

FIVE-YEAR SOCIAL DEVELOPMENT AND MANAGEMENT PROGRAM (REVISED SDMP)

INTRODUCTION

In compliance with the DENR Administrative Order No. 2000-99 as amended by DAO No. 2004-54, the Rules and Regulations on the Implementation of the Social Development and Management Program (SDMP) for mining projects, the **TVI Resource Development (Phils) Inc. (TVRDI)** submits this amended 5-year SDMP for record and evaluation of the Mines and Geosciences Bureau, Regional Office IX, Zamboanga City. This document is divided into three (3) parts:

Part 1 briefly discusses the (i) legal basis for this specific requirement; (ii) general description of the impact areas; and (iii) project profile

Part 2 is an inventory of general and specific accomplishments from 2004 to mid-2006; and

Part 3 is a presentation of the Social Development Framework; discussion of the consultation process & outputs which were used as logical basis to formulate the Social Development Plan for 2006 to 2008. Finally, programs & area-specific projects for the next two and a half (2 ½) years are likewise presented in this section.

PART 1
BACKGROUND

A. LEGAL BASIS

The social responsibility component of the Canatuan Project is covered by the following provisions of the 1995 Mining Act.

Sec. 134 of Amended Chapter XIV (DAO 2000-99). Development of Mining Communities, Sciences & Mining Technology

- a. The Contractor/Permit Holder/Lessee shall assist in the development of the host and neighboring communities in accordance with its Social Development and Management Program (SDMP) duly approved by the **Regional Office concerned** as provided for under Section **136-B** hereof to promote the general welfare of the inhabitants living therein;
- b. The Contractor/Permit Holder/Lessee shall assist in *institutionalizing public awareness and education on mining and geosciences; and*
- c. The Contractor/Permit Holder/Lessee shall allot annually a minimum of one percent (1%) of the direct mining and milling costs necessary to implement Paragraphs (a) and (b) of this Section: Provided, That ninety percent (90%) of the one percent (1%) of the direct mining and milling costs shall be apportioned to implement the SDMP in Paragraph (a) hereof and the remaining ten percent (10%) to implement Paragraph (b) hereof: Provided, further, That the Contractor/Permit Holder/Lessee shall submit to the Bureau and the Regional Office concerned a sworn statement of their direct mining and milling costs within sixty (60) days after the end of each calendar year: Provided, finally, That the royalty payment of one percent (1%) of the gross output for the Indigenous Cultural Communities, pursuant to Section 16 of DAO No. 96-40, may include the aforementioned allotment to implement Paragraphs (a) and (b) hereof.

Section 135. Credited Activities or Expenditures

The following activities shall be considered in enhancing the development of the host and neighboring communities:

- a. Establishment/construction, development and maintenance of infrastructure (i.e., community schools, hospitals, churches, recreational facilities, access roads, bridges, piers, wharves, communication, waterworks, electric power and sewerage systems, community housing projects, and training facilities for manpower development);
- b. Establishment of livelihood industries **and other income-generating activities**;
- c. Using facilities within the mine camp, such as hospitals, schools, and others, by members of host and neighboring communities, the expenditures of which shall be pro-rated according to the number of people from said communities accommodated in such facilities; and
- d. Other activities as may be considered by the Director.

Provided, That expenditures for the above-mentioned activities shall be credited to the 90% of the 1% of the direct mining and milling costs allotted to implement the SDMP.

Provided, further, That expenditures for programs/projects/activities for the mine camp accruing to the Contractors'/Permit Holders'/Lessees' employees and their families shall not be included in the computation of the cost of the SDMP.

The following activities or expenditures shall be considered towards the ***institutionalization of public awareness and education on mining and geosciences, and the*** development of mining, geosciences and processing technology and the corresponding manpower training and development:

- a. ***Establishment/enhancement/maintenance of information and publicity centers where stakeholders can access information on the performance of a mining project;***
- b. ***Publication of Information, Education and Communication materials on social, environmental and other issues/concern in a mineral resource development project, including plans for effective management and mitigation;***
- c. ***Expenditures for public consultation, radio broadcast and newspaper publication on mining related information, issues and concerns, both local and national;***
- d. ***Advanced studies conducted in the mining area such as, but not limited to, institutional and manpower development and basic and applied research;***
- e. ***Advanced studies, including the cost of publication thereof in referred technical journals or monographs accessible to the local scientific community, related to mining which are conducted by qualified researchers, as construed by the practices at the Department of Science and Technology, who are not employees of the mine;***
- f. ***Expenditures for scholars, fellows and trainees on mining, geoscience and processing technology and related subjects such as community development and planning, mineral and environmental economics;***
- g. ***Expenditures on equipment and capital outlay as assistance to the institutionalization of public awareness and education on mining and geosciences, and for developing research and educational institutions which serve as a venue for developing mining, geoscience and processing technology and the corresponding manpower training and development; and,***
- h. ***Other activities that the Director may consider appropriate.***

Provided, that expenditures for the above-mentioned activities shall be credited to the 10% of the 1% of the direct mining and milling costs.

Section 136. Development of Host and Neighboring Communities

The Contractor/Permit Holder/Lessee shall perform the following:

- a. Coordinate with proper authorities in providing development plans for the host and neighboring communities;

- b. Help create self-sustaining income generating activities, such as but not limited to, reforestation and production of goods and services needed by the mine and the community. Where traditional self-sustaining income generating activities are identified to be present within the host and/or neighboring communities, the Contractor/Permit Holder/Lessee shall work with such communities towards the preservation and/or enhancement of such activities; and,
- c. Give preference to qualified Filipino citizens in the hiring of personnel for its mining operation, the majority of which shall originate according to priority from the host and neighboring communities, the host municipality and province where mine is located: *Provided*, That the Contractor/Permit Holder/Lessee shall organize, at its own expense, skills enhancement programs in the absence of the needed skills:

Provided, further, That it shall give its firm commitment to skills reformation and entrepreneurship development for people in the mining communities as an integral part of the mine decommissioning process.

Information, education and communication campaign for the development of mining, geosciences and processing technology and the corresponding manpower training and development shall be considered in the 10% of the 1% of the direct mining and milling costs.

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Section 136-A Social Development and Management Program (SDMP)

A Social Development and Management Program (SDMP) shall be, in consultation and in partnership with the host and neighboring communities, actively promoted and shall cover and include all plans, projects, and activities of

the Contractor/Permit Holder/Lessee towards enhancing the development of the host and neighboring communities in accordance with Sections **135** and **136** hereof.

To meet the changing needs and demands of the communities, the Contractor/Permit Holder/Lessee shall submit every five (5) years an SDMP to the Regional Office concerned for approval as provided for in Section **136-B** hereof.

