regular employee.

“At present, the recruitment of the workers is through contractors. Their status remains contractual. They are paid very low and always very late. That is why they incur so much credit from the contracting agency themselves, who allow them to get goods from their own store. It is not advantageous for the workers. They are tied to the contractors in perpetual debt.”

Grandma of the community. Bragy. Vista Villa, Sumilao,, Bukidnon

No one seems to be addressing this issue as of yet. Those who have been interviewed have expressed discontent over the contractualization and low wages, coupled with no other benefits at all.

Influx of Migrant Workers

One effect of the establishment of businesses in the area is drawing workers from nearby areas looking for employment. This migration has caused problems relating to housing, sanitation, and competition with the locals for employment. Canatuan was known as a sleepy town before the company's presence and now has a large population of men seeking work. Since the process of hiring labor is through labor agencies, these outside workers often experience periods without jobs. The Subanon farmers have complained that some of their farm produce are taken without permission by workers and stealing has become common occurrence.

At Villa Vista, many outsiders are competing for jobs which encourage the agencies to continue unfavourable treatment of the laborers, providing low wages, trapping laborers into debt, inhuman transportation of workers to the work field in unsafe and congested vehicles, absence of decent health service in times of accidents, and deprivation of basic insurances.

The ethical issues regarding labor in Villa Vista are a big question. The perception of the people towards hiring practice is very negative and the situation is potentially dangerous because it breeds discontent among the people. While it is true that there has been some lessening of the NPA (a Marxist inspired movement) operations in Bukidnon, a phenomenon of disgruntled contract workers is a volatile issue especially with more big businesses entering Mindanao. People who feel strongly against the practice of using labor contracting agencies suggest that corporations and government need to look into the factors and implications of labor contracts and need to come up with a more humane design for hiring labor and dealing with the influx of so many people looking for jobs.

Checkpoints and Security

One of the growing concerns for security in Mindanao is the ever-increasing checkpoints and camps. This was most evident during the site visit for this research. Private corporations have established many checkpoints which make people feel as if they are suspects and unfavourable elements. In the case of Canatuan and a number of communities on the boundary between the

two Lanao provinces, people feel more comfortable if they do not see an army presence. They fear that it will only attract rebels and fear being caught in crossfire. These communities want to feel secure in their day-to-day undertakings, to work on their farms and travel the roads without fear of being apprehended or suspected as rebels.

“When the company arrived here, they made our movements limited. The company trained their own private army the SCAA. They regulate our going in and out of the area. We feel as if we are the migrants here instead of the original settlers. We can only shake our head in frustration.”

IP farmer 2. Canatuan, Siocon, Zamboanga Del Norte

A Conference took place in February 23-25, 2007, in Davao on the theme, "Checkpoints and Chokepoints: Learning from Mindanao Development Paradigms and Practices". It looked into the factors surrounding the many checkpoints in Mindanao and its impact on the lives of the people. This was attended by various sectors like NGOs, Academia, representatives from local communities and funding agencies. Similar activity can be supported by the private corporations which will help to mitigate the negative impact of their operations on the lives of host communities and would show sincerity in securing not just their interest but of the people as well.

Politics and Governance

Except for Kiwalan, Konakon and Lugait, the role of government and its agencies are perceived by many as weak. The local leaders who were interviewed in Canatuan and Balokbahan say they rarely see the faces of higher officials of government and representatives of government agencies. Most importantly, when there are problems with private corporations the government is perceived to always be on the side of the investors.

The Subanons of Canatuan had a traumatic experience with the government at the time of their resistance to the entry of the mining company. Villa Vista respondents perceive the government to be doing nothing in addressing the negative effects of labor contracting practices and the Balokbahan people saw their Mayor siding with the business sector over the resolution of labor issues.

“Because the company was not fair in accommodating all of those who wanted to work, as promised, we decided not to allow their trucks to get inside the area. However, the Mayor came and intervened on their behalf. Some of us did not want to give in, but we did in the end because our community became divided.”

Woman entrepreneur. Brgy. Baluk-bahan, Bayug, Zamboanga del Norte

On the other hand, the barangay Captains of LGUs Kiwalan and Konakon have actively participated in protecting the rights of their constituents in relation to the business sector. Because of their initiatives, DENR and MGB are aware of their demands. They have also brought wider public awareness about their problems. Both Barangay Captains expressed interest

in advancing benefits for host communities in exchange for the extraction of resources on their land.

