

ENTERPRISE IN COMMUNITY DEVELOPMENT

SUSTAINABLE COMMUNITY
DEVELOPMENT:

A CHALLENGE TO CORPORATE
SOCIAL RESPONSIBILITY
IN THE 90s

INTRODUCTION

The Enterprise in Community Development (ECD) Project is a unique private sector initiative of the United States Agency for International Development (USAID) and the Government of the Philippines. Begun in 1986, it seeks to harness the vast resources of the private sector and encourage its participation in responding to the development needs of communities throughout the Philippines.

To date, USAID and Philippine and American Corporations have forged 17 partnerships engaged in community outreach programs and participatory development activities. These include microenterprise development, rural water systems construction, primary health care, environmental rehabilitation, and vocational education. A common denominator in all these activities is community organization, capability building and people empowerment. The fruits of these efforts are the extensive participation of the beneficiaries who manage, maintain and operate the many subprojects.

In the 1990s, the ECD Project continues to catalyze the expression of corporate social responsibility through sustainable community development activities.



**UNITED STATES
AGENCY FOR INTERNATIONAL
DEVELOPMENT**

**ECD CO-FINANCING ACTIVITIES:
ILLUSTRATIVE PROFILES**



September 1992

Coca-Cola Bottlers Philippines, Inc. (CCBPI): Vocational/ Technical Education Project

This project is CCBPI's response to the unemployment and education problems of the Philippines. It provides financial and technical resources for vocational and pre-vocational education to high-school aged youngsters nationwide. Through the Educational Research and Development Assistance (ERDA) Foundation, CCBPI helps highly motivated but low income high school students complete their high school preparation through a vocational program. These youngsters receive training not only in work skills but also in leadership to prepare them for rewarding careers in the future. CCBPI has also developed a job placement program to increase and facilitate employment opportunities for the graduates.



CCBPI responds to the education and unemployment problem through skills enhancement by providing financial assistance and adequate training equipment for low income students.

To date, the project has assisted 2,472 students in 34 schools in Metro Manila, Pampanga, Tarlac, Marinduque, Bicol, Iloilo, Capiiz, Cebu, Misamis Oriental, Cavite, Samar, Leyte, Palawan and the Mountain Province. The project staff have conducted a total of seventy-five leadership training sessions.

The project contributes nationwide to youth development and has established linkages with 19 agencies countrywide. By the end of the project, a total of 2,500 students will have attended vocational high schools and will have acquired necessary working skills to support a productive work force.

LOCATION : Nationwide
DATE STARTED : July 20, 1989
COMPLETION DATE : July 18, 1993 - Extended