B. MINING PROJECT PROFILE

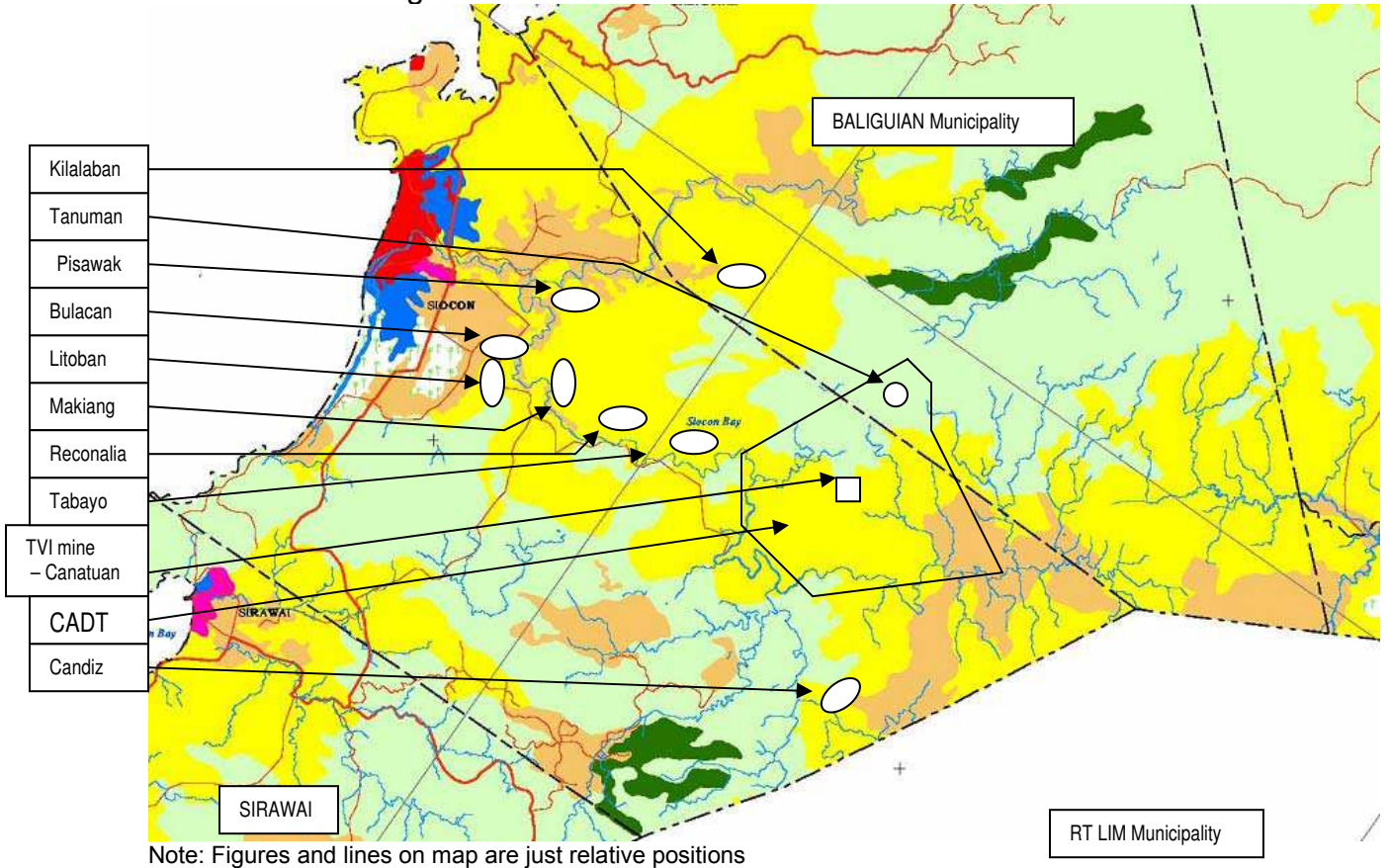
The Canatuan property, owned 100% by the TVI Resource Development, Phils., Inc. (TVRDI), is located east of the municipality of Siocon, Zamboanga del Norte. The terrain is hilly and the elevation ranges between 300 to 550 meters.

It comprises two Exploration Permit Application (EPA) areas totaling 32,400 hectares and three claim blocks totaling approximately 4,755 hectares. The main claim block, within which reserves have been delineated, covers 508 hectares in the south-central portion of the property and is covered by a Mineral production Sharing Agreement (MPSA No. 054-96-IX). The main block is surrounded by another set of claim totaling 2,025 hectares in which TVI holds an option to earn 100% interest. The next claim block comprises an area covered by an MPSA applied for by TVI Resource Development (Phils.), Inc.

During the initial phase of mine development, activities focused on mitigating the contaminated economic grade of tailings material of the small-scale operators. At present, mineral reserves estimated at 875,500 tonnes containing 4.13 g/t Au and 134.96 g/t Ag are being mined from the gossan cap of the ore body.

MAP SHOWING RELATIVE LOCATION OF TVI CANATUAN MINE AND
IMPACT BARANGAYS

A. Siocon and Baliguian Section



Note: Figures and lines on map are just relative positions

Background of Impact Area

The Canatuan Project is located in the province of Zamboanga del Norte specifically in Sitio Canatuan, Barangay Tabayo in the Municipality of Siocon.

For purposes of fully comprehending the presented social development plans, programs and projects within this document, it must be noted that the aside from the identified impact area defined under the Mining Act, the Project is simultaneously located in a geographical boundary as defined by the Indigenous Peoples' Right Act – the Certificate of Ancestral Domain Title (CADT) which is held by the Subanons of Siocon and is administered by the Siocon Subanon Association, Inc. (SSAI).

Siocon, Zamboanga del Norte – Host Municipality

Known as the “Paradise of Zamboanga del Norte, Siocon is located on the northeast quadrant of Region IX (Western Mindanao), north of Zamboanga City; and southwest of Dipolog City, the provincial capital.

It is bounded on the west by the Sulu Sea, on the east by the Province of Zamboanga del Sur, on the north by Baliguian, and on the south by the Municipality of Siraway.

Basically an agricultural community with fishing areas along the coastal barangays, Siocon's topography is mostly rolling with a wide valley along the coast facing the Sulu Sea. The lowland areas are utilized as fertile rice fields dotted with islands of coconuts and bananas, and pockets of swamps and marshlands stretching from the coastal barangays in its southern portion. It has an agricultural area of 10,737.8 hectares which comprise 21.79 of the total area of the municipality. The products are coconut, corn, rice, banana, cacao, coffee, root crops and fruit trees. Since the municipality lacks irrigation facilities, coconuts dominate among crops planted in its agricultural areas.

Twenty-six (26) barangays comprises the municipality with six (6) of them lying in the coastal areas.

Barangay Tabayo – Host Barangay

Barangay Tabayo, with a total population of 715, was created in 1971. A total of 214 households reside in Brgy. Tabayo – all of whom belong to the indigenous tribe called Subanen.

It has six (6) sitios: Gulangan, Macot, Bitonganan, Bisong, Tabayo Proper, Canatuan and Backroad. It has a total land area of 19,355 hectares. Its landscape is entirely a series of mountains with heights ranging from 100-650 meters. The highest peak is in Sitio Canatuan. The terrain is rugged and heavily dissected with gullies and creeks.

This barangay is endowed with rich mineral resources. Its water resources can be potentially tapped for micro- to mini-hydro power generation, irrigation and domestic use. The quantity and quality of flow however is now affected by the decimation of its forests by kaingin farming.

The IP Community within the CADT – Host Community

The Project directly impacts on the communities in Sitio Canatuan of Barangay Tabayo and other adjacent areas that comprise the CADT area as they are host to the various facilities in the operation of the Canatuan Project. Among these are the mine site, mill plant, tailings dam and waste dam. Other facilities such as offices and housing for employees are, likewise, conveniently established here.

