



Innovating a community-based corporate social and environmental responsibility framework in a rural province of southern Philippines

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Abstract

Along with the agro-industrialization of Bukidnon, a rural province in Southern Philippines, is the need for companies' commitment to corporate social responsibility which has to operate within its context. Thus, with an aim to develop a community-based design for Corporate Social and Environmental Responsibility (CSER), this research provides in-depth assessment and analysis on the CSER initiatives of agro-industrial companies. It employed qualitative methods of data collection: Focus Group Discussions, Key Informant Interviews, and In-depth Interviews. The CSR initiatives of the companies are mostly focused on the programs on livelihood, educational assistance, health/wellness, and other social services, and on environmental protection and management. While communities and the LGUs are grateful to the companies for their CSR initiatives, they acknowledged their limited involvement both in the formulation and implementation of these projects. Efforts on environmental protection and management less likely promote empowerment and stewardship. There is also an apparent separation of the social and environmental component of the CSR initiatives. Thus, there is a need to implement the CSER program that integrates and puts equal emphasis on the social and environmental components. CSER is an alternative framework that highlights the active involvement of companies, communities, Local Government Units (LGUs), and as well as the academe, Non-government Organizations (NGOs) and People's Organizations (POs) in the formulation, implementation and evaluation of the entire CSER process.

Keywords: Corporate Social Responsibility (CSR), Corporate Social and Environmental Responsibility (CSER), Ecosystem services; Agro-industries, Environmental management

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1. Introduction

1.1. Rationale

As a watershed province in the southern part of the Philippines, Bukidnon contributes ecological services to the rest of Mindanao, one of the three major islands of the country. It serves as a source of water for domestic, agriculture and industrial consumption as well as hydropower and provides habitat of diverse flora and fauna. Add to this ecological importance, Bukidnon is a host to various agro-industries for large scale pineapple, banana and sugarcane plantations whose products and services cater to national and international markets.

Based on the 2005 land cover map of Bukidnon generated by the Environmental Science for Social Change (ESSC) and the Bukidnon Local Government Unit (LGU), pineapple plantation occupies 2.06%, banana plantation has 0.43% and sugarcane covers 7.18% of the total land area of the province. Primary forest is only 2.79%, mossy forest is 14.23% and secondary forest is 7.87%. At present, it is apparent that the extent of agro-industrial plantations of the above major crops is increasing. With the booming agro-industrialization, the ecological services of the province are at risk. There is therefore a need for extending economic benefits to protecting and sustaining these ecological services thus, ensuring that people's lives are not jeopardized and risks to natural disasters due to the negative impacts of agro-industrialization are reduced.

One of the avenues in sustaining both the ecological services and economic activities is through the company's commitment to corporate social responsibility. Corporate Social responsibility (CSR) refers to influence of organizations to the social system (Newstrom and Davis, 1997). CSR likewise relates to business operations of companies that lead to positive impact on society. Figure 1 illustrates that companies are accountable to two aspects of their operations: quality of management and the nature and quantity of their impact on society on different areas (Baker 2004). CSR is also defined as the commitment of business organizations to contribute to sustainable economic development and to the empowerment of the quality of life of employees, local community and the society in general (World Business Council for Sustainable Development, 1999 as cited by Dahlsrud, 2006). It is apparent from these definitions that CSR is a venue for companies to pay back its employees, consumers and the society in a way that shows its commitment to people. This, in turn, creates a positive image of their company.

Romero (2008) described the CSR initiatives of companies in which some companies conduct livelihood training for their community, particularly for the out-of-school youth, indigent families, and tribes. He also mentioned that other companies' CSR activities include providing fair compensation, safe working conditions and eliminating child labor. The same study showed that many (78%) of the respondents direct their CSR toward community development. It also revealed that less than half (40%) of the respondents practice CSR at the philanthropy level and programs for education were also considered by few (28%) of the respondents (Romero, 2008).

