A Sustainability Framework for Social Entrepreneurship through an Indigenous Peoples' Cooperative: The Case of the Bukidnon-Tagoloanon Tribe

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ABSTRACT

Through this study, the authors developed a framework for Indigenous Peoples' cooperatives using the experiences of the Bukidnon Tagoloanon Mulahay Ha Kabukalagan Agricultural Cooperative (BUKTAMACO). The Tagoloanon tribe is one of the seven indigenous tribes in Bukidnon, Philippines. The researchers used a case study and ethnographic designs to which the internal and external stakeholders of BUKTAMACO contributed. The results revealed that, to manage its affairs, the tribe followed customary practices like Indigenous leadership, the observance of community values, the concepts of communal property and profit sharing, and concern for the community. Using their experiences, the authors developed a five-pillar sustainability framework that highlighted customary practices as the foundation of this framework. In addition, the role of the Council of Elders was evident in ensuring strength in leadership through consensus building.

RÉSUMÉ

Au moyen de cette étude, les auteures ont développé un cadre pour les coopératives des peuples autochtones en se fondant sur les expériences de la coopérative agricole Bukidnon Tagoloanon Mulahay Ha Kabukalagan (BUKTAMACO). La tribu Tagoloanon est l'une des sept tribus autochtones de Bukidnon, aux Philippines. Les chercheuses ont utilisé une étude de cas et des modèles ethnographiques auxquels ont contribué les parties prenantes internes et externes de la BUKTA-MACO. Les résultats montrent que, pour gérer ses affaires, la tribu suit une approche traditionnelle fondée sur le leadership autochtone, le respect des valeurs communautaires, les concepts de propriété communale et de partage des bénéfices, et le souci de la communauté. À partir de leurs expériences, les auteures ont élaboré un cadre de durabilité à cinq piliers qui met en évidence les pratiques traditionnelles en tant que fondements de ce cadre. D'autre part, le rôle du Conseil des anciens était évident pour assurer l'efficacité du leadership par la formation de consensus.

Keywords / Mots clés : social entrepreneurship, Indigenous Peoples' cooperative, framework, customary practices / entreprenariat social, coopérative des peuples autochtones, cadre, pratiques traditionnelles

INTRODUCTION

Social entrepreneurship is viewed as an innovation to address social development (Hosseini & Ziaaldini, 2019; Short, Moss, & Lumpkin, 2009). The phenomenon can be described as a group solution to poverty that involves creating networks among government and non-government agencies (Siwale & Ritchie, 2011), identifying and seizing opportunities (Shane, 2003), innovating and taking risks (Drucker, 1985), and conducting business for profit while creating social values (Hosseini & Ziaaldini, 2019). Social entrepreneurship is defined as a process of respecting traditional cultural elements while throwing off the old economic ways of conducting business, disrupting the economic status quo, and, through creative processes, developing new combinations of resources that allow for social, economic, and environmental innovation, change, and evolution. There is a link among social entrepreneurship, governance structures, economic undertaking, and community development in some Indigenous communities (Curry, Donker, & Michel, 2016). Social entrepreneurship is considered a driver in achieving the sustainable development goals by 2030 (Diaz-Sarachaga & Ariza-Montes, 2022).

In the Philippines, approximately 9.4 million Indigenous Peoples (8.7% of the population) live in geographically advantaged areas. The majority of Indigenous Peoples rely on the land to form their identity, culture, and subsistence. Increasing access to education, healthcare, and economic opportunities is a key to improving the welfare of Indigenous Peoples (World Bank, 2024). Indigenous Peoples face historic struggles in terms of policymaking, self-determination, and governance in managing natural resources; to succeed in natural resource management, Indigenous Peoples should have an interest in the wellbeing of their resources (Capistrano, 2010). In one study, Capistrano and Charles (2012) demonstrated the importance of legally recognized rights as a key tool both in resource management and securing equitable livelihoods among Indigenous Peoples. However, government policies did not reflect the livelihood needs of Indigenous Peoples. Further, the authors illustrate how Indigenous communities have protected their rights in a developed country—Canada—through an organizational structure established by a community, in comparison with Indigenous communities in a developing country—the Philippines.

The Philippine government acknowledged the struggles of Indigenous Peoples and gave them the full right to their ancestral domains, which was embedded in the *Republic Act No. 8371*. The *Indigenous Peoples' Rights Act (IPRA)* recognizes ownership of the traditional territories embodying land, bodies of water, and natural resources. The law provides a certificate of ancestral domain or land title to the concerned Indigenous clan or community. Of note, the Act specifically set out the rights of Indigenous cultural communities (ICCs)/Indigenous Peoples ensuring economic, social, and cultural wellbeing. The state further recognizes the applicability of customary laws governing the property rights or relations in the determination of the ownership and extent of the ancestral domain (Indigenous Peoples Rights' Act, 1997). To support the economic and social development of Indigenous Peoples, the Cooperative Development Authority (CDA) and the National Commission on Indigenous Peoples (NCIP) created a joint memorandum circular on the guidelines governing promotion, organization, development, and regulation of the cooperatives to be established by Indigenous cultural communities. The memorandum recognizes the self-governance of Indigenous Peoples, and acknowledges their unique cultures, traditions, customary laws, and practices. It also

establishes that a cooperative shall be formed within the ancestral domain with 100 percent Indigenous cooperators (Cooperative Development Authority & National Commission on IPs, 2018).