The CADT area occupies approximately 8, 213.42 has. including Sitios Backroad and Canatuan of Barangay Tabayo, Sitios Mambong and Paduan of Barangay Candis all in Siocon Municipality, and Sitios Tanuman, Topan and Malusok of Barangay Kilalaban, Baliguian Municipality.

Aside from Barangay Tabayo, the barangays of Makiang and D. Riconalla of Siocon Municipality are also partly covered by the CADT.

The topography of the area is characterized by a series of moderate to steep sided, often sharply crested hills separated by a network of deeply incised valleys.

The area and the communities defined by the CADT shall be given priority in the SDMP and shall benefit largely from the SDMP funds. Approximately seventy percent (70%) of the SDMP funds shall be allocated for the host community.

Other Affected Communities

Aside from Canatuan, the following barangays or communities are classified either as impact areas owing either due to company's use of its thoroughfares or potential impact area largely due its relative location to the Project vis-à-vis watershed concerns:

Municipality of Siocon

1. Barangay Pisawak
2. Barangay Bulacan

Municipality of Baliguian

1. Sitio Km 7, Brgy. Kilalaban

Municipality of R.T. Lim

1. Barangay JS Perfecto
2. Barangay Malubal
3. Barangay New Sagay
4. Barangay San Bernardino
5. Barangay San Antonio

PART 2

ACCOMPLISHMENTS (2004- Mid 2006)

A. The Initial Mandate

The initial objectives for the first two (2) years were the following:

1. Bringing to a halt all illegal & environmentally damaging mining activities on site and re-commissioning the environmentally equipped processing plant of TVI built as a pilot plant during Canatuan exploration phase, processing & decontaminating the tails of the Small Scale Mining (SSM) operations;
2. Strengthening the institutions of local government to increase their capacity to fulfill responsibilities for service delivery and enforcement of legislation;
3. Delivering programs to provide education and improved health management as well as sustainable livelihood; and
4. Developing an environmental & socio-economic database to enable improved planning, monitoring and evaluation of local development initiatives

B. General Accomplishments

Environmental Clean-up

On the environment component, TVI was able to successfully clear all illegal mining operations in the mine area. In collaboration with local residents who have been deprived of any benefits from small scale mining operations, SSM operators ceased their activities. TVI then implemented the mine tailings clean-up of cyanide contamination by buying the tailings and eventually processing the same. Other social and economic issues were eradicated as well such as child and women labor; and non-payment of taxes to government.

Reforestation & Stop Kaingin Campaign

To ensure a continuing program to rehabilitate the environment, TVI established a company nursery to support its reforestation program. For the past two & a half (2 ½) years, more than 62,000 trees were planted as part of erosion control and the long-term site restoration program. Simultaneously, the company, in tandem with Siocon Subanon Association, Inc., (SSAI), policed the CADT area to discourage the practice of “kaingin” (slash & burn farming). As a result, kaingin farming has visibly decreased.

Forging Partnership & Critical Collaboration with Stakeholders

Likewise, TVI aggressively pursued the support and cooperation of the local governments of Siocon and R.T. Lim through coordination and massive information dissemination campaign.

Local Government of Siocon

During this period, TVI successfully lobbied and provided financial contributions for the construction of basic community infrastructure such as roads, schools and irrigation system. The company, on numerous occasions, provided heavy equipment to the local government of Siocon and its barangays for various infrastructure projects.

Local Government of Zamboanga Sibugay

TVI forged an agreement with the provincial government of Zamboanga Sibugay to rehabilitate the RT Lim – Canatuan road. The road improvement has resulted in better traveling conditions for the general public. In fact, two bus companies are now serving the Siocon-Zamboanga route.

Canada Fund

TVI provided counterpart fund and management assistance with support from the Canada Fund to spur economic activity through a Goat Dispersal & Upland Farming Project among 108 indigenous women members of the CADT.

USAID-GEM

Most recently, TVI has partnered with the support agencies & organizations notably the USAID-assisted GEM Program and Parents-Teachers-Community Associations (PTCAs) in providing educational facilities to different elementary and high schools in the municipality of Siocon.

Kapihan: Advocates for Responsible Mining

The company was able to organize a forum where individuals and institutions seriously concerned for the sustainable development of the Zamboanga Peninsula are able to exchange notes, ideas and proposals on Responsible Mining. The Mines and Geo-sciences Bureau (MGB) and the National Commission on Indigenous Peoples (NCIP), and members of the academe are some of the major participants. The Kapihan has been recently renamed into *Concerned Citizens for Responsible Mining*.

Joint Training Programs

In efforts to build up the capacities of employees and community residents, the company implemented seminars on labor issues with the assistance of the Department of Labor & Employment; and Human Rights in tandem with the Commission on Human Rights (CHR)

Responding to Basic Needs of the Host Community

Under its socio-economic agenda, the first two & a half (2 ½) years of SDMP implementation were largely focused on the host community – Canatuan - implementing a strategy anchored on the “trickle-down” concept. Other neighboring communities, however, still became recipients of company assistance on a scaled down basis.

TVI implemented the following socio-economic interventions:

Sector	2004	2005	2006 (1st semester)
Livelihood	<p>Establishment of a nursery & demonstration farm</p> <p>Goat Dispersal for Women IPs benefiting 32 women under the women's organization</p> <p>Skills transfer on Bio-intensive Gardening (BIG)</p> <p>Skills transfer of the Sloping Agricultural Land Technology (SALT)</p> <p>Financial assistance for Upland Rice Farming</p>	<p>Expansion of the nursery & demonstration farm</p> <p>Expanded dispersal of goats to additional IP women beneficiaries (76 women)</p> <p>Dress making Training (TESDA)</p> <p>Organic Fertilizer Production Training</p> <p>Expansion of technology adaptors</p> <p>Expansion of technology adaptors</p> <p>Establishment of Community Tilapia fishpond</p>	<p>Maintenance of nursery & demonstration farm for seed/seedling dispersal</p> <p>Maintenance of community tilapia fishpond</p>
Health	<p>Establishment of a Community clinic providing primary health care & medical services to employees as well as local residents</p> <p>Provided financial assistance for emergency cases for local residents</p> <p>Conduct of Medical Missions</p>	<p>Maintenance of community clinic operations. A total of 8,981 employees & residents served (5,787 EEs and dependents & 3,194 community members).</p> <p>Provided financial assistance for emergency cases for local residents</p> <p>Conduct of medical mission in Km. 8, Kilalaban</p>	<p>Maintenance of community clinic operations through recruitment of permanent midwife & regular doctor</p> <p>Donation of hospital supplies to Siocon district hospital</p> <p>Conduct of medical mission in Km. 8</p> <p>Provision of financial assistance for emergency cases for local residents</p>
Education	<p>Establishment of the Canatuan Day Care Center</p> <p>Provision of Teachers to Canatuan & Tabayo Elementary Schools</p> <p>Establishment of Adult Literacy Program</p>	<p>Construction of the Tabayo Elementary School additional schoolroom</p> <p>Provision of teachers to Makiang & Sta. Maria Elementary Schools</p> <p>Continuing Adult Literacy Program</p>	<p>Establishment of Siocon National High School Extension</p> <p>Provision of teachers to Canatuan, Makiang, Tabayo & Sta. Maria Elementary Schools</p> <p>Provision of daycare teacher in Canatuan</p> <p>Continuing Adult Literacy Program</p> <p>Donation of computers to Siocon National High & Julian Soprano Memorial High School</p> <p>Elementary Enrollees: 247 pupils:</p>