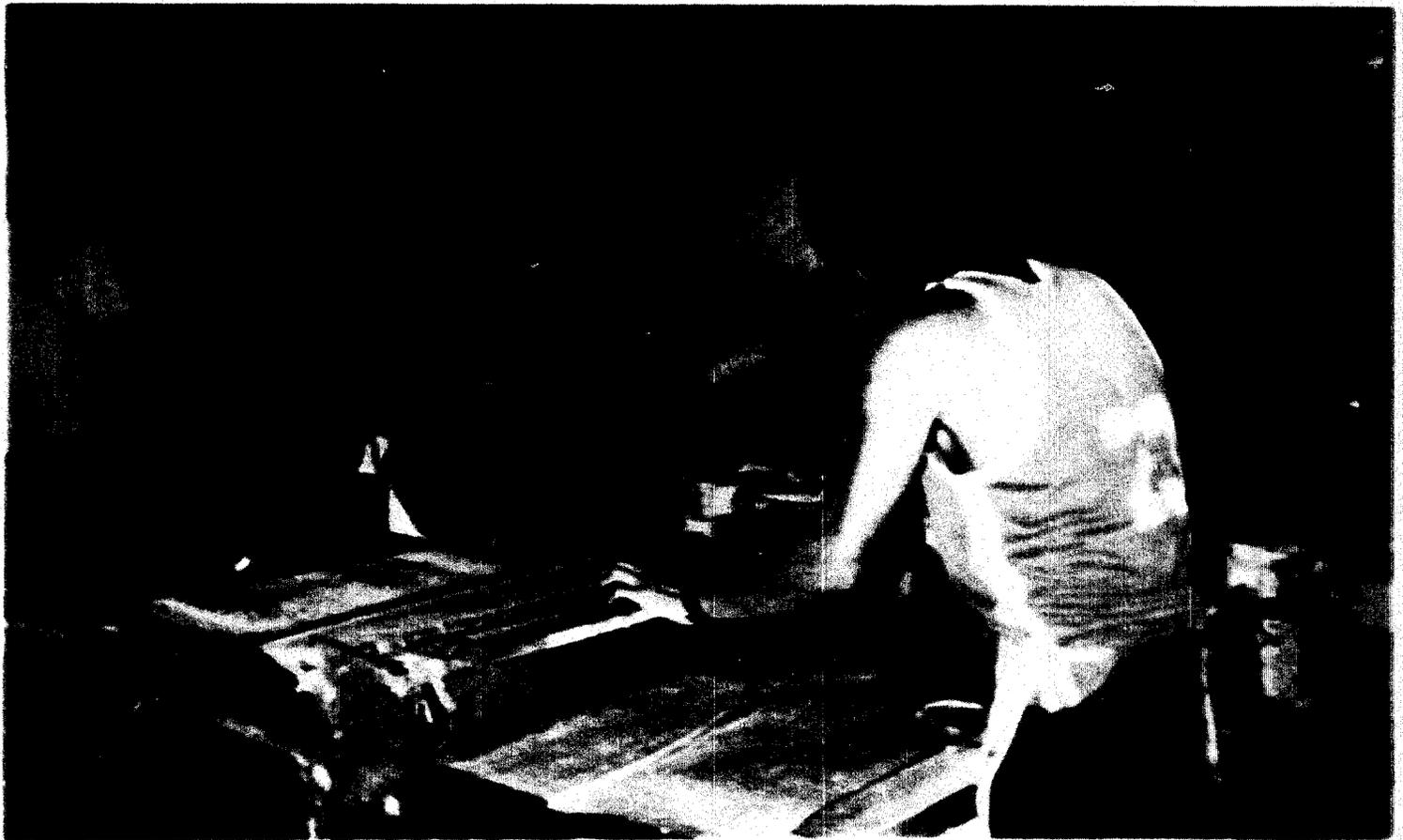
NATIONWIDE

Bacnotan Consolidated Industries, Inc. (BCI): Community Development Assistance Project

The BCI Community Development Assistance Project implemented in priority areas in Regions I, III, IV, V, VII, and XI, transforms target communities into organized associations while improving the delivery of basic and social economic services, and assists participating groups to increase their income through microenterprise credit activities.

BCI acts as an Intermediate Institution by providing subgrants to affiliate companies and organizations. The sub-grantees also support the primary objectives of the assistance program. Of these, the health related activities encompass the construction of health centers, day care centers, potable water systems, and low-cost sanitary toilets, benefitting some 32,800 individuals or 7,100 families. Reforestation of approximately 400 hectares of land benefits some 400 families. In addition, BCI provides credit assistance and training to some 4,100 beneficiaries, increasing household income by approximately 30%.

LOCATION : Nationwide
DATE STARTED : March 24, 1992
COMPLETION DATE : March 23, 1995



The provision of access to credit is one of the activities of BCI which aims to increase household income through microenterprise development or income generating activities such as paper-bag making shown above.



AID Acting Deputy Director John Patterson and AID Controller James Stanford with Asia Rattan President Angelo Baltazar at the grant signing of the Community-Based Agroforestry and Microenterprise Development Project.

LUZON

Asia Rattan Manufacturing Company, Inc. (ARMCO): Community Agroforestry and Microenterprise Development Project

This newly implemented project aspires to meet the basic needs of the people of the barangays Santa Juliana and Maruglo of Capas, Tarlac whose homes, farms, and livelihood sources were destroyed by the Mt. Pinatubo eruption. The program establishes sustainable community-based food production and livelihood opportunities, improves access to health care and drinking water, and supports direct environmental rehabilitation for 375 families, approximately half of whom are Aetas.

activities include converting 10 hectares of idle grassland into vegetable and staple food growing areas, planting 10,000 trees in denuded land and establishing five mini woodlots to provide the community with firewood. The Livelihood component will provide credit assistance, training and consultancy to the community while organizing at least one farmers' association. Visiting medical teams will render basic health services such as vaccinations, check-ups, and maternal and child health clinics.

LOCATION : Pampanga, Tarlac
DATE STARTED : May 4, 1992
COMPLETION DATE : May 3, 1995

LUZON

Benguet Corporation, Inc. (BC): Zambales Integrated Development Program

The overall objective of this program is to enhance the income generating opportunities of 3,350 families and improve the delivery of basic services to rural communities of Masinloc and San Marcelino, Zambales.

In a joint effort with the Department of Health (DOH), the program has established nine community health service centers (CHSC) in priority areas to improve the delivery of health services to 2,461 households. These centers, staffed by DOH-trained volunteers, provide medical consultations, treat common illnesses, and initiate supplemental feeding programs to malnourished children in the community. In addition, the project has also established nine (9) Community-Based Drugstores in the community centers.



Benguet Corporation has vastly improved the delivery of basic health services in San Marcelino, Zambales with the construction of this Community Health Center.