Bukidnon is one of the provinces in the Philippines with the highest population of Indigenous Peoples and is home to seven tribes. The poverty rate in the province was 59.3 percent in 2015 and 37.9 percent in 2018; although the rate decreased significantly, it is still considered one of the highest in the country (Sablad, 2020). The implementation of the IPRA of 1997 allowed Indigenous communities to actively participate economically through the formation of associations or cooperatives. However, despite owning a vast territory in Bukidnon, the Indigenous Peoples remained poor due to unequal opportunities to engage in economic activities within their domain and limited/lack of access to capital for commercialization (Estrada & Llesis, n.d.).

Malaybalay is the home of the Bukidnon-Tagoloanon tribe, which took shelter on the banks of the Tagoloan River. "Sabangan ha Tagoloan," or the headwaters of Tagoloan River, is one of, if not the most sacred grounds in the province, not just for the Bukidnon-Tagoloanons but also for the other tribes of Bukidnon as well. Through oral tradition, it is said that this place is the bedrock of the civilization of Bukidnon and the source of governance culture and law or the "Batasan." From the time the first settlers of Malaybalay and the greater part of Bukidnon arrived from the Coast of Kalambaguhan (now known as Misamis Oriental), the Bukidnon-Tagoloanon People have continuously returned to the area at least once a year to perform a ritual called "panalawahig" to give thanks to the deity of water. The Indigenous Peoples who inhabited Malaybalay were referred to as "Taga-ulohan," which means those from the head or the headwaters. This is believed to be the reason for the naming of the river as Tagoloan River. The descendants of the original inhabitants of the area are now known as Bukidnon-Tagoloanon/Tagolwanen.

The tribe established the Bukidnon-Tagoloanon Mamulahay Ha Kabukalagan Agricultural Cooperative (BUKTAMACO) with the help of external experts in 2017 after they received the Certificate of Ancestral Domain Title (CADT). The cooperative aims to develop an ancestral domain through sustainable programs that uplift the Bukidnon-Tagoloanon tribe's economic conditions without disrupting the people's customary ways and traditions, to enable them to continue living as an Indigenous community and pass their culture on to the next generation (Estrada & Llesis, n.d)..

Bukidnon State University (BukSU) has an existing partnership with BUKTAMACO and actively contributes to the preservation of Bukidnon culture through the Bukidnon Studies Center (BSC), a museum of the seven tribes. Through a Memorandum of Understanding between BukSU and the Bukidnon-Tagoloanon tribe, a weekly radio program entitled *Kaglambaga* was aired on DXBU 104.5 FM to promote the community-wide undertakings of the tribe, particularly its entrepreneurial endeavours covering BUKTAMACO. To better understand entrepreneurship as social innovation, Hosseini and Ziaaldini (2019) recommend conducting in-depth interviews with participants to add context to cultural and social issues. At the time of writing this article, Bukidnon has no literature to document the management of an Indigenous Peoples' cooperative. Thus, the purpose of this article is to gain an understanding of traditional ecological knowledge in running a social enterprise and contribute to the body of knowledge on the social enterprise management of Indigenous Peoples, using BUKTAMACO as a case study. Furthermore, the study sought a framework that would help the sustainability of the cooperative. Specifically, the study aims to answer the following questions:

a What are the social entrepreneurship practices observed by an Indigenous Peoples' cooperative?

b How does the Indigenous Peoples community obtain the entrepreneurial knowledge, skills, abilities, and attitudes to establish social entrepreneurship?

c What challenges did the Bukidnon-Tagoloanon encounter in practicing social entrepreneurship?

d From the responses of the participants, what framework can be developed to sustain the social entrepreneurship of the tribe?

CONCEPTUAL FRAMEWORK

This study is based on the theory of social entrepreneurship, which the world believes to be one of the fastest solutions for sustainable development (United Nations, 2020). Social entrepreneurs invest in social capital creating a non-profit organization or social enterprise, typically a cooperative or an association. Social entrepreneurship can help attain the goals of sustainable development (Bansal, Garg, & Sharma, 2019).

Social entrepreneurship has the potential to promote locale economic development and enhance community resilience among low-income communities (Sauermann, 2023). Social entrepreneurship utilizes core business functions in the production of goods and services for the market, and at the same time creates social change with the involvement of the community in the business process. In the Philippines, although the social and cultural environment is conducive to a framework of social entrepreneurship, the current policy environment is not responsive to its growth. The views on social entrepreneurship remain focused on traditional micro, small, and medium enterprises (Ballesteros & Llanto, 2017).

The sustainable framework for social enterprises revolves around business conduct in the community. The social entrepreneur converts the input into outcomes creating both economic and social values. In this study, the social entrepreneurs are the members and officers of BUKTAMACO. The researchers considered inputs such as land and agricultural products, human resources, knowledge and skills, machinery and other equipment, and financial resources used to produce goods and services. The unique entrepreneurial experience of the Bukidnon-Tagoloanon tribe guided the researchers in making the framework for sustainability, which can also be applied by other associations or cooperatives established by Indigenous communities.

The study is also anchored in the self-determination theory (SDT), which is empirically derived from research on human motivation and personality in social contexts (Deci & Ryan, 2012). The Bukidnon-Tagoloanon tribe dwells within an ancestral domain with corresponding rights to manage and develop such a domain. The presence of natural resources within the domain motivates the community to utilize them by organizing and equipping themselves to form a cooperative. For the Bukidnon-Tagoloanon tribe, having direct authority to manage an ancestral domain as enacted by law (IPRA); this autonomy motivates and uplifts the community. The effects of extrinsic rewards and intrinsic

motivation of engaging with entrepreneurial activities make the community self-determined. Moreover, the community has grown to be inherently active and motivated, and oriented to develop naturally.