Sector	2004	2005	2006 (1 st semester)
			237 IP 10 non-IP High School (First Year) : 31 Students 29 IPs 2 Non-IP
Housing	Ground preparation for initial relocation area	Standard Subanen houses were built benefiting 15 IP households Technical survey completed for the permanent Settlement Area in Tanuman	Geo-hazard survey conducted for Tanuman Settlement
Infrastructure		Rehabilitation of the Soprano Highway (Siocon- Canatuan) in coordination with municipal government of Siocon (NOT CREDITED TO SDMP)	Rehabilitation of the RT Lim –Canatuan Road in coordination with the provincial government of Zamboanga Sibuguey (NOT CREDITED TO SDMP)
Capability Building	Gender and Sensitivity Training		
Emergency Assistance & Various Donations			

Priority Employment for Local Residents

In faithful compliance to the Mining Act and recognition of the able skills of the local residents' labor force, TVI institutionalized the prioritization of hiring local labor via a formal agreement with the Siocon Subanen Association Inc. (SSAI) stipulating that TVI must, at all times, advise SSAI in writing of all labor requirements of the company and its contractors and that SSAI shall forward recommendations through an en banc resolution.

Table 1. Frequency Distribution of Ethnicity of TVI Employees

DEPARTMENT	IP	NON-IP	TOTALS	% of IPs
Mines	6	21	27	22
Safety	1	2	3	33
Mill Maintenance	10	27	37	27
Human Resource	2	4	6	33
Mill	49	32	81	60
Mobile Maintenance	5	33	38	13
Finance	1	7	8	12.5
Purchasing	4	8	12	33
Administration	12	16	28	43
Environmental	24	8	32	75
Comm. Relations	5	2	7	71
Civil Engineering Services	23	27	50	46
Security Force	88	80	168	52
Project Management	-	4	4	0
TOTALS	230	271	501	46

Table 2. Frequency Distribution of Residence of TVI Employees

DEPARTMENT	SIOCON	RT LIM	OTHER	TOTALS
Mines	9	9	9	27
Safety	1	1	1	3
Mill Maintenance	7	15	15	37
Human Resource	2	2	2	6
Mill Dept.	54	18	9	81
Mobile Maintenance	11	18	6	35
Finance	2	2	4	8
Purchasing	6	2	4	12
Administration	9	4	8	21
Environmental	26	4	2	32
Comm. Relations	5	0	3	8
Civil Engineering Services	26	13	9	48
Security Force	85	22	56	163
Project Management	-	1	3	4
TOTALS	243	111	131	485

Information, Education & Communication (IEC) Program

Mine Visits & Information Dissemination

Numerous information dissemination activities were likewise accomplished by TVI from 2004 to mid-2006. Intensified IEC activities in the form of Canatuan Mine Tours for neighboring municipalities and environmentally-concerned peoples' organizations were conducted. The highlight of these mine visits was the 2-day exposure trip of the whole local government of Siocon which previously opposed the mining operations of TVI.

MINE TOURS

September 2004 – July, 2006

DATE	GROUP/ORGANIZATION	PAX
October, 2004	Provincial Government of Zamboanga del Norte (spot visit)	60
November, 2004	Presidential Assistant for Mindanao Jesus Dureza's Visit	10
November, 2004	Motorcycle Riding priests (Prelature of Ipil)	27
January 12, 2005	Provincial Government of ZN headed by Gov. Rolando Yebes, 3 rd District Cong. Cesar Jalosjos, Bishop Manguiran, Mayor Cesar Soriano and anti-mining NGO's	120
January 29, 2005	Jose Rizal Memorial State College – Siocon Campus Mine Tour	102
March 31, 2005	Siocon District Supervisor Araceli Tomboc	10
September, 2005	Congressional Inquiry Mine Tour (1 st)	20
October, 2005	Association of Barangay Councils of Siocon	18
October 17, 2005	ABS-CBN the Correspondent Mine Tour	5
October 18-19, 2005	Media Tour	17
November 9, 2005	Presidential Assistant for Mindanao Jesus Dureza 2 nd Visit	10
November 10, 2005	Bishops of Wales	20
November 27, 2005	Local Government of Bayog	60
December 3, 2006	Bayog United Subanen Association	45
January 27, 2006	Congressional Mine Tour	50
February 4, 2006	Barangay Officials of Tabayo and D. Riconalla, Siocon	30
February 6, 2006	Diplahan Local Government Unit	30
February 22, 2006	Siocon Local Government Unit	50
February 27, 2006	Tungawan Local Government Unit	30
March, 2006	Siay Integrated School Teaching Staff	20
April 22, 2006	Dipolog Chinese Chamber Inc./DENR Team	18
April 28, 2006	Baliguian Local Government Unit	50
May 13, 2006	Inauguration of Gossan Dam – Mine tour of DENR Sec.	50

	Angelo Reyes, Ambassador Peter Sutherland and DENR dignitaries	
June 5, 2006	Zzamboanga del Norte Press Club Inc.	20
June 24, 2006	Kapihan on Responsible Mining - Batch 1	20
July 20, 2006	Kapihan on Responsible Mining - Batch 2	18
July 27, 2006	Grace Gospel Alliance Churches of Bayog, Diplahan & Siay Poblacion, Slocon, Barangay Council	45 12

Organized IEC campaigns were complemented by regular visits to neighboring communities of Community Development Office (CDO) field personnel-mostly members of the IP community.

DATE	ORGANIZATIONS/GROUPS	PAX	Type
Jan., 2005	Jose Rizal Memorial State College-Siocon Campus	60	Symposium
Feb., 2005	Siocon National High School	300	Symposium
May-June 2006	Province- wide Campus Press Journalism Seminar		Seminar/Training
March 9-11, 2006	Linggo ng Slocon		Agri Fair
June, 2006	Hudyaka sa Zanorte		Agro-Industrial Fair

Participation in Cultural Celebrations: Social Acceptability Indicators

The resiliency of TVI in winning the hearts and minds of project stakeholders, the company had been rewarded by the show of trust and confidence by various stakeholders.

Siocon Foundation Day (March 3-10, 2006)

As a proof of social acceptability, TVI was invited to and participated in the March 2006 celebration of the Siocon Foundation Day where the company, in partnership with the Siocon Subanon Association, Inc. (SSAI), showcased the different products of the women of Canatuan & other CADT communities. Information materials were likewise displayed and distributed to residents of Siocon aside from actual explanations conducted by Subanons.

Hudyaka – Zamboanga del Norte Foundation Day (May 30- June 10,2006)

TVI also participated in the annual celebration of “Hudyaka” - Foundation Day of Zamboanga del Norte in partnership with the local government of Siocon. The 10-day celebration served as an opportunity to orient the people of the province and respond to issues vis-à-vis TVI’s operations, environmental & social programs.