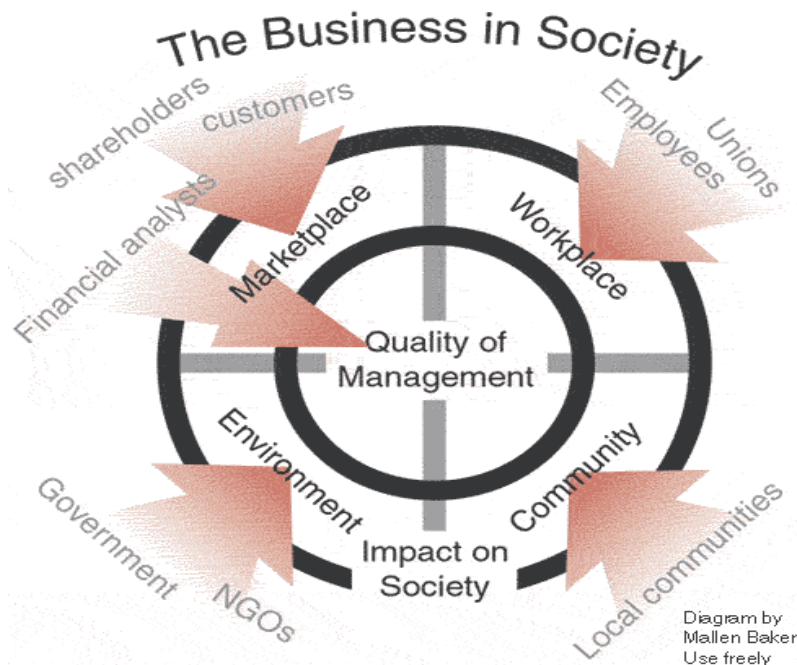


Figure 1. The CSR framework as proposed by Baker (2004)

More so, assessment of CSR performance in companies enables them in identifying their strengths and weaknesses and work for improving their CSR plan (Giannarakis & Litinas, 2011). Hence, companies utilized CSR criteria or standards in order to improve their services to the society. Giannarakis and Litinas (2011) described various examples of national and local or regional standards of CSR namely; 1) Corporate Responsibility Index for UK companies; 2) Hellenic network for CSR for Greek companies; 3) Eco-Management and Audit Scheme for European companies; 4) Maala index and Institute Ethos for Malaysian and Brazilian companies.

In the Philippines, the government is now starting to address the issue on CSR. A bill has already been proposed requiring corporations to have social welfare projects. Specifically, the bill targets companies that are large taxpayers, to consider CSR as part of their organization. It is based on the framework of partnership in nation-building between these private entities and the government (De Santos, 2011).

The above literatures have indeed expanded the concept, standards and criteria of CSR but all directed towards legitimizing the accountabilities of companies towards the community and the society, in general. However, there is also a need to contextualize CSR to suit the existing conditions, needs and expectations of the various sectors involved in the CSR implementation. In the Bukidnon setting, the rapid agro-industrialization and expansion of industrial areas prompted this research to look at how CSR is operationalized and how this matches with the conditions, needs and expectations. Furthermore, CSR should not only be targeted to people but also to the other biophysical component of the environment. CSR must create a positive image on the company's commitment to protect the environment as the source of the raw

materials for its products and services. Thus, CSR should be extended into a Corporate Social and Environmental Responsibility (CSER) that will integrate the company's commitment to social services and environmental management.

With an aim to develop a community-based design for Corporate Social and Environmental Responsibility (CSER), this study provides in-depth assessment and analysis on the CSER initiatives of agro-industrial companies. It generated data on the efforts of agro-industrial companies in the province of Bukidnon, Philippines with regards to their social and environmental responsibility. Social responsibility assesses the services offered by the company to its target beneficiaries, e.g. livelihood, health, education, etc. Environmental responsibility looks at company initiatives such as water quality monitoring, reforestation, wildlife protection, biodiversity conservation etc., in compliance to environmental regulations and other legal instruments for environmental protection and management. It also investigated the extent of participation of communities in these initiatives.

1.2. Objectives

This study aims to develop a community-based framework on CSR based on the assessment of existing CSR initiatives of the agro-industrial companies in Bukidnon, Philippines. Specifically, it intends to:

1. describe the existing CSR projects and activities of the selected agro-industrial companies;
2. assess CSR initiatives in terms of their social and environmental impacts; and
3. design a framework on CSER based on the above assessment.

2. Methodology

This study is basically descriptive and exploratory. To generate in-depth responses, it employed qualitative techniques in collecting data on CSR such as Focus Group Discussions, Key Informant Interviews, and In-depth Interviews. Three major agro-industrial companies in Bukidnon, Philippines were purposely selected to represent the three major agro-industrial crops in the province namely; banana, sugarcane, and pineapple. Consequently, selected employees directly involved in CSR formulation and implementation were considered as key informants.

