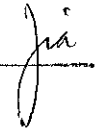


'13 JUL 10 AM '02

SENATE

S. No. 721

RECEIVED BY: 

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Introduced by Senator Ralph G. Recto

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### Explanatory Note

The Constitution mandates under Section 3 Article XIII on Labor, that "The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all."

Securing employment abroad is a widely adopted response to the lack of employment and livelihood opportunities in the country. Filipinos brave the separation from family and country, among other social costs, for the economic benefits that working abroad engenders. The Philippines has become a major source of migrant labor as professionals, highly-skilled, skilled and domestic workers.

Last year, the 1.12 million land-based and 297,000 sea-based Overseas Filipino Workers remitted \$12 B and \$3.6 B, respectively. They are mostly Household Service Workers, Professional Nurses, Bartenders & Waiters, Cleaners, Electrical Wiremen, Caregivers & Caretakers, Laborers & General Helpers, Plumbers & Pipe Fitters, Welders & Flame Cutters, Housekeeping & Related Services Workers.

Unfortunately, illegal recruiters and human trafficking syndicates continue to dupe more Filipinos and send their victims to situations of distress abroad. In many of these instances, the National Government used funds entrusted to the OWWA by documented OFWs for activities benefiting Filipinos other than the contributors themselves. Thus, a clamor for a Charter of the OWWA gained wide support in order to secure the OWWA Fund for their future.

According to OFW organizations, the OWWA should be mandated to address OFW concerns such as the following: lack of pension plan, lack of savings and investment plans, continuing economic dependency of families on the OFWs, lack of reintegration plans and increasing social cost on the families of OFWs. They decry the absence of consistent policies on the use of the funds being administered by the OWWA that come from their contributions.

This Bill seeks to provide a Charter to govern the operations of the OWWA, establishes clear membership registration and benefits, creates the OWWA Board of Trustees as the policy-making body for migrant workers affairs, creates the OWWA Fund as a private Fund to be held in trust by the OWWA, and, grants benefits and services to member-OFWs, as follows: 1) Reintegration; 2) Repatriation Assistance; 3) Loan and Credit Assistance; 4) Workers' Assistance and On-Site Services; 5) Social Benefits – Death, Disability and Health Care Benefits; and 6) Educational and Training Benefits.

In view of the foregoing, approval of this Bill is earnestly sought.

  
RALPH G. RECTO

13 JUL 10 AM 02

SENATE  
S. No. 721

RECEIVED BY: *ja*

Introduced by Senator Ralph G. Recto

AN ACT  
TO GOVERN THE OPERATIONS AND ADMINISTRATION OF THE OVERSEAS  
WORKERS WELFARE ADMINISTRATION

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

CHAPTER I

TITLE AND POLICY

**SECTION 1. Short Title.** – This Act shall be known as the “OWWA Act of 2013”.

**Sec. 2. Declaration of Policy.** – It is the policy of the State to afford full protection to labor, local and overseas, organized and unorganized, and promote full employment opportunities for all. Towards this end, it shall be the State’s responsibility to protect the overseas Filipino workers (OFWs). The Overseas Workers Welfare Administration (OWWA) shall be one of the principal agencies of the State to serve and promote the interest and welfare of the OFWs and their families.

CHAPTER II

NATURE, SCOPE AND FUNCTIONS OF OWWA

**Sec. 3. Nature of OWWA.** – The OWWA is a national government agency vested with a special function of developing and implementing welfare programs and services that respond to the needs of its member-OFWs and their families. It shall have the powers to administer a trust fund. Being a national government agency, the OWWA shall not fall under the category of any of the following: Government Instrumentalities with Corporate Powers, Government Corporate Entities, Government Financial Institutions, Government-Owned Or –Controlled Entities, Government Financial Institutions and/or Government-Owned Or –Controlled Corporations.

The OWWA shall be an attached agency of the Department of Labor and Employment (DOLE). Its officials and employees are covered by the Salary Standardization Law.

**Sec. 4. Scope.** – This Act shall apply to all OFWs who are duly registered with the Philippine Overseas Employment Administration (POEA) and those who will avail of the voluntary membership program of OWWA.