The Zambales Integrated Development Program has also established fourteen income generating projects (IGP) enabling 903 beneficiaries to increase their income through credit and technical assistance. The eruption of Mt. Pinatubo in July 1991 redirected the implementation of the IGP component. To meet the challenges faced by the affected beneficiaries, Benguet rehabilitated the four (4) IGP's affected by the Mt. Pinatubo eruption while initiating four (4) new livelihood projects in 4 municipalities of Zambales.

LOCATION : Zambales
DATE STARTED : May 17, 1989
COMPLETION DATE : May 16, 1993 - Extended



The Community-Based Livelihood Assistance Project of the Andres Soriano Corporation develops employment opportunities for residents of Pampanga and Zambales who lost their sources of livelihood due to the eruption of Mt. Pinatubo.

LUZON

Andres Soriano Corporation (ANSCOR): Community-Based Livelihood Assistance Project

This recently implemented project is a long term community development activity responding to the lack of livelihood opportunities for people affected by the Mt. Pinatubo eruption.

The project assists 1,375 individuals from three communities in Pampanga and two communities in Zambales. The intended beneficiaries are skilled and semi-skilled residents engaged in cottage industries such as garments, handicrafts, novelty items and furniture-making who lost

also involved due to the eruption of Mt. Pinatubo. This project provides them with an opportunity to regain their jobs.

The target communities are organized into cooperatives, provided with training and seed funds, and equipped with basic tools to enable them to become productive once more. ANSCOR will then link these communities with markets in Manila which can provide job orders on a continuing basis.

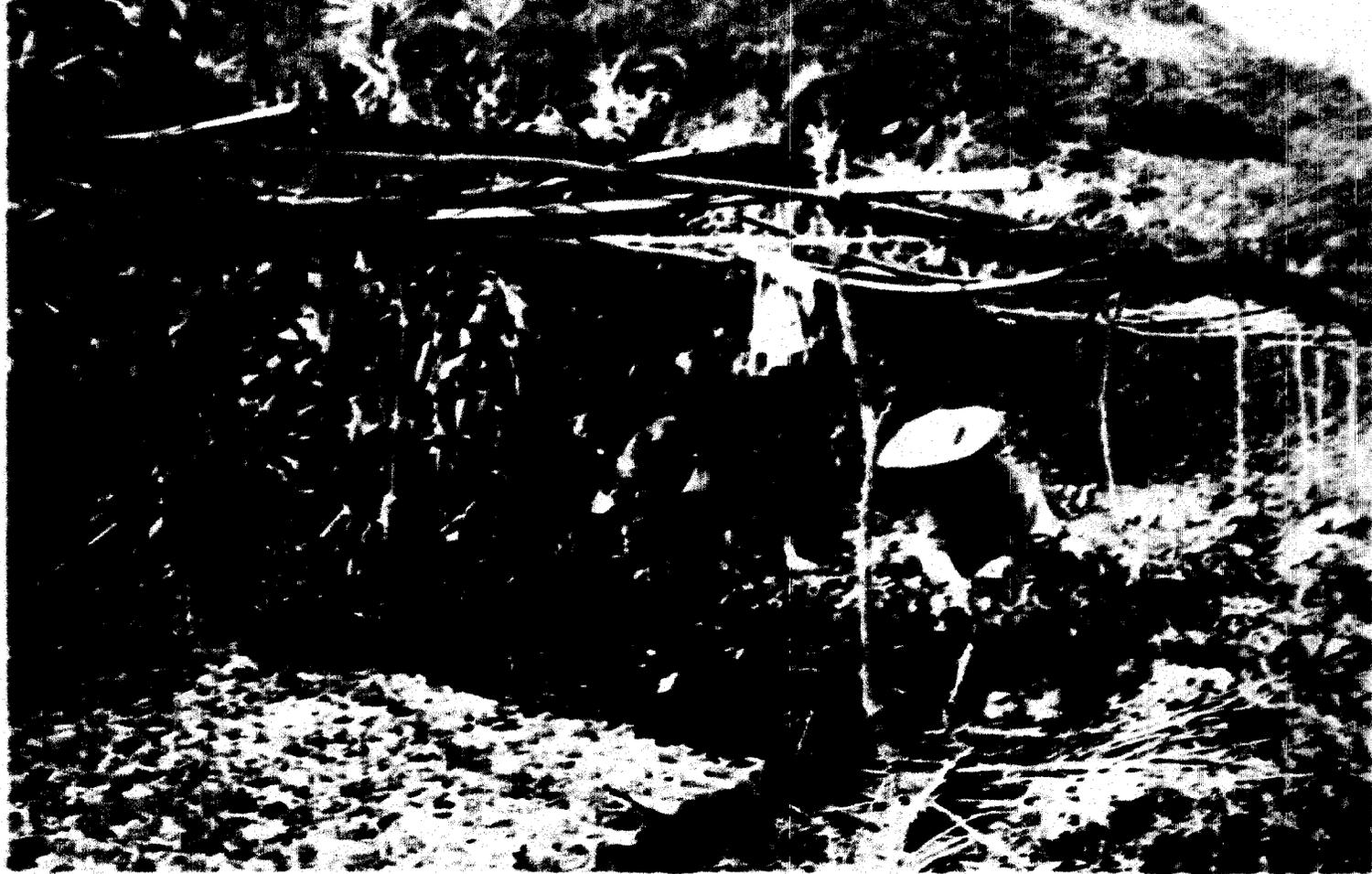
LOCATION : Pampanga and Zambales
DATE STARTED : August 17, 1992
COMPLETION DATE : August 16, 1994