Seven FGDs among selected beneficiaries of CSR initiatives of the three companies were also conducted separately. There were 7 to 15 beneficiaries who participated in each FGD. In-depth interviews among local officials were also conducted to generate information on their views regarding the CSR initiatives of the three companies and to evaluate the extent of participation of LGUs in the CSR initiatives.

Output from interviews and FGDs conducted among the respondents are cross-validated from the same set of respondents. These are also supplemented with actual observations and visits to the sites. The data generated were subjected to descriptive analysis. Qualitative responses were transcribed and analyzed to form part of the discussion.

3. Findings

3.1. CSR projects and activities

Table 1. Social and Environmental Programs under the CSR of 3 Agro-Industries in Bukidnon

PROGRAM	COMPONENTS	SPECIFIC ACTIVITIES
Social Services	Livelihood	<ul style="list-style-type: none"> • Skills training • Waste recycling • Formation of cooperatives • Provision of household income, especially for women • Composting and production of organic fertilizer
	Educational assistance	<ul style="list-style-type: none"> • Construction of classroom or school building • Scholarship
	Health and wellness	<ul style="list-style-type: none"> • Dental and medical mission • Deworming of schoolchildren • Feeding and vitamin supplementation of schoolchildren • Haircut • Circumcision
Social Services	Other social services	<ul style="list-style-type: none"> • Financial assistance to a local mental health institution and religious organization • Use of ambulance during disasters • Construction of basketball court and bakery • Medical and burial assistance
Environmental Protection and Management	Forest protection	<ul style="list-style-type: none"> • Financial assistance in forest protection activities • Establishment of nursery • Adopt-a-forest • Financial support to fish wardens

The Corporate Social Responsibility (CSR) of the selected agro-industrial companies is focused on livelihood, educational assistance, health and wellness, and other social services, as well as on environmental protection and management as summarized in Table 1.

3.1.1. Livelihood

All companies have initiated various livelihood programs. Skills training on hair cutting, reflexology, mushroom culture, vinegar-making, sewing, juice/jam/jelly-making, bag-making, pillow-making, welding,

blacksmith and commercial cooking were conducted. One company also offered a livelihood project on quail dispersal, duck-raising and backyard gardening.

As a strategy to reduce cost, one company tapped the members of women in two communities to engage in "paper balling" instead of assigning this task to their employees who will be paid on regular basis and with overtime pay. With the assistance from the company, these women were able to form two cooperatives. Initially, used papers are provided for free by the company but when the cooperatives were established, they are required to pay for a minimal cost for the papers. The company, in return, pays the members of the cooperative who engage in paper balling depending on the quantity and quality of paper balls they produce.

One company also offers its organic wastes to the residents of the nearby community to be used as organic soil conditioners/fertilizer in the farms or could be sold as fertilizers in the market. The company also taught the residents/beneficiaries on composting. and financial support from the company, the Organic Fertilizer Multipurpose Cooperative was formed. A loan without interest was provided to the group to start their operations.

3.1.2. Educational assistance

All companies constructed classroom/ school building in nearby communities. One of these companies even provided salary to the teacher assigned in the school, offered a regular school bus service to send the children to and from the school and donated educational supplies and materials.

Two of the companies have scholarship programs. The scholarship program in one company starts in 2001 with only one scholar and, at present, it grows to 40 scholars. The other company intended to help the children of the indigenous people in the nearby community.

3.1.3. Health and wellness

One of the companies holds regular medical and dental mission to dependents of the workers as well as to other members in the community. Free medical check-up and dental services are provided to the employees and non-employees. This company also conducted programs such as deworming, feeding and vitamin supplementation to elementary school children.

Free haircutting and circumcision are also served to school age children. This company tapped different organizations (e.g. military for haircutting, sugar milling company for their feeding program and schools) in the implementation of their health and wellness program.

3.1.4. Other social services

The CSER programs of one company were demand-driven. This company responded to solicitations from different organizations and individuals. It also allowed free use of their ambulance during a natural disaster. The company also gave financial assistance to a mental health institution and a religious organization. It likewise donated materials for the construction of a basketball court and bakery. of The company offered its

ambulance during a calamity (landslide). In addition, the company provided financial assistance to burial and medical expenses.

3.1.5. Environmental protection and management

Based on the 2005 land cover map of Bukidnon, agro-industrial crops that include banana, sugarcane and pineapple occupy about 10% of the total land area. However, the vast and rapid expansion of agro-industrial plantations of these crops remains unmonitored. In fact, company plantations have already encroached the uplands of Bukidnon.