Bukidnon Tagoloanon Mulahay Ha Kabukalagan Agricultural Cooperative is a CDA-registered cooperative, established on November 20, 2017. It is an agricultural cooperative formed by the Salagia clan of the Bukidnon-Tagolwanon tribe located in Can-ayan, Malaybalay City, Bukidnon, Philippines. The cooperative was formed with the help of a grant from the Certificate of Ancestral Domain Title (CADT) No. R10-MLY-1115-193. The title recognizes the rights of the Bukidnon-Tagolwanon to possession and ownership of the Katutubong ancestral domain, an area of 909 hectares covering Barangay 1, Sumpong, and Can-ayan Malaybalay City. The land title was awarded through NCIP EN BANC Resolution no. 190.2015 in 2015. The ownership of the vast land became the subject of several meetings of the tribe's Council of Elders, which formed the basis for the cooperative. The tribe wanted to form a cooperative, but they lacked technical expertise. They asked external experts for help and successfully registered the cooperative in 2017. A year later, the cooperative received funding from the Department of Agriculture and was subsequently awarded funding from Cagayan de Oro Chamber of Commerce which implemented the project "inclusive growth through inclusive business" supported by Gerry Roxas Foundation, a local implementing partner of the United States Agency for International Development (USAID), to develop the land.

The land owned by the members of BUKTAMACO is planted with abaca, cacao, bamboo, and banana. The cooperative received funding from the United States and Australia, among other agencies that were concerned with the livelihoods of Indigenous Peoples. The cooperative is guided by the tribe's value system, which includes "*Pag-bulig-buliga*, *Pabatonbatona*, *Pauyag-uyaga* and *Patawiltawila*" (help, lift, provide, and support one another).

In partnership with the Bamboo Ecologic Corporation, BUKTAMACO raised and planted 20,000 giant bamboo seedlings. The project gives the tribe a sustainable income from the bamboo poles, maintenance fees, and production of bamboo-based products. Other sources of income of the cooperative include sales of rice, adlai (gluten-free grain), root crops, cacao, abaca, and banana. The coop also gains income from dairy farming and vermicast production. Furthermore, the cooperative established a series of partnerships with different stakeholders to help operate and manage the cooperative. The cooperative is supported by the Provincial Government of Bukidnon, Bukidnon State University, and Landbank of the Philippines, among others.

METHODOLOGY

This study used a qualitative method, specifically case and ethnographic studies, for data gathering and analysis. A case study is a versatile form of qualitative inquiry most suitable for a comprehensive, holistic, and in-depth investigation of a phenomenon like social entrepreneurship. With careful preparation and planning, a case study can generate a framework using the bounded system over time and cultivate trustworthiness in the research findings (Harrison, Birks, Franklin, & Mills, 2017). Recognizing the Indigenous background of the participants, the researchers included an ethnographic perspective to access the unique cultural practices of the tribe through cultural mapping. By mapping or identifying the cultural assets of the tribe such as human skills, natural resources,

value system, or indigenous knowledge, the researchers are guided to understand the cultural significance of social entrepreneurship. Ethnography allowed for an exploration of the Bukidnon-Tagoloanon tribe's cultural and historical contexts, which are integral to understanding its approach to social entrepreneurship.

The study was conducted in Can-ayan Malaybalay City, the home of the Bukidnon-Tagoloanon tribe. Figure 1 shows maps of the Province of Bukidnon and Malaybalay City to determine the exact location of the tribe. The cooperative, BUKTAMACO, is CDA registered and run by five members of the Board of Directors and officers. The cooperative's members live in their ancestral domain, participating in the planting, processing, and selling of agricultural produce including abaca, banana, and cacao, among others. The cooperative receives support from government and non-government organizations. The artisans in the community showcase their crafts that bear their indigenous culture, especially during cultural events.

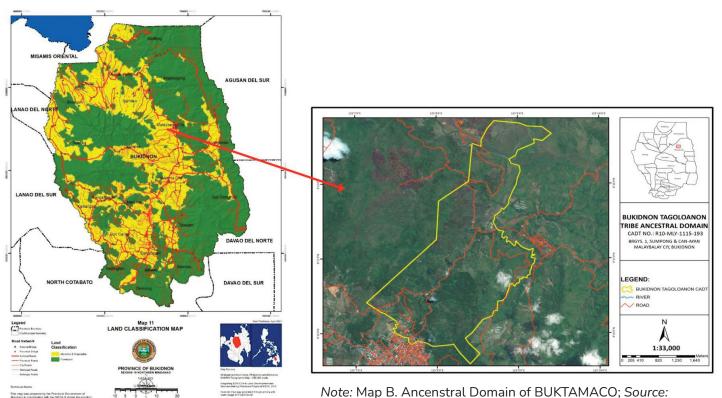


Figure 1: Msp of the Bukidnon-Tagoloanon Ancestral Domain

Note: Map A. Official Provincial Map of Bukidnon. *Source:* Provincial Framework Plan 2020-2025

The study participants were chosen by the researchers based on their involvement in the endeavours of the cooperative. The researchers grouped the participants as follows:

BUKTAMACO official report

a Community or cooperative members

b Government (local and national agencies) that had greatly contributed to the organization and operation of the cooperative

- c Higher education institutions
- d Non-government organizations (funding institution) and partner communities
- e The governing body of the cooperative (officers and Board of Directors)

Data were gathered primarily through focus group discussions, semi-structured interviews, and document reviews. Two focus group discussions were conducted with the Board of Directors and cooperative members, along with four semi-structured interviews involving management, government representatives, academic partners, and business affiliates, to obtain data saturation. The researchers did not conduct interviews with a non-governmental organization representing funding institutions. Instead, details regarding financial support were verified through document analysis and confirmed by cooperative management and government representatives. The document review encompassed the cooperative's financial statements, business plans, and development strategies.