Expenses representing the 90% of the 1% Mining and Milling Cost

Programs & Services	2004	2005	2006 (as of August)
Livelihood	102,000	422,909	1,300,000
Health	98,000	271,043	174,861
Education	240,480	742,449	680,880
Donations/Solicitations	42,800	119,000	119,000
OTHERS	455,000	242,000	71,000
TOTAL	938,280	1,797,401	2,345,741

PART 3
The Social Development & Management Plan
(2006 to 2008)

SDMP FRAMEWORK

A. BACKGROUND

TVI is presently implementing the social development program as mandated by the 1995 Mining Act. Since the project is located within an Ancestral Claim Domain Title (CADT), provisions of the Indigenous People's rights Act (IPRA) likewise are being followed. Educational, health and livelihood facilities have been established. The company has likewise partnered with various sectors in community infrastructure development. Finally, sectoral groups have been organized among the Indigenous People community.

To facilitate these components, TVI has a regular Community Development Office and retains an NGO to specifically provide services vis-à-vis requirements under the IPRA regime.

Now on its 3rd year of implementation, these programs have accomplished modest results and TVI aims to build on these gains by enhancing the on-going initiatives via the introduction of various organizational & program mechanisms.

This presentation contains the objectives, scope & coverage, major components and projected financial requirements for the next 2 ½ years.

B. GOALS AND OBJECTIVES

The company shall promote the rights of its host and neighboring communities to sustainable development through its Social Development and Management Program.

SDMP Goal 1 - Meet the minimum basic needs of the mining communities and enhance human welfare and prevent/reduce social ills.

SDMP Goal 2 - To optimize the advancement of human resources which includes grassroots development and people empowerment to attain a self-help, self-reliant and self-managed community.

SDMP Goal 3 - To provide opportunities for a self-sustained livelihood thus decreasing dependency on the benefits derived from the mining company.

SDMP Goal 4 - To promote conservation and intellectual use/management of the environment vis-à-vis community and mining activities.

SDMP Goal 5 - To protect the socio-cultural values and local patterns amidst improved economic conditions and human advancement.

C. STRATEGIC PROGRAM ADJUSTMENTS

Expansion of Scope and Coverage

For the next two and a half years, TVI shall directly assist the host community, neighboring communities and impact areas referred to in Part 1. The expansion of coverage areas is a deliberate effort to accelerate and eventually consolidate the gains in the host and neighboring communities in terms of socio-economic and organizational competence

Organizational Re-structuring

To facilitate this strategy, TVI has re-structured its Community Development Office (CDO) to ensure the implementation of participatory processes enshrined in the revised SDMP. The Community Development Office (CDO) has been renamed as the Community Relations Department (COMREL) primarily to immediately impress the value TVI places on human development and relations.

Personnel Re-deployment

COMREL personnel have been assigned specific areas to organize marginalized sectors and closely supervise community interventions. To ensure the efficient management of change, TVI has put in place a staff development program to precisely enable field personnel to engage the communities in participatory mobilization processes.

Community-Based Organizing and Institutional Development

Once activities of the SDMP go into full gear, field personnel shall deeply immerse themselves in the communities they are assigned to and perform community organizing functions, conduct on-site IEC and continuous consultations. Progressive discussions on identified projects will likewise be a regular activity. Facilitating the household and community organizational development maturity, and productive collaboration with external institutions that will concretely and snowball concerted effort to improve community social and economic status will also be part of the continuing process.

Livelihood Improvement unto sustainability

On the catalyst role, TVI could only approach the most ideal undertaking by: 1) prioritizing those clients who are most receptive to sustainable change and allow these initial group to set the pattern of development for the whole community; 2) facilitate the improvement of sustainable food security initiatives of local farmers. The TVI complex can be one market point of farmers' produce; 3) promote the adoption and cultivation of market-based commodities having downstream livelihood and industrial importance to ensure the sustained income of the farmers/communities even after mine closure; 4) facilitate other support systems affecting socio-economic situation and ensure that these are delivered and functional.

On site, the wealth generated from mining is the salaries and wages of employees and secondly the mining primed SDMP fund. The presence of the

company also generates other economic activities, especially in the services and retail trade sectors.

Members of the community employed by TVI may proceed investing on long-term sustainable food security and medium and long term market base crops/commodities.

The SDMP fund however (directed to the most needy) is a little portion of the counted development cost of the entire community. It is necessary that along with the capability building interventions offered by TVI to the communities, their responsible personalities/institutions/bodies can access support from the IRA of LGUs, CDF of district and national legislators, foundations and philanthropic organizations.

D. MAIN FEATURES

The matrix below shows the main features of the revised SDMP that ***promote both human as well as physical infrastructure development.***

VARIABLE	FEATURE
RELATIONSHIP PATTERN	TRANSFORMATIONAL "acceptance based on material & psychic gains & good relations"
FOCUS	PEOPLE CENTERED
ENGAGEMENT PATTERN	COMMUNITY-BASED
PROJECT IDENTIFICATION	COMMUNITY-DRIVEN & PARTICIPATORY
COMMUNITY DEVELOPMENT COMPONENTS	BALANCE BETWEEN PHYSICAL & HUMAN INFRASTRUCTURE DEVELOPMENT
PERSPECTIVE	MACRO PERSPECTIVE
ORGANIZATIONAL DEVELOPMENT	DELIBERATE TRANSFER OF SKILLS MEMBERS & LEADERS
ROLE OF COMMUNITY	ACTIVE PARTICIPANT
FUND SOURCING	COUNTERPARTING/ RESOURCE ACCESSING
SUCCESS INDICATORS	QUANTITATIVE and QUALITATIVE

E. MAJOR SDMP STRATEGIES/COMPONENTS

There are five (5) distinct but inter-related strategies to be simultaneously implemented:

Component 1	Sustainable Community Development (SCD)
Component 2	Organizational Development (OD)
Component 3	Information, Education & Communications (IEC)
Component 4	Institutional Networking/Advocacy
Component 5	Resource Accessing.

Sustainable Community Development Component (SCD)

Prior to mining activities, communities were basically characterized by the lack of access to basic services and limited economic opportunities. Found mostly in the hinterlands, these communities normally rely on livelihood schemes that put pressure on the environment and are largely extractive in nature. Inadequate productive skills and social / organizational cohesion are likewise common features.

Given this socio-economic backdrop, this component directly responds to the need for immediate provision of basic services in the initial stages while simultaneously laying the foundation for long-term solutions.

On-going programs will be further strengthened & expanded in the following areas

- Livelihood
- Health & Sanitation
- Education

While projects & services shall be implemented, basic community infrastructures will be incorporated in each sector program.

Organizational Development Component (CO)

A review of many development programs, including mineral extraction projects, would show that community projects are successfully maintained as long as external supports in the forms of financial & technical requirements are supplied.

The sustainability of projects become secondary, as many companies wrongly view development projects as the sole means of securing a social license to operate and therefore must be maintained only during mine life.

This perspective encourages a pattern of dependency as company personnel take a very high profile in project development & management reducing members of the community to mere passive recipients. As a result, when the external support ceases, the projects eventually disintegrate and fail.

By ensuring that host communities are able to satisfactorily & independently maintain their socio-economic status after the project and ensuring that benefits are equitably distributed, eventually the impact community and the company will mutually benefit.

TVI believes that to ensure sustainability of any project, details of undertaking should be planned and purposively pursued through a well executed community organizing and capacity building program.

Sectoral Group Formation/Enhancement

After the initial formation of the women's and youth sector, TVI intends to aggressively encourage the organization of other basic sectors in Canatuan, as well as in the other impact areas.

Leadership Formation

A program of skills-transfer will be progressively implemented among selected leaders of organized groups. This will ensure sustainability of the socio- economic initiatives the community will decide to undertake.