The vast literatures and studies on Corporate Social Responsibility define it as the integration of both social and environmental concerns. Of the three investigated agro-industrial companies, activities under the company's environmental program are tree planting and "adopt-a-forest" to enhance and conserve biodiversity. Two companies protect their "adopted" forests through vegetation enhancement, monitoring and implementation of policies on no cutting of trees and hunting of wildlife. These companies also engaged in information dissemination, through posters and billboards, as expressions of their commitment to biodiversity conservation and environmental protection. One company that does not yet engage in "adopt-a-forest" initiative conducts or participates in tree planting activities sponsored by LGU or other organizations.

Natural resources conservation is another component of the environmental programs of companies. These are implemented through tree planting along buffer zones and riverbanks to prevent erosion and siltation in water bodies. Water quality monitoring and soil tests are normally done in compliance to policies and recommendations of the Multipartite Monitoring Team (MMT). Companies also comply with the demands of their clients abroad on environmental protection and management. In one established company, environmental program is an initiative to maintain its existing Rainforest Alliance certification awarded to companies that practice "environmental, social and economic sustainability". Certification also obliges company to practice integrated pest and water management. This same company likewise practiced environmental management system following ISO 14000 standards.

Aside from their in-house initiatives for biodiversity and natural resources conservation, two companies also support similar initiatives of LGUs and organizations. These companies provide support through provision of seedlings, transportation, allowance for forest guards and fish wardens and funding to support training, monitoring and other activities of local organizations. One company conducts environmental education campaigns on waste management, water conservation and climate change.

Companies provided fully the funding for its environmental programs. In addition, they provide support to LGUs, communities and local organizations for their respective environmental management activities. In most cases, LGUs, communities and local organizations seek the support of the companies on a "as the need arises" basis. For instance, LGUs and local organizations turn to companies for support in their activities such as tree planting, river clean-up, festivals and other socio-cultural activities. Support comes in terms of finances, transportation, seedlings as well as participation to events. It is noteworthy to mention that two companies allotted budget to provide allowances to forest guards of Mt. Kitanglad Range National Park and the local fish wardens of the Pulangi River in order to sustain their monitoring activities. The local fishfolk

organization also tapped the company for assistance such as cost of gasoline for monitoring as well as financial support to trainings and activities of the organization.

3.1.6. Matching company CSR with community's desired environmental conditions

Most of the communities expressed that they are already used to a plantation-dominated environment, primarily because its presence also entails source of employment. Most of those hired become plantation workers. However, one LGU official and some residents interviewed confessed that people become used to "*utang*" (lending money or goods) rather than relying on farm produce, because they are assured that money will come on payday. Company workers admitted that the presence of companies provided them with stable income due to salary given every month. However, as previously stated, dependence to salary also means dependence to "*utang*".

In the case of a recently-established plant, the presence of company also causes entry of migrants who are hired as company workers. In fact, migrants' houses proliferated around the periphery of the company's plant. This also paved for business such as stores, boarding houses and cafeteria. The change in the landscape also changed the composition and diversity of inhabitants in the area.

In an interview with women's group who are beneficiaries of CSR, one respondent admitted she prefers the environment before the establishment of plantations. However, her family gets money through rent of their land. In another case, communities are already used to the plantation. In fact, their municipality is known for the dominance of sugarcane and the company is in existence for decades already. In interviews conducted, LGU officials and environment officer expressed gratitude to the assistance of the company in terms of revenue generation, financial assistance and the use of equipment. In fact, the presence of the company boosts the local income of the municipality.

Community apprehension due to the existence of plantations crops stem from their concerns on the changes of their environment. In addition to social changes, biophysical changes in their present plantation-dominated environment are caused by issues such as siltation, chemical contamination and turbidity in streams. Interviewed households residing near the company plant complain of the change of their water quality, which resulted to complaints such as diarrhea and stomach ache. Communities surrounding a lake also complained that big plantations and companies cause the decline of the lake's water. This is due to the huge volume of water extracted by companies in their operations.

Communities are also alarmed on the effect of sprays and the application of herbicides, particularly to their livestock, due to run-off of chemical-contaminated water that drains into the streams and canals. Residents admitted that they have apprehensions in engaging into animal raising for fear that their animals will be poisoned. Some residents near plantation areas shared their observations that company workers throw their wastes indiscriminately.