Data saturation was reached when two consecutive focus group discussions and four interviews provided no new themes or insights, allowing the researchers to conclude that the data sufficiently represented the perspectives of participants. According to Fusch and Ness (2015), data saturation is achieved when redundancy occurs, and no additional data provide new insights into the research questions.

The researchers used an interview guide for the focus group discussion and semi-structured indepth interviews. Content and language experts validated the interview guides to ensure the quality of the data. Content experts came from academia and industry, while the language expert was a sociologist who can speak the native language of the tribe. Researchers prolonged engagement with the community and exercised peer debriefing after the focus group discussions and interviews. A journal was kept throughout the research process to document the entire data-gathering period. The results were communicated to the BUKTAMACO for validation before conclusions and recommendations were drawn.

The framework developed was drawn from the practices, challenges, and suggestions for sustainability obtained from the participants, and was also validated by the participants. The analysis of the data followed the five phases introduced by Yin (2009) for qualitative research. These are compiling, disassembling, reassembling, interpreting, and concluding. After the interviews, focus group discussions, and document reviews, researchers sorted the data from source documents. The ordered data was broken down into smaller fragments and assigned new labels, which is known as data-coding. The researchers used intercoder reliability in which at least two researchers agreed on how the same content would be coded. Once the codes were obtained, researchers grouped the codes and presented them in tables and lists. The presented information was interpreted and from the summarized information, conclusions were drawn.

This study was conducted in accordance with the Ownership, Control, Access, and Possession (OCAP) principles, reinforcing the community's right to self-determination over the research data. The conduct of the free, prior, and informed consent to the community through a ritual signaled the community's ownership of the research. Participants retained ownership and control of their data, with the opportunity to review and modify their contributions as needed. This methodology pro-

moted transparency throughout the research process and ensured that the community received meaningful benefits, aligning the findings with the community's objectives. The results were shared with BUKTAMACO for validation before drawing conclusions and formulating recommendations.

Ethics statement

The researchers strictly followed the protocol on ethics prescribed by the university. The approved research proposal and consent form, together with a guide questionnaire, were forwarded to the university's ethics committee for review. The researchers secured certification from the ethics committee to conduct data gathering before formal communication was sent to the NCIP, BUKTAMACO officers, and members of the cooperative's Board of Directors for the conduct of the study. Then, the NCIP Provincial Officer of Bukidnon cleared the study with the Bukidnon-Tagoloanon tribe after a series of meetings.

To honour cultural protocols, interviews with the Council of Elders began with a ceremonial ritual (pamuhat) to seek blessings. Researchers held a dialogue with the elders to foster open communication and scheduled interviews collaboratively. The council, comprising eight predominantly female elders, plays a central role in the tribe's governance and cultural preservation. Interviewing the elders in a group setting fostered a collective exchange of ideas central to the tribe's values. This approach allowed participants to build on each other's insights, providing researchers with a deeper understanding of the community decision-making process based on cultural knowledge. The researchers encouraged balanced participation and asked clarifying questions, ensuring a nuanced understanding of the tribe's views on social entrepreneurship and sustainability. Elders' responses were coded to maintain confidentiality, and one of the researchers, proficient in the language and culture, ensured accuracy in capturing their narratives.

The duration of in-person data gathering ranged from 30 minutes to two hours. All data collected in this study were kept confidential. Participant names were coded, and interview transcripts were securely stored in a safe place by the researchers. To help participants feel comfortable during interviews and group discussions, two of the researchers identified themselves as Indigenous Peoples and the participants were encouraged to use their native dialect, Binukid.

The focus groups ranged in size from six to eight participants and were conducted at the BUKTA-MACO office. The participants were provided with snacks, customized notebooks, and ballpens. Raw data gathered were stored on the researchers' computers secured with passwords; once this article is published, all the stored data, including the notes, will be deleted to protect the privacy of participants. Data will not be shared, unless requested directly by the Bukidnon-Tagoloanon.

RESULTS AND DISCUSSION

Social entrepreneurial practices of the tribe are described in the following themes:

Indigenous leadership

To pursue economic opportunity, The Bukidnon-Tagoloanon tribe ensured the strength of its leadership through the direct participation of the Council of Elders. Based on its Indigenous political structure, the Council of Elders is the governing body of the tribe's ancestral domain and is responsible

for overseeing the undertakings of the community in relation to socio-economic development and cultural-environmental preservation. Each member of the council has a corresponding skill and area of responsibility to cover the needs of the community.

Mendoza (2016) emphasizes the pivotal role of elders and the infusion of cultural perspectives within the cooperative business model. Incorporating traditional leadership structures and cultural perspectives into the cooperative frameworks, and engaging the Council of Elders' knowledge, expertise, and cultural insights, are crucial when navigating the complexities of politics, government, and community development.

The Council of Elders acts as the *Ininay*, a concept that is associated with a mother's responsibility to look after the welfare of the children. In the case of Bukidnon-Tagoloanen, the Council of Elders is accountable for economically augmenting the people by looking for ways to acquire social services. This practice of *Ininay* is more visible when the community faces challenges. When the community realized that their products, like bamboo and abaca, had no specific or a big-enough market, the Council of Elders considered organizing themselves, in which eventually led to the establishment of the cooperative.

Consensus building is one of the characteristics of Indigenous leadership wherein each member is given space to express an idea concerning an occurring issue. This practice is anchored in the importance of collective decision-making, regardless of how long leaders take to reach a consensus. It is normal for the elders to sit down together for a long period and often, exchanging ideas until common interests for the community emerge. This point was confirmed by Participant 1, who stated, "The concept of consensus building is crucial. Our guiding principle is the rule of the majority, but we still adhere to our customary practices. In our project, the Council of Elders, as the governing body of the ancestral domain, will discuss it, and they'll authorize the cooperative." This statement was agreed upon by all participants of the study.