Membership Participation

Equal premium shall also be given to opportunities and skills to encourage active, creative & critical participation among members of the community. Thus, formal training and seminars shall be implemented.

Information, Education & Communication Component (IEC)

This component mainly responds to the need to inform, educate and communicate to various stakeholders what TVI intends to accomplish vis-à-vis environmental, safety and socio-economic development concerns and how these are to be accomplished. The past two and a half years have adequately given the company insights on how to appropriately respond to issues raised by different stakeholders. Thus, materials & modules will be stakeholder-specific

TVI intends to strengthen the following activities:

1. Community-based IEC campaign (organizations, associations, students etc)
2. Mine Tours
3. Distribution of pamphlets/handouts (translated into local dialects)
4. Media exposure/releases
5. Symposium/Public Fora
6. Participation in local special bodies (i.e. development councils)
7. Alliance building and Advocacy for Responsible Mining

Institutional Networking/Advocacy Component

Efforts shall be exerted to touch-base and ultimately consolidate support groups.

The advocacy for responsible mining and sustainable development will be pursued by TVI among strategic public & private institutions. While formal networks can be organized, informal meetings, caucuses and trainings will also be aggressively pursued.

Regular contacts, with both potential allies and adversaries, will be a regular activity under this component.

Resource Accessing Component

This component particularly complements the Sustainable Community Development & Institutional Networking components.

SCD implementation shall pursue a counterparting scheme among direct beneficiaries, TVI & other resource agencies particularly local government units (LGU) and national agencies. TVI shall secure an inventory of all available technical and financial resources from the public & private sector.

Initially, TVI will take a high profile in accessing resources in terms of project identification, proposal making, negotiation, evaluation and reporting. However, the level of participation in the project development process by the organized groups should significantly increase as TVI facilitates capability-building activities.

F. CONSULTATION PROCESS: A Work in Progress

Revision of the SDMP was conducted in two (2) timeframes. In April 2005, the company employed the services of the Green Earth Multi-purpose Cooperative (GEMPCO) who touch-based with other impact areas particularly communities covered by the CADT.

In the first quarter of this year, the Community Development Office (CDO), previously responsible for SDMP concerns, was re-organized and as previously mentioned became the Community Relations Office and initiated individual community profiling & consultations in the impact areas (**Refer to Annex-A**)

G. Community Needs' Perception

The following is a general presentation of major outputs of the community consultations

	Canatuan	Backroad	Tabayo	Makiang	Candis	Kilalaban	San Fernando	JS Perfecto	Malubal	New Sagay
Livelihood	Revival of Coop Seedlings for abaca, rubber, fruit trees, vegetables Skills training & start-up capital for skill/resource-based projects Manpower training for TVI Employment	Seedlings for abaca, rubber, fruit trees, vegetables Skills training & start-up capital for resource-based projects	Seedlings for abaca, rubber, fruit trees, vegetables Skills training & start-up capital for resource-based projects TVI employment	Seedlings for abaca, rubber, fruit trees, vegetables Skills training & start-up capital for resource-based projects Nursery Establishment Corn Sheller – Makiang proper	Seedlings for abaca, rubber, fruit trees, vegetables Skills training & start-up capital for resource-based projects Production capital	Seedlings for abaca, rubber, fruit trees, vegetables Skills training & start-up capital for resource-based projects	Skills training & start-up capital for resource-based projects Production capital	Skills training & start-up capital for resource-based projects Production capital	IGP/ Employment opportunities Skills training & start-up capital for resource-based projects TVI Employment	IGP/ Employment opportunities Skills training & start-up capital for resource-based projects TVI Employment
Health	Hospital Traditional medicine training Potable H2O Botika sa CADT	Sanitary toilets Potable H2O Herbal/1 ^s Aid Training Hospital	Sanitary toilets Potable H2O Feeding program Health Center Rehab	Sanitary toilets Potable H2O	Sanitary toilets	Health Center Botika sa Barangay	Potable H2O (Centro) Additional Room for Health Center Medical Outreach	H2O distribution system Provision of additional health worker – midwife Sanitary toilets		Supplemental feeding Upgrading of health center

	Canatuan	Backroad	Tabayo	Makiang	Candis	Kilalaban	San Fernando	JS Perfecto	Malubal	New Sagay
			Monthly Immunization				Supplemental Feeding	Supplemental feeding Completion of Health Center Provision of ambulance		
Education	Permanent elementary school & day care plus facilities Library/Reading Center Functional Literacy Program	Literacy Program Day Care Center	Day Care Center Literacy program Schoolrooms, Library, facilities & books	Day Care Center 1 unit schoolroom, chairs, tables	Day Care Center Paduan-addl room, chairs & books Mambong/Centro literacy program,	Km.8 elem school, teachers, facilities & books Day Care Center Library	Completion of Day Care Center High School –donation of 290 armchairs Donation of computers	Scholarships	Scholarships Provision of addtl teachers, library, books, computers	Addtl elem. Teachers, chairs Day Care Center & teacher
Infrastructure	Settlement Area Training Center Recreational Area Electricity Farm-market road (Canatuan-Siocon)	Electric Power Basketball court Water system	Rehab of D.Riconalia-Bitongonan Rehab of Bitungonan-Canatuan Hanging Bridge Electricity (micro-hydro) Completion	Footbridge at Sitio Dao Electricity Makiang Proper Water system in Muslim community	Rehab 5km Candiz-Dacon Road Chapel Repair Water supply (sitio Mosom) Reservoir repair Health Center	Rehab of Kilalaban main road Electricity for Km.8	Prk. Nangka-rehab Gemelina-Centro Rehab of Casay 1&2 –Centro Renovation of Brgy. Hall Solay Drier (Centro)	5km road rehab	Farm-market road	Farm-market road Sitio Marang-Centro Multi-purpose pavement – Prk. Cacao

	Canatuan	Backroad	Tabayo	Makiang	Candis	Kilalaban	San Fernandino	JS Perfecto	Malubal	New Sagay
			of Multi- purpose pavement							
Technical skills training			Upland farming Food processing Handicraft	Basic electricity Welding Carpentry	Sewing Herbal Medicine Computer Trng for Youth			Bamboocraft Rubber farming Dressmaking		

Discussion and Analysis

Socio-Economic

Livelihood

Based on the consultations & observations, all the impact communities unanimously expressed poverty as the main problem. Canatuan residents, mostly company employees, expressed satisfaction over their present status but nonetheless would want to start income generating projects (IGPs) in anticipation of mine closure once mineral deposits are eventually depleted.

Relying mostly on marginal agro-forestry livelihood activities, the communities expressed their desire to engage in alternative sources of income.

In terms of upland agriculture, abaca and rubber farming were singled out as potential income earners in the medium and long term. The need for nurseries, planting materials and agricultural inputs were prominently mentioned. For the immediate term, seed/seedling dispersal of high value crops may be implemented.

Women and out of school youth (OSY) participants proposed to maximize available local resources to establish home-based cottage industries. They would also need skills training/upgrading, initial capital and marketing assistance

A review of the communities' capacity to sustain any type of socio-economic activity indicates a major weakness – lack of organized groups and low level of competence in organizational and project development/management.

There are a number of government-initiated organizations (i.e. Rural Improvement Club). However, as per their own perception, members mostly women claim they lack the skills to manage their organizations and are unable to determine long-term programs – and have to be satisfied with project-based activities.