3.1.7. Participation of communities in Corporate Social Responsibility (CSR) initiatives

3.1.7.1. Participation in the formulation of CSR initiatives

Integrating CSR initiatives in the Memorandum of Agreement (MOA) for land rental between the company and the landowners facilitated the participation of the community in such initiatives, particularly the landowners. During the process of MOA formulation, the communities were consulted through a meeting set by the company representatives regarding their possible requests or demands which include scholarship program for their children and youth as well as livelihood activities to support their income.

However, in the formulation of training activities, the beneficiaries in one of the three companies revealed that they were not consulted. They were not asked on what skills they need to be trained. Instead, the company complied with the suggestion of their foundation and shouldered the cost of training activities such as hair cutting, hair styling, reflexology, vinegar making, and mushroom culture. According to respondents, the company directly sent an invitation to the selected beneficiaries.

On the other hand, one of the companies has a more participatory and systematic mechanism in its initial steps of formulating its CSR initiatives. The company conducted a study by generating data of the barangay profile and identifying the poorest households in the target community beneficiaries. The company likewise conducted consultations and validation of the data generated from survey and secondary sources among leaders in the community. However, the company provided the target beneficiaries with limited choices of livelihood projects (e.g. duck raising and vegetable gardening).

3.1.7.2. Participation in the implementation of CSR initiatives

In cases where CSR initiatives are not institutionalized, communities initiated and directly requested the company, through a barangay resolution, to provide them with services and facilities like a basketball court, classroom, materials for baking and even for transportation during burial. Communities also solicit some amount from the company to supplement their expenses for socio-cultural activities in the barangay.

Aside from financial support, one of the companies also provided a “boom truck” during clean-up of the river and coastal area. Consequently, the community participated in the said clean up activity. Beneficiaries in one of the companies’ CSR project attempted to come up with strategies to cope with problems that arise during its implementation. Specifically, they established an association to address conflicts that emerged between them and their neighbors.

Despite the initiatives on biodiversity and natural resources conservation, there is an apparent lack of sustained community participation, much more on community stewardship for environmental protection and management. Interviews and visit in the company’s “adopt-a-forest” site revealed that these sites are maintained and protected by company employees. Based on interviews with communities residing in the periphery of the company plant, they do not participate in any environmental program sponsored by the company as this is exclusive to company employees only. Tree planting along riverbanks and buffer zones are done by the company. However, one company invited its CSR beneficiaries, to participate in its tree planting activity but it was not sustained. Two companies encouraged its employees to participate and monitor activities such as tree planting/growing, forest protection and waste management. Respondents likewise revealed that involvement of communities as well as employees in environmental programs is also on a “as the need arises” basis.

3.1.8. Assessment of communities on Corporate Social Responsibility (CSR) initiatives

Generally, the beneficiaries were grateful for all the support offered to them by the companies. However, they expressed of the following limitations:

- the company should have asked them on their choice of skills for training because it is difficult for them to undergo a training that is not their interest;
- the beneficiaries have limited involvement in the identification of livelihood project;
- they were not oriented with possible problems that they may encounter;
- after the training, they were not given further support to make use of their trained skills;
- criteria for the selection of beneficiaries are less clear; and
- poor (or absence of) monitoring scheme.

3.1.9. LGU officials' assessment on CSR initiatives

The LGU officials recognized the companies' contributions to their municipalities particularly in tax revenue which is spent mostly for the local school board budget e.g. teachers' salary and classroom. Officials are grateful to the companies for providing employment, scholarships, and classrooms or school buildings, support to women's organizations, free medicines, rehabilitation of water systems, and other infrastructure support. They likewise appreciate the companies' active participation and giving of cash donations during significant activities in the municipality such as fiestas, charter day celebrations, and other socio-cultural activities.

On the other hand, some informants expressed that there is a lack of coordination between LGU and the company in terms of the implementation of the company's projects in the community. Although the company is active in its social services and environmental management, there was no venue for their coordination.

3.1.10. Suggested corporate social responsibility initiatives

Table 2 presents the summary of the respondents' recommendations for CSR initiatives. These recommendations are more directed towards basic social services, particularly livelihood, education and health.

The dependence of communities to their biophysical environment can no longer be argued. As such, CSR initiative should go beyond the ethical and philanthropic sense but also in sustaining the environment the communities rely on. This includes protecting the natural resources of the communities such as water, land and forests.