The Barangay Captain of Kiwalan was concerned about protecting and advancing the welfare of his constituents, from environmental considerations, to labor issues and the protection of their ancestral domain.

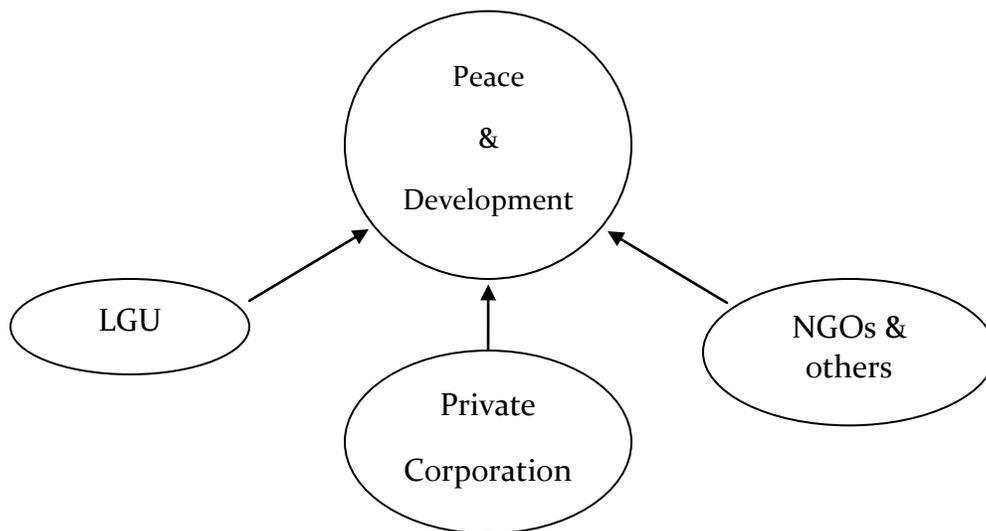
“As a native of Kiwalan, I have real concern for the company... I just want the company to give me their development plan so we can level off where we can help each other and how other concerned organizations can be brought in to participate.”

Brgy. Captain. Kiwalan, Lanao del Norte

However, the above mentioned barangays have yet to develop a plan about which livelihood projects should receive financial support from the Social Development Management Program (SDMP). Kiwalan has tried two projects (candle making and goat raising), but they have yielded low success because there is a lack of resources like Grasslands for goat grazing, since most of the surrounding lands are utilized by the company for the quarry. Konakon is planning to support its residents to plant rubber trees, but have yet to train the people on the process. The local leaders said they want capacity building for their people through trainings for livelihood. This would help a lot for them to be more successful in choosing appropriate alternative sources of income.

In the case of Lugait, Holcim Company, in partnership with the LGU have conducted trainings in advance of launching livelihood projects. To date, a small grocery store of the cooperative they encourage is still operating and some of the people trained with labor skills have been employed by the company, while others found jobs outside of the company and even abroad.

There are a number of livelihood projects to choose from, but it is crucial that projects support the needs of the community and are managed effectively. The Barangay Captain of Kiwalan believes in linking NGOs and other organizations in the development plan of the company to help ensure success. Many of those that have been interviewed appreciate the role of the NGOs.



One facilitator for CoP (Culture of Peace) trainings in Lanao said that when the private corporations can work hand in hand with LGU and with the active participation and support of the NGOs and other organizations working in Mindanao, they can further mobilize the rest of the stakeholders to synergize all the efforts for peace and development in an area affected by conflict.

Synthesis

Most of the areas included in this report have experienced and are experiencing militarization; and some have the potential for an escalation of conflict. The issues range from conflicts concerning the environment to territorial, cultural, economic, political and social issues.

The welfare of the environment was raised in most conversations and interviewees expressed a belief that the earth has rights in addition to people. People's perceptions of human rights were tied to the impact of businesses on the environment and felt that other rights couldn't be fulfilled if the environment is being destroyed. The Subanon of Canatuan, closely linked their land to human rights. Following their receipt of a declaration of ancestral domain, IP's in Canatuan expressed their desire to avoid conflict and for mutual respect with the company:

“What we want from the company now is for us to respect each other. It is our hope that they respect our rights, since we respect their operation.”