Observance of community values

The Bukidnon-Tagoloanen community is knitted together by the concept of *Bungkatel ha Bulawan*, which is understood as the "golden character" or foundation of all observed values and norms within the community. *Pa-uyag-uyaga* (supporting one another) and *Kagpandaya* (taking care of one another) propelled the idea of forming a cooperative. A community need became a community responsibility, and this obliged the leaders to look for a means to attend to the economic needs of the people. Upon seeing that people started producing coffee, cacao, vegetables, and bamboo, the leaders of the community ensured the consumption of these products by buyers outside the community. This act of support is an expression of the values observed by the community.

Indigenous entrepreneurship recognizes a holistic approach to enterprise, acknowledging the interplay between individual economic motives and broader communal wellbeing. Dana (2015) aligns with Indigenous community values, illustrating that despite mainstream economic assumptions prioritizing profit maximization, Indigenous perspectives emphasize the community's needs and objectives. This was expressed by Participant 1, who mentioned that "cooperative will cater to everyone regardless. It is not so much sa individual, as a community gyud ni. Service provider gyud ang cooperative. *Dili gyud ni sya* profit-making entity. (This is for the community. The cooperative is a service-provider and not for profit-making)".

Concept of communal property and profit-sharing

With an ancestral domain, the Bukidnon-Tagoloanen tribe shares its land and all its natural resources. This occupation of an ancestral domain signifies that the land is not owned by an individual or a family. As communal property, all forms of benefits extracted from the land are owned by everybody. This communal property is governed by profit-sharing. Profit-sharing is not only an entrepreneurial practice but also preserves unity and connectivity among the people.

The leaders are responsible for reminding the people of the values of *Handuga* (sharing) and *Kalalagan* (generosity) in times of harvest, for instance. This view aligns with Dana's (2015) findings, indicating that certain communities, such as the Maori in New Zealand and the First Nations in Canada, have a unique perspective on land ownership and Indigenous rights. These communities maintain a collective ownership model in which the community owns the rights to the land and its resources, including hunting and fishing, as opposed to individual owners.

The concept of communal property is anchored on the belief that everything is created by one Creator (*Manlilimbag*) and is for everybody. The fruits of the land are for everybody as well as the harvests from the rivers. Profit-sharing is characterized by sharing goods and by practicing generosity.

Concern for community

The members of the Council of Elders shared a common concern for the entire community as stipulated in their responsibilities as community leaders. With all the natural resources within the perimeter of the ancestral domain of Bukidnon-Tagoloanon tribe, they practiced *sayuda* (conducted a community meeting) to hear each other's issues and concerns. This meeting is usually held in a *Tulugan* or a meeting place where anyone who has a concern is free to speak. The leaders are obliged to reciprocate people's concerns with a suggestion or a solution for the sake of the community's welfare.

Entrepreneurial competencies of the tribe

The results of the study revealed two major aspects regarding the entrepreneurial competencies of the Bukidnon-Tagoloanen tribe: first, the skills of the community members, and second, the tribe's communal livelihood. These findings are elaborated in the following sections.

Skilled community members

Members of the community have skills and competencies that are essential for social entrepreneurship, namely skills as artisans, farmers, and workers, which are deeply rooted in the tribe's cultural heritage. These skills, inherited from past generations, form an integral part of the tribe's identity, serve as a primary source of income, and are profoundly connected to the natural environment.

The community's farming practices are a reflection of the people's respect for the natural environment. Rather than viewing the land solely as a means of generating income, they see it as a partner in their journey toward sustainability. By nurturing the soil and caring for the crops, they honour the natural world's contribution to their wellbeing. This was expressed by a participant: "Nobody owns the land. You belong to the land. The land is enough to sustain. if you will just take care, it's more than enough to sustain you. You don't have to own the land itself, it can already be a source of livelihood."

Farming, in this context, is not merely a livelihood practice. Traditional farming embodies a spiritual and cultural practice. Farming symbolizes the Bukidnon-Tagoloanen's deep understanding of the interconnectedness of humans and the environment, where the land is not just a provider of sustenance but a sacred entity that demands reverence and care. Similarly, Mika (2020) writes that Indigenous entrepreneurship is rooted in the belief that humans and the natural environment have a shared origin and are deeply interconnected, with each relying on the other for survival and wellbeing. As such, entrepreneurs protect the environment, utilize its resources, and highlight the indigenous cultural legacy (Molina-Ramírez & Barba-Sánchez, 2021). They integrate environmental stewardship and cultural preservation into their projects, which is in line with a larger vision of sustainable entrepreneurship.

Communal livelihood

Communal livelihood practice within the Bukidnon-Tagoloanen tribe is an advantage that facilitates establishing and operating cooperatives. Unlike many other communities where the concept of shared ownership and decision-making can be unfamiliar or met with resistance, Indigenous Peoples's communal values align seamlessly with cooperative business models. Thus, cooperative initiatives are more acceptable and readily embraced by the community.

The uniqueness of Indigenous entrepreneurship lies in its distinctive characteristics, setting it apart from conventional entrepreneurial practices. Molina-Ramírez and Barba-Sánchez (2021) highlight that Indigenous groups operate within a collectivist culture, prioritizing communal gains over individual economic profits. The members of the Bukidnon-Tagoloanen tribe's entrepreneurial pursuits are deeply rooted in seeking collective benefits, intertwining economic endeavours with embeddedness in their identity and culture. Rather than solely pursuing economic gains, these Indigenous groups emphasize the interconnectedness between their economic activities and their cultural identity as fundamental to achieving their objectives. The collective approach to entrepreneurship signifies a contrast from the typical individualistic pursuit of economic income, reflecting a more holistic and community-centric perspective.