However, companies' perspective should be changed into conserving the Philippine biodiversity and not just enriching the forests with plantation species like mangium, mahogany, eucalyptus, paulownia, and Calliandra. Trees planted should be able to support Philippine wildlife, especially endemic and threatened species, and restore the natural ecology of the forest.

Table 2. Community and LGU suggestions on CSR Initiatives of companies

COMMUNITY	LGU
<ul style="list-style-type: none"> • Scholarship • Skills training (e.g. welding, mechanics, painting, masonry, and furniture making) • Provision of materials and equipment for livelihood • Employment/job from companies • Animal raising • Small-scale business • Seed/start-up capital • Building for livelihood activities • Financial support for identified livelihood • Farm inputs 	<ul style="list-style-type: none"> • Support for quality education • Technical skills training, particularly farming • Training on agro-entrepreneurship • Training for out-of-school youths • Medical missions • Feeding programs • Facilities and infrastructures for education and recreation • Literacy program and health services and facilities for IPs • Livelihood trainings • Maintenance of barangay roads

Companies engaged in “adopt-a-forest” initiative could have been an appropriate venue for community stewardship. Instead of tapping communities to monitor activities in the adopted forests, they could be given responsibilities to make them accountable in restoring and managing the forests to enhance and conserve Philippine biodiversity. Forests may not necessarily be located within the premises or buffer zones of the company plantation areas, but those located uplands where financial, technical and social support are wanting. Such assistance could make biodiversity and natural resources conservation initiatives more relevant and responsive.

4. Implications of the study

The CSR initiatives of the companies are mostly focused on programs on livelihood, educational assistance, health/wellness, and other social services, and on environmental protection and management. These programs are either institutionalized or are conducted in an “as the need arises” basis. Monitoring, evaluation, and feedback mechanisms of the CSR programs with the beneficiaries and LGUs are apparently lacking. The communities and the LGUs are grateful to the companies for their CSR initiatives. However, they acknowledged their limited involvement both in the formulation and implementation of CSR projects. They also recognized the limitations of the companies in their CSR initiatives.

Field observations and output of interviews and discussions conducted reveal companies' CSR projects should focus on livelihood, education, health/wellness and environmental programs that respond to the needs and conditions of the communities chosen as CSR beneficiaries. Livelihood assistance should consider the skills, interest and capacity of beneficiaries to sustain the activities. The marketing component of the livelihood program should also be looked into to ensure there is demand for the goods or products. Even if the communities assure the companies for their willingness to sustain whatever CSR projects offered to them, a regular consultation and monitoring should be done with the community. The LGUs should likewise understand their role for policy support and enabling environment of CSR projects of the companies in their locality.

There is an apparent separation of the social and environmental component of the CSR initiatives of the company. Environmental component of the CSR has been largely focused within the company premises and plantation areas, except in cases of an adopt-a-forest initiative. However, involvement of communities and other sectors in the environmental protection and management is done "as the needs arises". Such process does not promote empowerment and stewardship.

Given the above considerations, there is a need to introduce the CSER framework that integrates both the social and environment components. This framework emphasizes the enabling venue for the active involvement of the three sectors – company, community and LGU – in the formulation, implementation and evaluation of the CSER. NGOs, POs and academe are sectors that provide an objective assessment and feedback mechanism on the entire CSER process.

5. The proposed CSER framework

The output of this study presents a framework that should capture the important elements of the CSR in the context of Bukidnon. The basis for the formulation of the framework are drawn out from the information and learning obtained through interviews, interactions, observations and FGDs conducted among community members, company officers and Local Government Unit (LGU) officials.

CSR is either institutionalized or not institutionalized. In the latter's case, the implementation of the CSR is manifested in "as the need arises" principle. As a result, CSR caters to philanthropic social services. In the case of an institutionalized CSR, a company lacks assessment on CSR program/project to validate its compatibility to the needs, skills and interests of its potential beneficiaries. On the part of the recipients of CSR benefits, communities accept whatever help is extended, with much reliance on company's programs.