Employment

As mentioned earlier, majority of the impact community residents are marginal farmers who can hardly keep up with household survival needs. One of the principal reasons is their lack of productive skills to enable them to secure gainful employment or engage in non-traditional source of income.

In Cantuan alone, there are only a handful of local residents who have landed jobs other than manual labor. A continuing program to equip local community with technical skills is in order.

Health

Upland communities, including Canatuan, expressed the following concerns to be addressed by TVI and in partnership with local government & private agencies:

- Lack of Potable Water
- Lack of Sanitary Toilet Facilities

- Health & Sanitation Training
- Supplemental Feeding
- Medical Outreach
- Establishment of Traditional/Alternative Medicine

On a significant note, CADT areas suffer more of the inadequacy of potable water supply & sanitary toilets versus other communities.

Education

Education-related problems were observed to be area-specific. For example, most of the communities within the CADT area had higher illiteracy rates compared to communities in the municipality of RT Lim.

The following problems were articulated in almost all of the communities:

- High illiteracy rate
- Lack of day care facilities
- Lack of Schoolrooms & facilities
- Lack of Teachers

Infrastructure & Basic Social Services

Except for Canatuan, where the road network is constantly maintained by the company, other communities especially in the CADT areas are burdened by the lack of farm-market roads. Another significant inadequacy is the absence of irrigation facilities which is very essential to the development of agro-forestry projects.

Organizational & Technical Skills

As stated in the development framework, the success and sustainability of projects and programs can only be assured if the social infrastructure is in place. At this point, all the communities (including Canatuan) are yet to attain a satisfactory level of organizational maturity, cohesion and competence (knowledge & skills).

Ironically, this concern was marginally expressed during the consultations.

PROPOSED PROGRAMS, PROJECTS & SERVICES (2006-2008)

A. Goals and Objectives

TVI aims to build on the gains of the first phase. Programs will principally be strengthened and expanded.

The framework described in earlier pages will guide the implementers of the revised Social Development & Management Plan (SDMP) for the remaining two and half (2 ½) years.

Socio-Economic Programs, Projects & Services

LIVELIHOOD PROGRAM	2 nd Semester 2006	2007	2008
Projects/Services	To provide direct assistance on seedlings of tree and farm crops in the mine host (CADT) and other impact communities Allocation is 70 % CADT, 30% non CADT	To continue assistance to all communities in securing a satisfactory level in food security (cash crops) To increase production of medium & long term crops (abaca & rubber)	To continue provision of technical assistance to all community IGP initiatives
	To provide capital, skills and technology on resource base IGP projects to 11 farmer instructor technicians/ households in the immediate mine host and impact communities. To provide vegetable seeds assistance that will immediately diversify the cropping system attaining continuing short term harvest of minimum	To facilitate addition and/or expansion of skill/resource-based IGP projects	
Organizational Development/ Group Formation	To strengthen management & financial capability of CAIMPC To organize farmer instructor technician team (of eleven) that will spread the sustainable food security and environmental protection technology to other small farmers groups. To establish small IGP groups (women & OSY) in other impact communities Trace the lessons of the women on their goat project	To facilitate CAIMPC assist IGP groups in other impact areas To strengthen small IGP groups and/or transform into area-based multi-purpose cooperatives To strengthen all organized groups in orgl & proj management including marketing	To facilitate the federation of multi-purpose cooperatives within impact areas (production & marketing)
Infrastructure Development	To establish a nursery facility and resource base vocational training center that improves & expands	To establish satellite nurseries in selected impact communities	To assist in establishment of a cooperative-operated trading center in strategic marketing

LIVELIHOOD PROGRAM	2 nd Semester 2006	2007	2008
	Agro-forestry projects in CADT AREA at a cost of		locations
Capability Building	<p>To continue upgrading technical skills in upland farming of 11 FIT and 55 clients on upland crop diversification.</p> <p>To enhance the technical capabilities of women & OSY sectors on skill/resource based</p> <p>To start the Company's Apprenticeship program for SDMP-covered communities at a rate of 50 individual semi-annually 70/30</p> <p>To continue the On-the Job Training program</p>	<p>To continue technical skills upgrading in upland farming</p> <p>To equip IGP groups with knowledge & skills in cooperative development & management (primary level)</p> <p>To expand no. of beneficiaries of apprenticeship program for SDMP-covered communities</p> <p>To continue the On-the Job Training program</p>	<p>To continue technical skills upgrading in upland farming</p> <p>To equip IGP groups with knowledge & skills in cooperative development & management (secondary level)</p> <p>To expand no. of beneficiaries of apprenticeship program for SDMP-covered communities</p> <p>To continue the On-the Job Training program</p>

Health & Sanitation Program	2 nd Semester 2006	2007		2008
Projects/Services	<p><u>Canatuan/Backroad</u></p> <p>To provide potable water system in the 5 needy immediate impact barangays</p> <p>To continue provision of services thru company clinic</p> <p>To start construction of Community hospital</p> <p>To establish herbal gardens</p> <p>To establish community-based Botika sa Barangay (Tanuman)</p>	<p>Maintenance of water systems</p> <p>Regular Monitoring of Health Status of children</p> <p>To continue provision of services – company clinic</p>	<p>Completion & Operation of Community Hospital</p>	<p>Continue maintenance of community hospital</p>
	<p><u>Tabayo</u></p> <p>To provide 2 potable water system (level 2) for the 120 households in sitios Bitonganan Gulangan</p> <p>To conduct medical & dental outreach</p>	<p>Assist in water system maintenance</p> <p>To complete provision of sanitary toilets</p> <p>To assist in the establishment of a community health center</p>		<p>To assist in the maintenance of the health center</p>
	<p><u>Other CADT/SDMP Communities</u></p> <p>To establish herbal gardens</p> <p>To conduct medical & dental outreach</p>	<p>To provide potable water system</p> <p>To continue assistance in developing herbal gardens</p> <p>To assist in the provision of sanitary toilets in CADT Areas</p>		<p>To continue assistance in developing herbal gardens</p> <p>To continue medical</p>

Health & Sanitation Program	2 nd Semester 2006	2007	2008
	Suggestion: Philhealth card for the CADT COMM	To continue medical & dental outreach	& dental outreach
Organizational Development/ Group Formation	To organize water management group in Canatuan & Backroad To organize sitio-level women health groups in all impact areas using trainings, projects & services as entry points	To continue assisting water management groups To organize barangay-level health groups	To organize SDMP/CADT Association of Traditional Medicine Practitioners
Capability Building	All Impact Areas To conduct trainors' training on traditional medicine Upgrade skills of BHWs	To conduct trainors' training on health care & nutrition	To continue provision of trainings on area-specific health-related projects

Education Program	2 nd Semester 2006	2007	2008
Projects & Services	Canatuan To strengthen the Functional Literacy Program for Canatuan To continue or expand the College Scholarship Program Preservation of Cultural heritage to CADT beneficiaries (reorient	To establish Day Care Center in Sitio Backroad To continue assisting the Day Care Centers in Tanuman & Backroad To continue implementing the Functional Literacy program To expand the College Scholarship program To establish an Academic & Cultural Library	To continue assisting the Day Care Centers in Tanuman & Backroad To continue implementing the Functional Literacy program To expand the College Scholarship program To assist in the maintenance of the Academic & Cultural Library
	Tabayo To establish a Day Care Center P140,000 To provide additional elementary teacher (1) To continue the College Scholarship program	To establish Functional Literacy Program To continue provision of daycare/ elementary teachers To expand the College Scholarship program To continue the implementation of the Summer Job Program	To continue implementation of the functional Literacy Program To continue provision of daycare/elementary teachers To expand the College Scholarship program To continue the implementation of the Summer Job Program
	Other CADT/SDMP Areas To provide additional teachers, books & school facilities		