Challenges encountered in practicing social entrepreneurship land conflict

The IPRA respects, protects, and promotes Indigenous Peoples' way of life in the Philippines, including the right to own ancestral areas and all its domains. The law enables Indigenous Peoples to make plans for natural and human development within their area of responsibility. However, these rights can be temporary or continuous, depending on the content of the development plan of a particular ancestral domain, which is associated with the municipal or city or provincial development plan.

The Bukidnon-Tagoloanen tribe faces significant challenges in practicing social entrepreneurship, notably concerning land conflicts. Conflicts arise because of competing interests in land. Just like any other ancestral domains, Bukidnon-Tagoloanen has prepared a development plan in which land

utilization is prescribed, and different *gaup* (family or clan) are assigned a particular parcel of land. This system of land distribution and land-assigning causes varied property rights that overlap and compete among the members of the tribe. But when it comes to resolving such disputes, the tribe follows its customs and values in conflict resolutions rather than using force or eviction. They employ the Indigenous justice system, based on the *Bungkatel ha Bulawan*, when dealing with conflicts.

Practices of the principles of the cooperative

The *Philippine Cooperative Code* outlines the seven principles of cooperatives: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training, and information; cooperation among cooperatives; and concern for the community. For BUKTAMACO, benefit sharing occurs through the services offered by the cooperative to the community. At the time of writing, the cooperative has not yet accumulated sufficient funding for statutory funds, and most of its growth in assets are donated from both local and international partners in the forms of biological assets and farm inputs, management support, and payment of salaries of office employees.

The return on the investment of the members is expressed in the social services they receive and not in the form of cash/property dividends. The cooperative is five years old, operating mostly in partnership with other tribes and local and international agencies. Furthermore, the cooperative is not yet a member of a secondary cooperative. In terms of membership payment, the founding members personally financed the membership fees. Although the cooperative is promoted by the government, its members, due to income constraints, cannot pay the membership fees.

Lack of entrepreneurial skills training

The areas where the cooperative members are in need of skills training are management, production, and financial literacy. The primary challenge faced by the Bukidnon-Tagoloanen tribe in their social entrepreneurship endeavours is the absence of adequate technical skills.

Effective management is a cornerstone of any successful entrepreneurial venture. Without proper training, the tribe may struggle with organizational and administrative aspects, which are essential for planning, decision-making, and overall governance of their cooperative initiatives. The absence of management skills can hinder the sustainability of their social entrepreneurship efforts.

Unfortunately, the lack of training in production can impede their ability to create high-quality products. This study points to the potential for creating by-products from the cacao. As one participant described, "[They have the] capability to make chocolate, or even cacao wine, cacao vinegar. But without appropriate training, this opportunity remains untapped, limiting their economic potential."

The lack of financial literacy exposes community members to various financial risks. Without an understanding of basic financial concepts, individuals may not be able to manage their finances effectively. This vulnerability can lead to financial difficulties, particularly for those who are already marginalized within the community. Providing comprehensive financial literacy training within the

community is a fundamental step. This education should cover basic financial concepts, budgeting, savings, and prudent financial decisions.

Existing regulatory requirements is not inclusive to customary practices

The Cooperatives are governed by the *Republic Act 9520*, otherwise known as the *Philippine Cooperative Code of 2008*. The law specifies the formation, registration, management, and mandatory requirements of cooperatives in the Philippines, including the powers and functions of the general assembly, Board of Directors, and other officers of the cooperative. In the data gathered, the participants clearly articulated how decisions are derived and the role of the Council of Elders in the decision-making process. The council's recommendation to any matters concerning management decisions is carried out by the Board of Directors as a customary practice to the leadership of the Council of Elders. In one instance, there was internal conflict regarding the illegal sale of the land inside the BUKTAMACO—the buyers commercialized the area by constructing rest houses. The council resolved the issue by the rule of majority, resulting in a division of the profit with shares allocated to the BUKTAMACO. This decision was respected by all members and the management board.

In governance and management, for example, the cooperative practices the *pag batun-batuna* principle: "*kung wala pa kabayad, kanus a ka kabayad* ... we always resolved conflict based on *tribuhanong pamaagi*. But after so many sessions, we give it to NCIP (if the member has not yet paid his/her obligations when to pay, we always solve conflict based on customary practices)." The consensusbuilding concept is defined in Philippine law as the rule of the majority of all members. In the Bukidnon-Tagoloanen tribe, consensus building means respecting and obeying the decisions of the *datu* or Council of Elders. The unique value system distinguishes the tribal cooperative from a regular cooperative. The datus always consider the welfare of the general members and will not do anything harmful.

For example, there are projects that need to be decided, BUKTAMACO will not consult the entire body but the Council of Elders, which already has pre-agreed decisions, and the body will follow. The Council of Elders has the resolution to authorize the cooperative to enter into a partnership. (Study Participant)

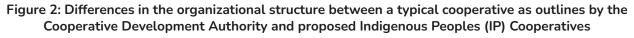
The tribe also has a unique concept of ownership of land. The tribe believes that "nobody owns the land; the tribe belongs to the land." The obligatory provision of livelihood to the community by the cooperative changes the point of view from land dispute to life dispute. The leadership of the cooperative, through the data, will provide the land, the seedlings, and all materials to help grow the identified biological assets (such as bamboo) until they become productive. Furthermore, in the conduct of meetings, the Council of Elders will meet first, and the Board of Directors will convene after. Although meeting schedules are set by the management, the Board of Directors and the Council of Elders conduct meetings as the need arises.