IP farmer. Paduan, Canatuan, Siocon, Zamboanga del Norte

IP's also expressed that the purpose of their resistance against companies was for company engagement with the people in a way that gives regard to their dignity and their sense of security grounded on their land.

“We can survive by the products of the land. We can survive without the road. We can walk all the way to the town. We can survive in the forest. What the birds can eat, what the wild pigs can eat, we can too.”

IP farmer. Paduan, Cantuan, Siocon, Zamboanga del Norte

A wage-dependant livelihood and competition for limited employment seems to have become reality in other areas, specifically with Higaunon IPs like that in Villa Vista, the Christian and Muslim population of the Lanao, Misamis Oriental, and to a lesser extent the Subanons of Balukbahan. This change in people's livelihoods has had implications for food security as there has been a tendency for people to leave their farms and agricultural activities. Mining companies currently have little or no participation in the development of agriculture which is the main source of livelihood for host communities. Companies are often perceived as the enemy of agriculture, however the government can play a role in balancing industrial mining growth with agricultural growth, and mining companies could also help to develop agriculture which might lead people to appreciate their presence more.

People in the communities covered in this report have clear conceptions of their rights as individuals in relation to companies. They know what companies had been providing workers

prior to the use of labor contracting agencies. A farmer of Villa Vista pointed out that the government is in the position to regulate labor practices and thought it should intervene by sending people to investigate.

Many of the local people who were interviewed appreciate the help of institutions like the Church, NGOs, and CSOs. In Zamboanga, the presence and assistance of these groups is more visible than the government which is perceived as having partnered with business at the expense of the people. IP leaders and members are clearly able to articulate their rights about what companies and government should do in order to avoid conflicts:

“We want any mining company to enter our territory by following the right process. We know that there are laws concerning this. The local or national government should itself abide with the laws. If there are those who will mine our land, we want it done in the legal way. We also want to know the position of the Local Government Unit. Whose rights do they really protect?”

IP leader/Barangay Captain. Kunakon, Bayug, Zamboanga del Norte

“The community needs to understand the process of approving the mining companies to operate in their area. We want the grassroots level to be organized so that they will know where and how to position themselves in order to avoid the use of violence and find ways not to displace the community. In order also, for the government not to see us in a bad light.”

IP leader/Barangay Captain. Kunakon, Bayug, Zamboanga del Norte

Despite some discontent about government, it was clear to the communities that they need the government to help protect rights and represent their concerns.

The communities of Indigenous Peoples and Muslims have come a long way in engagement with the outside world. While some still felt threatened and have reservations, they have become creative and empowered to tap outside resources. Equally important also are the lowlanders and Christian communities who have become more sensitive and supportive to them.

The MILF is active in Siocon in the coastal barangays close to the mining company's depot. There are rumors that the company is paying them a “revolutionary tax”. The MILF is quite strong in the municipality of Tungawan in Zamboanga Sibugay and in Sirawai, Zamboanga del Norte. The two towns are adjacent to Siocon and not very far from Canatuan.

In a study conducted by Dr. **Federico V. Magdalena**, a former MSU professor, the only remaining preserved forest in Mindanao is the area of Lanao del Sur. Not because it is not rich in minerals and resource, but because it is a hub of the Moro Islamic Liberation Front (MILF), a secessionist armed group in Mindanao. Local people say that, had it not been for the threatening presence of the armed revolutionary group, the area would have long been encroached by big business in logging and mining. Because of this dynamic, while there are those who want a peace accord between MILF and the government, there are others who say it is better for the environment for this threat to continue, in order to scare corporations away.

A site with a more positive situation is in Lugait with the Holcim Company, where it is perceived that the company has made a positive contribution to the social and economic concerns of

people. People are able to appreciate the SDMP of the company and its efforts to build capacity for both men and women to access employment. Questions about sustainable projects and environmental concerns remain as the company will have to be vigilant in maintaining standards in order to improve its positive image it has achieved locally and internationally. The Holcim Company in Misamis Oriental might well be a leading example for Mindanao to show how business can respect human rights and avoid conflict.

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