It is evident that CSR initiatives of companies put emphasis on the social component - livelihood, education, and health services. The environmental programs of the companies are separate from the CSR. The environmental component of CSR is largely on tree planting, vegetation enhancement through its "adopt-a-forest" initiative, river clean-up and waste management on company's premises and plantation areas. Water quality and waste management are in response to policy requirements or from recommendations of the MMT. In the case of one company, environmental management is a response to its commitment to environment, and at the same time, complying with the standards to the Rainforest Alliance certification. It is

also apparent from what transpired in interviews and discussions that environmental programs lack partnership with communities and LGUs. Partnership with communities and LGUs is done “as the needs arises” but such is not sustained in a long-term program on environmental protection and management. This resulted to a patchy, disintegrated approach of the company in addressing both the social and environmental components of the CSR.

Based on the above scenarios on CSR implementation of agro-industries in Bukidnon, the following framework (see Figure 2) is suggested. Since a change in the biophysical landscape due to plantations creates social impacts, the two components should be integrated. To give equal emphasis, CSR should be expanded into Corporate Social and Environmental Responsibility (CSER). This holistic approach should be able to help communities cope and adapt with the changes of their environment and empowering them to become stewards of their environment. Simultaneously, companies should be able to seek out partnerships with LGUs, NGOs, POs and academic institutions. Each of these sectors could be tapped to support various CSER initiatives.

CSER should be a frontline service of the company, particularly to 1) communities and barangays where company plant and plantation areas are located; 2) areas and communities that are vulnerable to the negative impacts of social and biophysical changes due to plantations or to natural disasters; 3) forests and buffer zones that host Philippine wildlife. Company should provide an enabling support system to institutionalize CSER in terms of budget, human resources, in-house policies and programs. In addition, company should initiate partnership with Local Government Units (LGUs), Non-government Organizations (NGOs), People's Organizations (POs) and academic institutions and engage in discussions to contextualize CSER approach in its chosen host or beneficiaries.

On the other hand, LGUs should be able to provide the company with an enabling local policy to support the CSER initiatives. Rather than engaging company on the “as the need arises” basis, LGUs can seek support from company in the delivery of basic social services as well as environmental protection programs to affected and vulnerable communities and areas. Thus, company’s CSER should be embedded within the LGU’s work plans and programs. In turn, companies can commit its resources, such as manpower, financial or equipment, as support mechanisms.

Host communities and beneficiaries should be active partners in CSER rather than merely recipients. Company should provide an enabling venue and opportunity that communities and beneficiaries are empowered to express their views, needs and aspirations for themselves and for the community and environment where they live. In the case of biodiversity and natural resources conservation, communities should be empowered to become stewards of their environment rather than merely involved in tree planting/growing and monitoring.

Although these three sectors have respective roles in the implementation of the CSER, they should constantly be engaged in consultations that could draw out relevant suggestions and learning from each other. In effect, representatives of each sector should be actively involved in the formulation, implementation, and evaluation of the CSER to make it more responsive and appropriate to the needs, aspirations and conditions of the community and their environment.