Education Program	2 nd Semester 2006	2007	2008
Organizational Devt/group Formation	To strengthen the PTCAs of all school beneficiaries thru participation in projects & services	To continue strengthening the PTCAs of all school beneficiaries thru participation in projects & services	To continue strengthening the PTCAs of all school beneficiaries thru participation in projects & services
Capability Building	To upgrade skills of Day Care/Elementary/functional literacy teachers	To upgrade skills of Day Care/Elementary/functional literacy teachers	To upgrade skills of Day Care/Elementary/functional literacy teachers

Community Infrastructure Program	2 nd Semester 2006	2007	2008
Host Community	<u>Host community</u> -----	Completion of 50% of settlement area including houses and land development	100% completion of Tanuman Settlement Area
	<u>Tabayo ROAD</u> Planning stage	Completion	
Other Impact Areas	Establishment of Small Water Impounding Projects (SWIP) in selected CADT or sulfide communities -----	Maintenance of SWIPs Regular maintenance of Canatuan-Siocon Road & RT Lim-Canatuan Road	Maintenance of SWIPs Regular maintenance of Canatuan-Siocon Road & RT Lim-Canatuan Raod

Information, Education and Communication (IEC) Program	2 nd Semester 2006	2007	2008
Consultation/Meetings	To facilitate monthly consultations/meetings with Brgy. Devt Councils of Impact Areas, ABCs, & Municipal Mayors and/or council Weekly consultation/meetings with SSAI Monthly meetings with organized groups	To pursue venues for participation in Municipal, Provincial & Regional special bodies (i.e. Regl Devt Council) as sectoral representative Weekly consultation/meetings with SSAI Monthly meetings with organized groups	To be able to formalize sectoral representation in Municipal, Provincial & Regional special bodies (i.e. Regl Devt Council) representative Weekly consultation/meetings with SSAI Monthly meetings with organized groups
Organized IEC Sessions	To be able to design & finalize stakeholder-specific IEC modules & materials To be able to conduct IEC sessions among beneficiary-schools in the	To review & revise as needed IEC modules To be able to conduct IEC sessions among beneficiary-schools in the SDMP areas and organized groups	To review & revise as needed IEC modules To be able to conduct IEC sessions among beneficiary-schools in the SDMP areas and organized groups

	SDMP areas and organized groups		
Institutional Networking/Resource Accessing	2nd Semester 2006	2007	2008
Alliance Building	<p>Professionals Continue to support initiatives of the Zamboanga City- based KAPIHAN, Dipolog</p> <p>ZDN Mining Companies Initiate inter-mining fora on Responsible Mining</p> <p>Student Sector Organize Youth Journalists</p>	<p>Continue to support initiatives of the Zamboanga City- based KAPIHAN & establish Dipolog & Pagadian KAPIHAN</p> <p>Organize COMREL Association of Zamboanga del Norte</p>	<p>To be able to organize & formalize the Zamboanga Peninsula Advocates for Sustainable Development through Responsible Mining</p> <p>To be able to organize Zamboanga Peninsula Mining Forum</p>
Resource Accessing	<p>Formalize partnerships with USAID-GEM and Jose Rizal Memorial College</p> <p>Formalize partnership with TESDA, TLRC, FIDA and academic institutions (i.e. WMMSU)</p> <p>Explore other potential partnerships with private organizations</p>	<p>Strengthen partnerships with USAID-GEM and Jose Rizal Memorial College and other institutions</p>	<p>Continue coordination & partnerships with existing government & private institutions</p>

SDMP Expenses and Projected Budgets

The Contractor/Permit Holder/Lessee allots a minimum of one-percent (1%) of the direct mining and milling costs annually, of which ninety-percent (90%) shall be appropriated to implement the SDMP and ten-percent (10%) for the development of mining technology and geosciences, as well as the corresponding manpower training and development.

Direct mining costs refer to expenditures and expenses directly incurred in all activities preparatory to and in the actual extraction of the ore from the earth and transporting it to the mill plant for mineral processing.

Direct milling costs refer to expenditures and expenses directly incurred in the mechanical and physical processing and/or chemical separation of the ore from the waste to produce marketable mineral products:

Projection of SDMP Budget

(Note: in the implementation, activities will always settle to the 1% milling cost unless otherwise commanded to go beyond the minimum)

COMPONENT SUMMARY OF 90% SDMP AND 10% IEC EXPENSES (2006-2008)

(Programs & Services)	Peso	%
I. Livelihood	9,324,204	0.33
II. Health and Sanitation	2,695,000	0.10
III. Capability Building	1,374,000	0.05
IV Infrastructure	1,413,750	0.05
V. Education	11,417,950	0.40
VI. Community Organizing and Community Development	180,600	0.01
Total 90% Physical SDMP	26,405,504	0.9
VII. IEC	1,946,513	0.1
TOTAL 90% Phy SDMP + 10% M & G IEC	28,352,017	1.0

(% distribution is dispersed on reason of community consultation)

Note: IEC is 10% of the 1% mining and milling cost. The modules and activities of which are to be prepared and implemented by TVI in coordination and active participation of MGB

ANNUAL SUMMARY OF PHYSICAL SDMP EXPENSES 2006-2008

(Programs & Services)	TOTAL	2006	2007	2008
I. Livelihood	9,324,204	336,880	4,903,119	4,084,205
II. Health and Sanitation	2,695,000	300,000	1,515,000	880,000
III. Capability Building	1,374,000	209,000	919,000	246,000
IV Infrastructure	1,413,750	1,413,750	-	-
V. Education	11,417,950	1,698,000	4,645,950	5,074,000
VI. Community Organizing and Community Development	180,600	6,600	102,000	72,000
Total SDMP Cost	26,405,504	3,964,230	12,085,069	10,356,205
Projected Mine and Milling Cost	14,724,790	3,324,790	5,700,000	5,700,000
Difference of SDMP and MM Cost	11,680,714	639,440	6,385,069	4,656,205

COMPONENTS OF PHYSICAL SDMP EXPENSES, 2006

(Programs & Services)	Peso	%
I. Livelihood	336,880	8%
II. Health and Sanitation	300,000	8%
III. Capability Building	209,000	5%
IV Infrastructure	1,413,750	36%
V. Education	1,698,000	43%
VI. Community Organizing and Community Development	6,600	0%
Total 90% Physical SDMP	3,964,230	90

The 2006 IEC component is 396,423. It shall be planned and implemented with the coordination and involvement of the MGB.

The total 2006 budget is P3,964,230 of Physical Interventions, and P396,423 IEC.

The Detailed Work and Financial for both the Physical SDMP and the IEC can be found in ANNEX B.

- Annex B1 - the 2006 – 2008 WFP
- Annex B2 - the 2006 WFP
- Annex B3 - the 2007 WFP
- Annex B4 - the 2008 WFP