CEBU

Aboitiz and Company, Inc. (ACO): ECOSYSTEM Cebu Project

The Enterprise in Collective Systems for Environmental Management in Cebu (ECOSYSTEM Cebu) Project uses an integrated and participative approach to develop self-reliance and help maintain the ecological balance of the environment. Its primary goal is to improve the environmental and socio-economic conditions of 48 municipalities and 4 cities in Cebu. To achieve this mandate, project activities include: community organizing and capability building, environmental rehabilitation, promotion of primary health care, credit assistance, building linkages between people's organizations and external resource agencies, advocacy and policy studies, and basic social services.

After two years of operation, the ECOSYSTEM Cebu Project has organized 52 barangays (villages) in 48 municipalities and 4 cities of Cebu Province. Of the 52, thirty nine (39) are already registered either with the Bureau of Rural Workers (BRW) or with the Securities and Exchange



One of 40 Community-based nurseries established by Aboitiz and Co. and its beneficiary communities in Cebu. To date, a total of 1.4 million trees have been planted.

Commission (SEC). Every community organization has the following working committees: Agroforestry, Potable Water, Health Care, Livelihood, Information-Education-Communications, (and soon Networking-Linkaging, and Policy Advocacy).

Forty (40) of the 52 project sites have community-based nurseries. Of the more than 4.7 million seeds germinated and seedlings gathered, some 1.4 million seedlings have already been planted. Other accomplishments include the completion of 32 potable water systems and thirty nine (39) health stations. In order to effectively run the health stations, some 226 Barangay Health Workers have received health care training.

Microenterprise and livelihood projects will commence in the third year of the project period. In preparation for this, a total of 104 Community Development Officers and Community Project Officers (including all

the staff on the ECOSYSTEM Cebu Project) have graduated from skills training in Basic Accounting, Audit and Project Feasibility Studies, and Cooperatives Formation.

In Networking-Linkaging, 9 Memoranda of Agreements and network-flows of cooperation have been signed between ECOSYSTEM Cebu Project and 9 government line agencies, namely: the Departments of Environment and Natural Resources (DENR), Agriculture (DA), Health (DOH), Social Welfare and Development (DSWD), Science and Technology (DOST), Trade and Industry (DTI), the Provincial Government of Cebu (through the Governor of Cebu), and the Cebu Upland Project (a collaborative project of the Provincial Government and the Federal Republic of Germany). Implementation of this cooperation has already started.

In preparation for policy dialogue at the local level, ECOSYSTEM has established baseline studies and designed both the credit assistance manual and the monitoring and evaluation system (MES). In addition, 2 studies have been completed, namely: 1) Environmental Laws/Statutes of Cebu, and 2) DENR's Community-Based Contract Reforestation Program (CBCR).

LOCATION : Cebu Province
DATE STARTED : July 10, 1990
COMPLETION DATE : July 9, 1993

CEBU

Norkis Group Management Systems, Inc. (NGMSI): Compostela Microenterprise Project (CMP)