**Sec. 5. Functions.** – The main functions of OWWA are:

- 1 a) To protect the interest and promote the welfare of member-OFWs in all phases of  
2 overseas employment in recognition of their valuable contribution to the overall  
3 development effort;
- 4 b) To facilitate the implementation of the provisions of the Labor Code and Republic Act  
5 No. 8042 as amended, concerning the responsibility of the government to promote the  
6 well-being of OFWs. Pursuant thereto, and in furtherance thereof, it shall provide legal  
7 assistance to its members;
- 8 c) To provide social and welfare programs and services to member-OFWs, including but  
9 not limited to, social assistance, education and training, cultural services, financial  
10 management, reintegration and entrepreneurial development services;
- 11 d) To provide prompt and appropriate response to global emergency or crisis situations  
12 affecting OFWs;
- 13 e) To ensure the efficiency of collections and the viability and sustainability of the Trust  
14 Fund created herein through sound, judicious and transparent investment and  
15 management policies;
- 16 f) To undertake studies and research for the enhancement of social, economic and cultural  
17 well-being of member-OFWs; and
- 18 g) To develop, support and finance specific projects for the welfare of member-OFWs.

19 CHAPTER III

20 DEFINITIONS

21 **Sec. 6. Definition of Terms.** – For purposes of this Act, the following terms shall mean:

- 22 a) Overseas Filipino Worker (OFW) – refers to a person who is to be engaged, is  
23 engaged, or has been engaged in a remunerated activity in a State of which he or she  
24 is not a citizen or on board a vessel navigating the foreign seas other than a  
25 government ship used for military or non-commercial purposes, or on an installation  
26 located offshore or on the high seas;
- 27 b) Dependent - refers to any of the following: (a) the legal spouse dependent for support  
28 upon the member or pensioner; (b) the legitimate, legitimated, legally adopted child,  
29 including the illegitimate child, who is unmarried, not gainfully employed, not over  
30 the age of majority, or is over the age of majority but incapacitated and incapable of  
31 self-support due to a mental or physical disability acquired prior to age of majority;  
32 and (c) the parents dependent upon the member for support;
- 33 c) Compensation – refers to the basic pay or salary received by an employee, pursuant to  
34 his appointment, excluding per diems, bonuses, overtime pay, honoraria, allowances  
35 and any other emoluments received in addition to the basic pay which are not  
36 integrated into the basic pay under existing laws;

- 1 d) Contribution or Membership Fee – refers to the amount payable to OWWA by an  
2 OFW or the employer in accordance with the provisions of this Act;
- 3 e) OWWA Member – refers to an OFW with a paid contribution or membership fee;
- 4 f) Non-active OWWA member – refers to an OFW whose OWWA membership has  
5 expired;
- 6 g) Non-Member OFW – refers to an undocumented OFW and who has not availed of the  
7 voluntary membership of OWWA on-site;
- 8 h) Voluntary OWWA member – refers to an undocumented OFW who has availed of  
9 the voluntary membership of OWWA on-site.

#### 10 CHAPTER IV

#### 11 MEMBERSHIP, CONTRIBUTION AND COLLECTION

12 **Sec. 7. *Registration of Membership.*** – Registration or enrolment of members shall be in  
13 accordance with the provisions of this Act. Membership in OWWA may be obtained in two (2)  
14 ways:

- 15 a) By compulsory registration upon processing of employment contracts of OFWs at the  
16 POEA; and
- 17 b) By voluntary registration of OFWs at job-sites overseas or at the OWWA Regional  
18 Welfare Offices.

19 **Sec. 8. *Proof of Membership.*** – All members shall be issued Official Receipt upon  
20 payment of the required contribution. They shall likewise be issued an OWWA E-Card,  
21 identification card or other proof of OWWA membership. No additional or extra charges shall be  
22 levied on members.

23 The OWWA is mandated to maintain a database of member-OFWs which shall be  
24 updated regularly.

25 **Sec. 9. *Amount of Contribution and Effectivity of Membership.*** – Membership to the  
26 OWWA, either through the compulsory or voluntary coverage, shall be effective upon payment  
27 of membership contribution in the amount of Twenty-Five US Dollars (US \$ 25.00) or its  
28 equivalent in the current foreign exchange rates. Such membership shall be considered active  
29 until the expiration of the OFW's existing employment contract.

30 In case of voluntary members who register on-site, membership coverage shall not  
31 exceed two (2) years.

32 Based on actuarial studies and taking into consideration the welfare and interest of the  
33 members, the Board may adjust or modify the amount of membership contribution upon  
34 consultation with OFW organizations.

35 **Sec. 10. *Renewal of Membership.*** – Membership shall be renewed upon payment of  
36 contribution or contract renewal or issuance of a new contract of employment. In the case of

1 voluntary membership, coverage shall be renewed upon payment of contribution of Twenty-  
2 Five Dollars (US \$ 25.00) or its equivalent in the current foreign exchange rates.

3 In both instances, there shall be a grace period of two (2) months in the payment of  
4 contributions, after the expiration of membership.

5 **Sec. 11. *Separation of Sea-based and Land-based Workers Contribution.*** – To effect a  
6 more efficient fund management between the two (2) sub-sectoral groups of Land-based and  
7 Sea-based workers, the collection of membership contribution shall be accounted for in two (2)  
8 separate books of account.