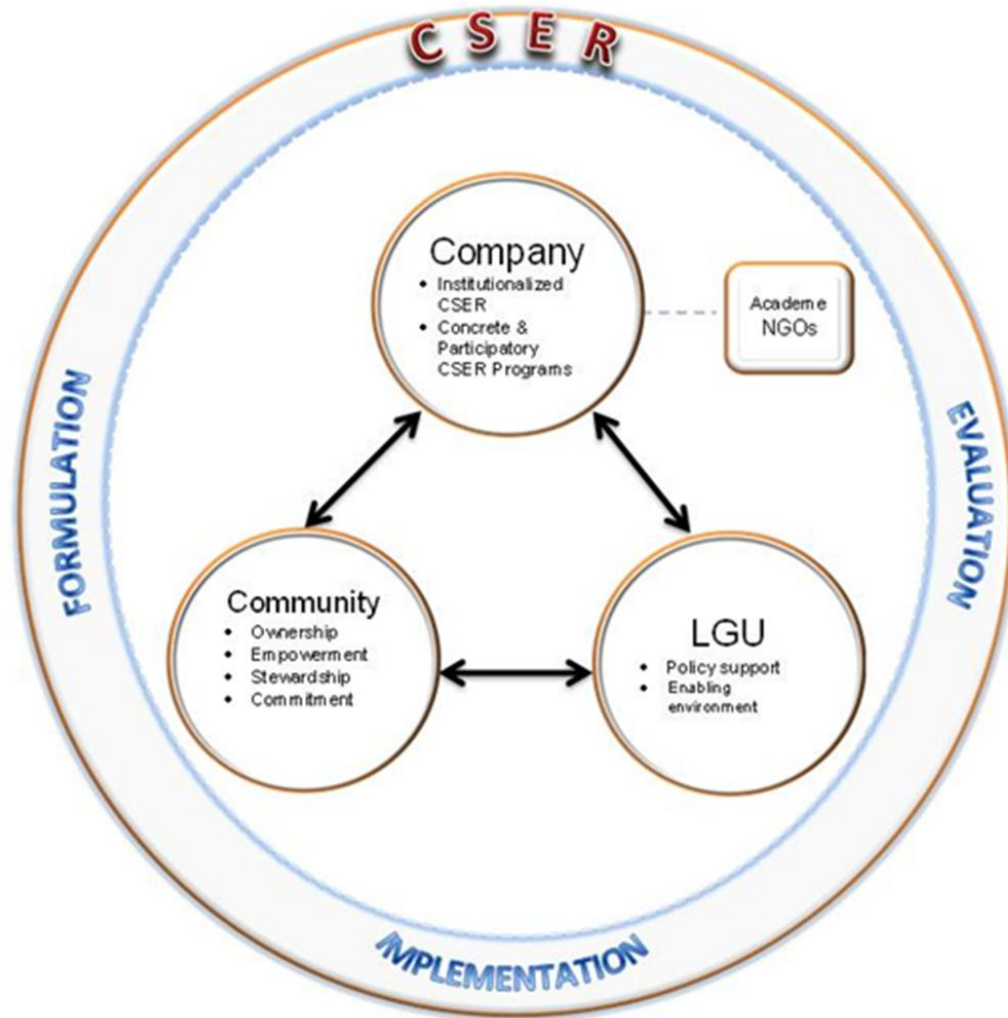


Figure 2. Proposed Corporate Social and Environmental Responsibility (CSE R) framework

In all these sectoral interactions, a third party sector is needed to provide an objective assessment of the CSE R dynamics. Non-Government Organizations (NGOs), and the academe could be tapped to provide technical assistance in the aspect of the design, monitoring and evaluation of the CSE R. These sectors should be able to provide feedback to ensure that the entire CSE R process is participatory and relevant to the essence of CSE R.

6. Conclusions

The agro-industrial companies in the province are conscious of their social responsibility as manifested in a number of their CSR initiatives. However, many of these initiatives are less concrete, particularly for a company with no institutionalized CSR. Programs and activities were mostly based on demands (e.g.

solicitations, donations, requests) from the community. The needs of the community were less likely assessed. There was also weak coordination between the company and LGUs for CSR programs. More so, there are no specific tools and procedures used for monitoring and evaluating the efficacy of these programs.

There is relatively limited participation of the communities and LGUs in the formulation and implementation of CSR initiatives. Thus, success and sustainability of CSR initiatives especially on livelihood projects are challenged. On one hand, the companies lack systematic preparations for CSR projects, e.g. feasibility studies, social acceptability surveys, etc. On the other hand, the communities lack assessment on projects introduced and offered to them. Hence, a systematic and participatory mechanism was less likely employed from conceptualization to implementation, and evaluation of CSR initiatives.

Nevertheless, the communities and LGUs acknowledged the efforts of the companies. They appreciated the CSR initiatives offered to them. They also recognized their role in the realization of such programs/projects. However, there is an apparent separation of the social and environmental component of the CSR. CSR also fails to provide empowerment and stewardship of communities, particularly in biodiversity and natural resources conservation.

With the current expansion of agro-industries in a watershed province like Bukidnon, there is a need to implement the CSER program that integrates and puts equal emphasis on the social and environmental components. CSER is an alternative framework that highlights the active involvement of companies, communities, LGUs as well as the academe, NGOs and POs in the formulation, implementation and evaluation of the entire CSER process.

7. Recommendations

Based from the findings of this study, it is recommended that companies need to institutionalize CSER in order to have regular, concrete and integrated programs/projects. They have to develop mechanisms for communities' involvement in the formulation, implementation, and evaluation of CSER for more responsive and relevant programs/projects. They also need to tap technical experts (e.g. from the academe, NGOs, POs) for objective assessment and feedback mechanisms of CSER programs/projects.

It is likewise suggested that Company-LGU partnership has to be established for more sustainable CSER programs/projects. Finally, it is recommended that researchers would conduct further investigation, particularly a quantitative study on CSER of agro-industrial companies in the province to have a bigger sample or scope, and to validate the results of this study.

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