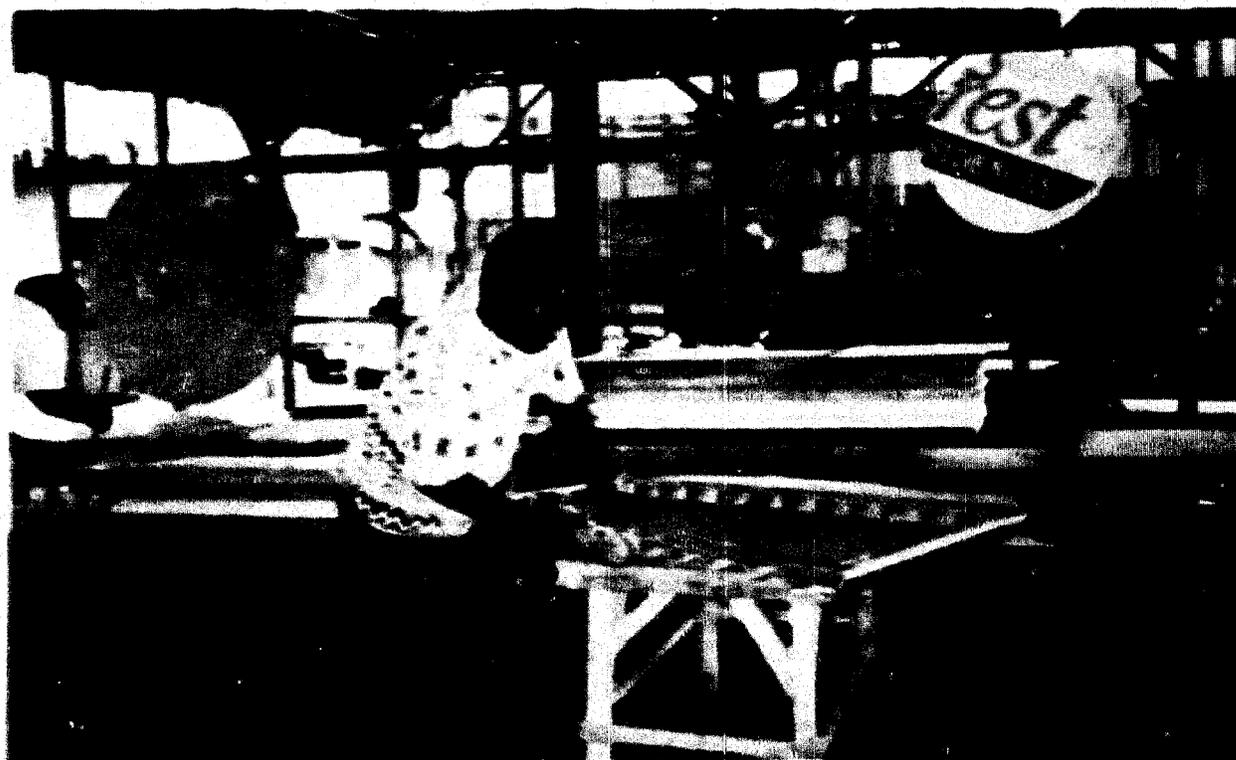
This project represents a new type of enterprise development. Through the project, Norkis provides capital inputs and technical assistance to the Compostela Multipurpose Cooperative to start and

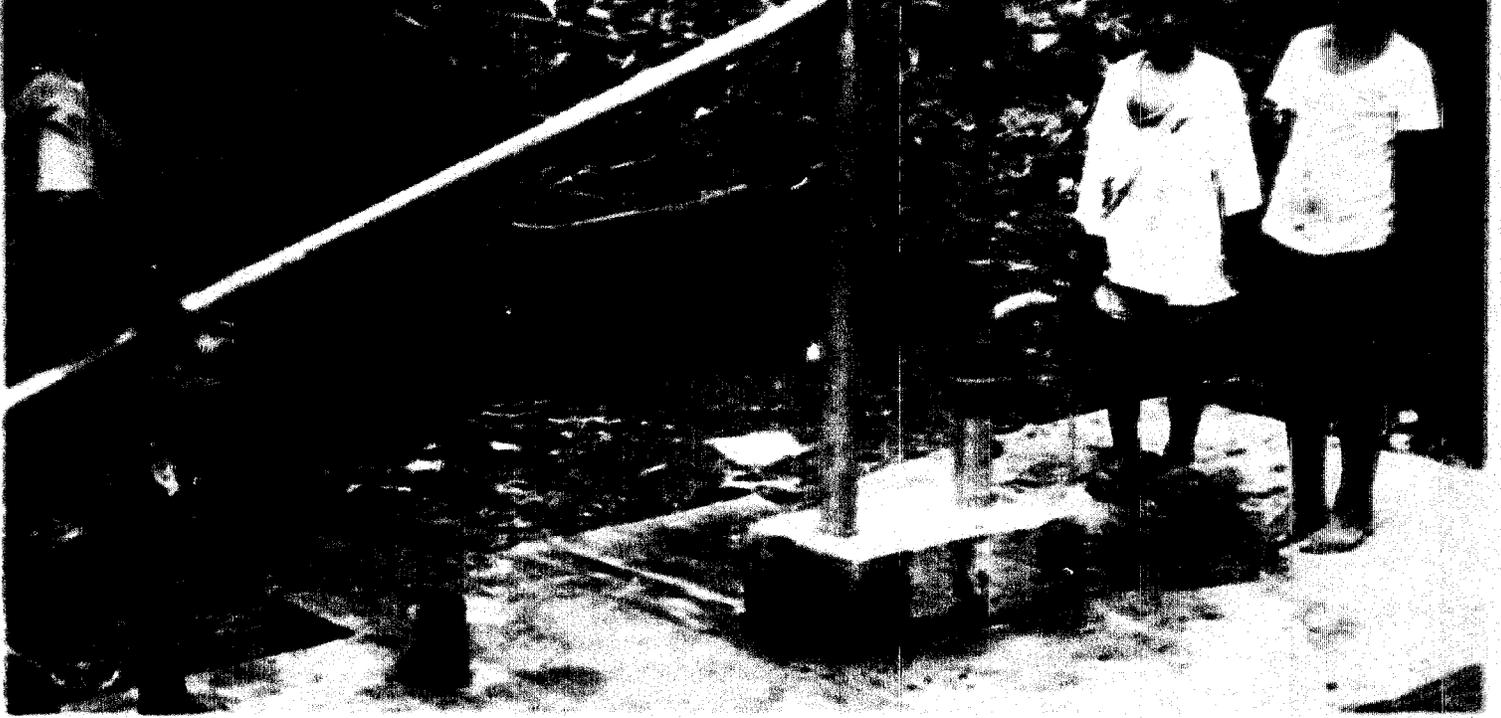
in the early developmental stages of this endeavoring its main objective was to develop stonecraft technology. However, today, it has expanded to the development of both stonecraft and rattan items. Norkis provides marketing assistance to the cooperative as part of the project.