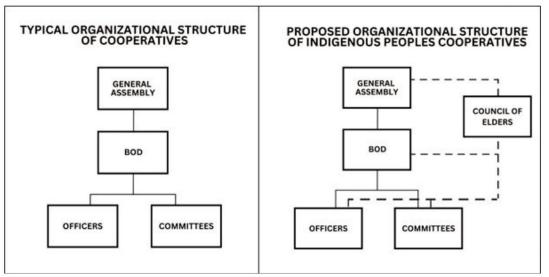
The management and governance of the tribal cooperative differs from all other types of cooperatives in the country due to the uniqueness of the functions of the Council of Elders as the decisionmaking body of the tribe. Thus, although the cooperative complies with all mandatory requirements set forth by RA 9520, there remains a challenge in harmonizing the customary practice and compliance with the law itself.

FRAMEWORK FOR SUSTAINABILITY OF AN INDIGENOUS PEOPLES' COOPERATIVE

The identity of an Indigenous Peoples' cooperative is defined by its values system, land, expertise of the people, and unique governance. The Indigenous Peoples' cooperative manifests community embeddedness as an element of core business. Their communal way of life and worldview contribute positively to entrepreneurship (Molina-Ramírez & Barba-Sánchez, 2021). An Indigenous Peoples' cooperative has a unique organizational structure with the Council of Elders as consultants of the general assembly, the Board of Directors, and the officers. In a structured cooperative defined in Republic Act 9520, the highest governing body is the general assembly, which comprises the members who can vote and approve the developmental plans of the cooperative.

The general assembly elects the Board of Directors, who are responsible for strategic planning, direction setting, and policy formulation activities. The board of directors shall not be responsible for the day-to-day operations of the cooperative and shall elect its officers and committees to manage the affairs of the cooperatives. Figure 2 shows the differences in the organizational structure of the typical cooperative as mandated by the Cooperative Development Authority. The General Assembly, composed of members of the cooperative, is the highest decision-making body but unique to an Indigenous Peoples' cooperative in which the General Assembly adheres to the decisions of the Elders. The Council of Elders also plays a crucial role in development planning, decision-making, and operations of the cooperative.





Note: This figure compares the organizational structures of a typical cooperative as defined by the Cooperative Development Authority with the proposed structure for Indigenous Peoples (IP) cooperatives. Created by the researchers.

Along with the uniqueness of the organizational structure of the cooperative, the researchers, through the responses of the participants, formulated a validated framework for any Indigenous Peoples' cooperative in the country. Figure 3 presents a sustainability framework for an Indigenous Peoples' cooperative. The establishment of cooperatives among Indigenous Peoples is part of the national development plan for designing sustainable futures for Indigenous communities. Development,

in which the cooperatives become its channel, should address the needs of Indigenous communities through the terms of their value system. Thus, exploring a suitable cooperative framework that conforms to Indigenous Peoples' worldviews is significant to achieving the local development agenda.



Figure 3: Sustainability framework for an Indigenous Peoples (IP) Cooperative based on the experiences of BUKTAMACO.

Note: This figure presents a sustainability framework for an IP cooperative, modelled after the experiences and practices of BUKTAMACO. Created by the researchers.

The framework uses the same four pillars of a sustainability framework—human, economic, social, and environmental—with added pillars on customary practices. The customary practices of the Indigenous Peoples are the bedrock of doing business. These practices are highly governed by the Council of Elders, who are guided by the value system of a specific tribe. The dialogue consensus and responsibility to the earth and spirits, as prescribed in their beliefs, have important implications for entrepreneurial qualities (Molina-Ramírez & Barba-Sánchez, 2021).

The Indigenous Peoples' cooperative relies on partnerships to achieve sustainability. In the Philippines, the government supports the creation of Indigenous Peoples' cooperatives; however, in its formation, there are monetary constraints that might also be addressed by the government itself, for instance, monetary support for the membership fees. Upon successful registration, a partnership between the cooperative and the government, in the form of free training from CDA-registered training providers and other national and local agencies for all officers and members, is essential not only to address annual mandatory training requirements but also to prepare the cooperative for financial stability, resiliency, and sustainability. The government's partnership in the provision of financial assistance, biological assets, farm inputs, and training can develop more human, economic, social, and environmental sustainability.

An Indigenous Peoples' cooperative can also develop sustainability when it forges partnerships with other national international institutions for funding, training, provision of innovative machinery

and equipment for value-adding products, and supply chain management. The fiscal space for the government may be tight already and only allows minimal flexibility in terms of the financial operation of the cooperative; thus, there is a need to secure more funding from other agencies or instrumentalities to address the pressing needs of developing livelihood programs that would ensure environmental, social, economic, and human sustainability. In an Indigenous Peoples' cooperative, ownership of vast hectares of land is already an advantage. Hence, it would not be difficult to partner with agencies advocating green practices from production to commercialization of locally produced products. The role of funding, training, monitoring institutions, and other institutions are essential to help the cooperative grow.

When products are already very tangible, the cooperative needs to forge another partnership with suppliers and marketing channels for distribution. This is to ensure continuous sales and mass production of the innovative products introduced by the community. It needs to have a good platform for selling and distributing finished products while the intellectual property rights of the tribe are equally protected. When the cooperative grows, it requires protection on the products, biological assets, and royalties on the intellectual properties developed from the skills of the members.

The social services of the cooperative extend to the other Indigenous communities. Although the decisions of the elders of each tribe are respected and obeyed by the members of the tribes, a legal partnership still needs to be established between and among Indigenous communities to avoid future problems on claims of ownership and benefits. Hence, it would be proper to execute a Memorandum of Agreement or Memorandum of Understanding among the elders of the tribes. During the various partnerships, human, economic, social, and environmental sustainability can be achieved.