This activity is funded without loan assistance; all equipment facilities, training and capital inputs being provided on a grant basis. The cooperative is expected to pay an increasing percentage of overhead costs until they are able to assume operational costs and make a profit. A total of 250 families are expected to benefit from this project.

To date, the cooperative has produced a variety of stonecraft items such as jewelry boxes, stone cloisonne plates, art, and trays. The cooperative microenterprise currently operates on a job-order basis for furniture items such as tables and shelves which are marketed in Japan and the United States.

LOCATION : Cebu
DATE STARTED : September 18, 1989
COMPLETION DATE : September 17, 1992





VMC and USAID provide construction materials and technical assistance for the installation of deep well pumps, such as the one shown above. Beneficiaries contribute voluntary labor. The community now enjoys safe drinking water.

NEGROS OCCIDENTAL

Victorias Milling Company, Inc. (VMC): Socio-Economic Development Assistance Project II (SEDAP II)

The SEDAP II project serves a total of 43,200 families in northern Negros Occidental. This project expands upon the SEDAP I project to improve access to basic services and increase family income through the implementation of income-generating activities. In addition, VMC acts as an Intermediate Institution by providing sub-grants to NGOs and people's organizations in the area. Through the sub-granting activity, VMC will develop the institutional capability of local NGOs and people's organizations to successfully implement and effectively manage community development activities in northern Negros.

Basic Services Programs include the construction of barangay health centers, day care centers, and potable water supply systems. Income-

prise and integrated farming. SEDAP II also has a component for beneficiary and staff training.

The target beneficiaries are the displaced sugar workers and marginal fishermen living below the poverty threshold. The project aims to cover northern Negros including the municipalities of E.B. Magalona, Victorias, Manapla, Sagay, Toboso, Escalante and Calatrava, and the cities of Silay, Cadiz and San Carlos.

To date, training sessions have been conducted for prospective beneficiaries. Training topics include leadership and team-building, value formation, and bookkeeping. Sites have also been identified for the various physical structures of the project such as health centers, day care centers, and potable water systems. Two subgrant agreements have also been signed.

LOCATION : Negros Occidental
DATE STARTED : August 26, 1991
COMPLETION DATE : August 25, 1994



VMC provides credit and technical assistance to fishermen's groups. A bigger boat complete with fishing gear and accessories resulted in a larger fish catch, increasing the



Day Care centers are funded by DUCC and USAID. Beneficiaries contribute voluntary labor while DUCC/USAID provide construction materials and technical assistance. Completed centers are accredited by the Dept. of Social Welfare and Development (DSWD). The center shown above benefits 30 pre-school children and their mothers annually.

MINDANAO

Davao Union Cement Corporation (DUCC): Social Development Project

The DUCC's Social Development Project provides potable drinking water, basic sanitation, day care, nutrition education and livelihood activities to improve the socio-economic conditions of targeted communities in Davao City, Davao del Sur, Davao Oriental, and Davao del Norte. Upon project completion, a total of 3,525 beneficiaries and 630 pre-schoolers will have benefitted directly from the project.

To date, the Social Development Project has constructed 9 water systems and 7 day care centers with the active involvement of beneficiaries. In addition, 1,800 low-cost toilets were installed and 3 fish pens and

ciary Associations for each subproject component form the basis for continuing self-improvement programs. Linkages have also been formed with local government agencies such as the Department of Social Welfare and Development (DSWD), Department of Education, Culture and Sports (DECS), and the Bureau of Fisheries and Aquatic Resources (BFAR).

Four (4) additional water systems and 250 low-cost toilets will be constructed before project completion.

LOCATION : Davao City, Davao del Sur,
Davao de Norte, Davao Oriental
DATE STARTED : June 21, 1989
COMPLETION DATE : June 20, 1993 - Extended

MINDANAO

Del Monte Philippines, Inc. (DMPI): Barrio Water Systems Project

Del Monte's answer to the "No. 1 problem" of neighboring low income communities in Northern Mindanao is the installation of communal water systems. With modern water systems, residents of these communities no longer have to walk five kilometers each day to get potable water. At the same time, improved health, sanitation, and nutrition practices have reduced the high incidence of water-borne diseases in these areas.

Since 1988, Del Monte has completed two deep wells and five spring development projects, serving more than 11,000 residents in Bukidnon and Cagayan de Oro. Some 60 communal tapstands, connected through a 30-kilometer pipe system spread out in nine barangays, supply an average of 50 gallons of water per minute. Residents of recipient-communities provided labor as counterpart contribution for the



Del Monte Philippines provides potable water to a community whose residents had to walk more than 2 kilometers to get water for everyday use. The people in this community now walk a maximum of 40 meters to get water.

Five more spring development projects, due for completion within 1991-1992, will benefit another 10,000 persons.

A key strategy in the implementation of this project is the organization of community-based water management associations which ensure self-sufficiency of each system. Local "subscriptions" to the service cover costs of electricity and system maintenance and repair. Members of water task forces also undergo seminars on management systems and procedures.

LOCATION : Bukidnon and Cagayan de Oro
DATE STARTED : June 23, 1988
COMPLETION DATE : December 31, 1992 - Extended



In Sarangani Bay, South Cotabato, Dole Philippines is working to get the fishermen living along the Bay's coastal barangays to organize themselves into strong associations. The artificial reef shown here is made of old rubber tires and once submerged to a certain depth, will attract fish to breed within its confines.

MINDANAO

Dole Philippines, Inc. (Dole): Sarangani Bay Marine and Inland Resources Conservation Project

Sarangani Bay in South Cotabato is known for its rich marine life. It provides livelihood to 25,000 fishermen. However, pollution, dynamite fishing, destruction of mangrove forests, muro-ami fishing and over-fishing have degraded much of the Bay's resources — a condition leading to declining catch for those who depend on it for a living.

Dole Philippines developed this project primarily to restore and conserve the resources of the Bay. This environmental effort is comprehensive and includes educating the people about natural reef protection and conservation, establishing tree nurseries, and reforesting the bay shore-

...isting/aquaculture techniques that will augment the income of the beneficiaries but will not harm the marine ecology balance of the area.

A total of 1,900 artificial reefs and 46 payao sets (fish-attracting devices) have been placed off Tinoto, Bawing, Buayan and Tuyan. Likewise, fishermen have organized into cooperative associations whose members have received livelihood assistance and training in ecologically-sound fishing and sea farming technology. Coordination and linkaging have also been facilitated with the Bureau of Fishery and Aquatic Resources (BFAR) and the Marine Colloids, Inc.

By the end of the project, over two hundred households will benefit from the program in terms of training, enterprise development, marine rehabilitation, technology transfer, and community development.

LOCATION : General Santos, South Cotabato
DATE STARTED : October 24, 1989
COMPLETION DATE : October 23, 1992

MINDANAO

Marsman Estate Plantation, Inc. (MEPI): Tibal-og Waterworks Expansion Project

Barangay Tibal-og is slowly developing into the economic and administrative center of the municipality of Sto. Tomas, Davao del Norte. Basic services in the village however have not kept abreast with the increasing population. Only about 32 percent of Tibal-og's households have access to potable water coming from a piped water system. The rest of the households depend on artisan wells, pumps, public faucets, and natural water sources such as rivers or open, shallow wells for domestic water supply. This has led to a consistently high incidence of water-borne diseases in the community.

The Tibal-og Waterworks Expansion Project is the second FCD grant



Marsman and USAID jointly assist the residents of Bgy. Tibal-og in Davao del Norte through the expansion of the existing waterworks system.

Waterworks and Sanitation Association (RWSA) to expand the service coverage of the existing waterworks system by installing an additional pump and widening the distribution network. The project will improve community welfare by bringing an additional 1,314 families under the coverage of a piped water system providing safe drinking water.

The project also strengthens the RWSA's technical capability so that it can cope with the larger volume of people needing water. At the completion of the project, the Tibal-og RWSA will assume responsibility and control over the water system.

LOCATION : Davao del Norte
DATE STARTED : September 16, 1991
COMPLETION DATE : September 15, 1993

The Enterprise in Community Development represents a unique strategy with great potential to contribute to Philippine development.