The human sustainability pillar of the cooperative focuses on the human resource, the Indigenous Peoples themselves, and the community as a whole. The human pillar focuses on expertise and Indigenous knowledge. Indigenous knowledge is a product of Indigenous Peoples' engagement with nature. In an instance where the tribe lives on the bank of the river, their Indigenous knowledge includes fishing and farming; likewise, if they live in valleys and forests, their Indigenous knowledge is hunting. The expertise of the tribe is needed to utilize the available raw materials in the community, which can be a source of innovation leading to sustainability in operation.

Expertise of the members of the community can lead to forging partnerships with funders and other institutions for materials provisions and training. These, however, need much visibility and transparency, necessitating management to undergo upskilling in financial management and reporting. Furthermore, the qualities of the leaders in the organization are crucial. Leaders need to be taught the principles of cooperation while they preserve their interconnectedness to the communal way of life.

The economic pillar of sustainability for the cooperatives refers to the financial management competencies, economic benefits of the members and employees of the cooperative, and the profits generated, which will be shared with the members and the community of the tribe. Self-sustainability will be achieved when the investment in the biological asset produces fruits through viable production and stable productivity. The entrepreneurial aspects of the members of the tribe are not so visible; hence, the cooperative should do business for the tribe to improve the economic benefits and productivity. The entrepreneurial skills must be developed by the cooperative to create a market for the products and to manage the value chain.

Financial management skills are also seen as one of the factors for economic sustainability. When most of the decision-making lies in the hands of the Council of Elders, the council also needs to be capacitated on the financial management to ensure sound financial decisions. In the case of BUK-TAMACO, some of the members of the Council of Elders have financial acumen, but they still hire financial consultants to provide them with the necessary data and interpretation to come up with a sound financial decision. However, having professional members in the Council of Elders is an advantage to the cooperative especially when they volunteer to run the operation.

The cooperative promotes equality among other Indigenous communities. The employment opportunity extends to all members of the tribe and to the other tribes in the neighbouring communities. The social pillar of sustainability of the cooperatives includes promoting wellbeing through social services such as access to education, government services, and economic participation. Cooperatives are also social innovations for the promotion of the common good. It was emphasized that the Indigenous Peoples cooperative members should be more concerned about the social returns than the monetary return they can get from their membership in the cooperative; BUKTA-MACO is concerned more about how to elevate the way of life of its members. It focuses on livelihood creation while it accesses basic services for members including funding, training, free farm inputs, and more economic opportunities for the members and the community. Social justice among members of the tribe is also very dominant, preserving customary practices while creating more opportunities for its people so that younger generations will stay serving the community rather than migrating to other cities and countries for better opportunities. Challenges exist in the right to self-determination. The dynamics of working together as a community need to be founded in the values system. The relationship with the Council of Elders and the community must be grounded in the tribe's core values.

Indigenous Peoples show their profound respect for the land as the source of life. For Indigenous Peoples, the earth is considered the mother, and all lives therein are interdependent and complementary. The ownership of the land is what defines Indigenous Peoples; however, inside the ancestral land, Indigenous Peoples needs to be productive. The productivity has to be aligned with sustainable practices such as organic farming of biological assets. For instance, BUKTAMACO produced organic fertilizers for farm inputs of the sectoral plantation such as bamboo, cacao, coffee, abaca, and other indigenous products. Products from the biological assets have to be maximized using innovations in machinery and equipment. Along with proper training, the core values of the community, and the leadership of the elders, environmental sustainability can be achieved.

The developed framework will serve as a useful guide for formulating policies concerning Indigenous Peoples' cooperatives, represented by the Office of the Provincial Indigenous Peoples Mandatory Representatives within the legislative body. Additionally, the CDA may explore comprehensive guidelines for Indigenous Peoples' cooperatives in the Philippines, inclusive of their customary practices.

For the time being, the cooperative is patiently waiting to harvest the funder-supported crops, which will ensure sustainability of the land, income, and employment of the cooperative and its members. Management, with the help of the local government of Malaybalay and Department of Agriculture, is now investing in machineries and equipment for bamboo-based products. They continually educate members to plant only sustainable products in the ancestral domain.

CONCLUSION

Cooperatives designed for Indigenous communities are formulated uniquely to cater to the community's communal ownership of a vast area of land. However, there exists a challenge on how to improve the quality of life of these communities using these areas of lands. Another challenge for the government is how to let cooperatives take the role as agent of change for these communities. Indigenous Peoples in the Philippines have limited entrepreneurial skills, although they possess the necessary knowledge, skills, and competence to run a business as a group. In addition, the principles of cooperatives are already practiced by the tribe, but some principles are applied differently due to customary practices, including, for example, the role of the Council of Elders in decision-making. In conclusion, the theory on self-determination has been practiced by BUKTAMACO in terms of decision making. Such customary practice is not embedded in the *Republic Act 9520*. The current cooperative legislation, particularly *Republic Act 9520*, imposes management models that do not fully recognize or integrate traditional governance structures, such as the role of the Council of Elders.

A framework for the sustainability of an Indigenous Peoples' cooperative is developed emphasizing the fifth pillar of customary practices being the foundation of human, economic, social, and environmental pillars. Alongside the framework, a proposed organizational structure is also presented to address the gap between the governance of an Indigenous Peoples' cooperative and a typical cooperative. In conclusion, to help an Indigenous Peoples' cooperative sustain its operation, the law may not be aligned with the practices of Indigenous communities; hence, concerned agencies may revisit and harmonize the Indigenous customary practices and the content of *Republic Act* 9520.

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