Over the past six years, the Enterprise in Community Development Project has assisted more than 50,000 Filipinos. Business corporations that join ECD share one-half of the total project costs with USAID. It is, however, these corporations that serve as project administrators.

In future years, ECD will expand its successful operations to address expanded goals, such as disaster response. ECD will play a leadership role in strengthening and organizing private sector response to disaster prevention, preparation, and mitigation.

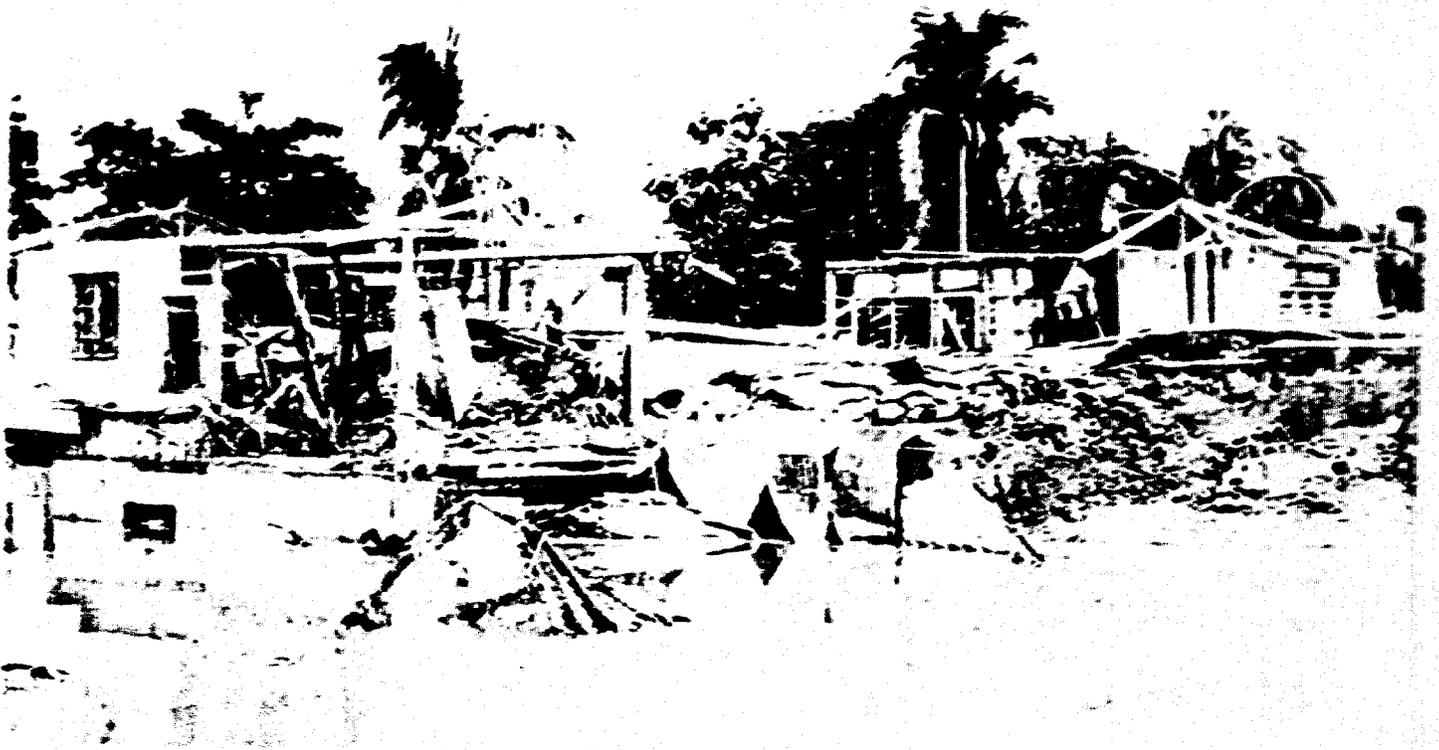
ECD will also renew its efforts to encourage and strengthen partnerships between the private sector, local government units (LGUs) and communities. The ECD Program will organize networks of corporate development actors, who will work in partnership and cooperation to respond to the needs of disadvantaged communities throughout the country.

Training and organization will continue to be a priority of ECD; More emphasis will be placed on subproject sustainability, in line with the expectation that projects become self sustaining after a three-year period.

The ECD Project has demonstrated that the involvement of private business in community development results in efficient delivery of essential services to communities in need. By responding to the above challenges, the ECD project will "break new ground" and show the potential of the private sector as a powerful partner in the development efforts of the 90's.



In the past year, ECD has strengthened private sector activities in the rehabilitation of areas ravaged by the Mt. Pinatubo eruption and the subsequent lahar flows.



Homes destroyed by the devastating lahar flows of September 1992.

USAID welcomes your inquiries.
For further information please contact:

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