9 **Sec. 12. *Authorized Collecting Officers.*** –

10 a) Membership contributions shall be collected by duly authorized OWWA Collecting  
11 Officers, deputized collecting officers or accredited agents. The collection of  
12 membership contributions shall be made at the POEA contract processing hub,  
13 OWWA regional and overseas offices, and other accredited collection centers.

14 b) In the case of voluntary members who register on-site, membership contributions  
15 shall be made directly to OWWA Overseas Offices located in the various diplomatic  
16 stations, embassies or consulate offices of the Philippines.

17 **Sec. 13. *Reportorial Requirements and Handling of Contributions.*** – The collecting  
18 officer, the deputized collecting officer, or the accredited collecting agent shall prepare and  
19 submit the required monthly reports to the OWWA Central Office in the Philippines. Handling  
20 of collections and deposits by Collection Officers shall be governed by the usual accounting and  
21 auditing rules and regulations.

22 **Sec. 14. *Sanctions for Erring Officers.*** – Corresponding administrative sanctions and  
23 other disciplinary measures, including but not limited to recall for post/suspension/or separation  
24 from service, shall be imposed upon any officer who violates the provision of the preceding  
25 section.

26 **Sec. 15. *Prohibition Against Discrimination on Membership.*** – No OFW shall be denied  
27 membership to the OWWA by reason of age, gender, nationality, religious belief, or political  
28 opinion or affiliation. The OWWA shall take affirmative steps to enhance the access of OFWs to  
29 its programs and services.

30 **Sec. 16. *Payment of Contribution or OWWA Fee by Employer.*** – Contributions to the  
31 OWWA Fund must be paid by the employers/principal, or in their default, the  
32 recruitment/manning agency in the case of new-hires. The POEA shall ensure that a provision to  
33 this effect shall be made an integral part of the overseas employment contract.

34 **Sec. 17. *Penalty for Violation by Recruitment/Manning Agency.*** – Violation by a  
35 recruitment/manning agency of the preceding section shall constitute an offense punishable by  
36 revocation of its license and all its officers and directors shall be perpetually disqualified from  
37 engaging in the business of recruitment/placement of overseas workers. Such penalty is without

1 prejudice to any other liability that may be imposed on such officers and directors under existing  
2 laws, rules and regulators.

3 **Sec. 18. Deposit and Remittance of Collection. –**

4 a) OWWA Central Office and Regional Offices – the Collecting Officer shall, on a daily  
5 basis, deposit all OWWA fee contributions to the OWWA Capital Fund Account with  
6 the Land Bank of the Philippines. For reconciliation and record purposes, bank  
7 validated deposit slips shall be prepared in triplicate forms to be distributed to the 1)  
8 servicing bank, 2) OWWA together with the Report of Collections, and to the, 3)  
9 Collecting Officer.

10 b) OWWA Overseas Officers – The Collecting Officer shall, on a daily basis, deposit all  
11 OWWA fee contributions in the same currency received, to a separate bank account  
12 for collections in the name of the "Office of the Labor Attache – OWWA  
13 Collections," in the depository bank of the Department of Foreign Affairs (DFA), or  
14 in the accredited correspondent bank of the Land Bank of the Philippines.  
15 Accumulated monthly collections shall be remitted to the OWWA Capital Fund  
16 Account with the Land Bank of the Philippines not later than the 5<sup>th</sup> day of the  
17 following month.

18 No withdrawals except remittances of collections can be made from the bank accounts  
19 for collections without prior written approval of the Administrator or his duly authorized  
20 representative, subject to the policies approved by the Board.

21 Overseas Offices shall be authorized to retain the required amount for the beginning and  
22 maintaining balance of the above-mentioned bank accounts for collections.

23 CHAPTER V

24 THE OWWA BOARD OF TRUSTEES

25 **Sec. 19. The OWWA Board of Trustees. –** To carry out the purposes of this Act, the  
26 OWWA shall be directed and controlled by a Board of Trustees as its policy-making body. It  
27 shall be composed of the following members:

- 28 a) Secretary of the Department of Labor and Employment, as Chairperson;  
29 b) OWWA Administrator, as Vice Chairperson;  
30 c) Secretary of the Department of Foreign Affairs;  
31 d) Secretary of the Department of Finance;  
32 e) Secretary of the Department of Budget and Management;  
33 f) POEA Administrator;  
34 g) Two (2) representatives of land-based OFWs who are nominated and appointed in  
35 accordance with the provisions of Republic Act No. 10022, which amended Republic  
36 Act No. 8042 or the Migrant Workers and Overseas Filipinos Act of 1995;

- 1 h) One (1) representative of the sea-based OFWs who is nominated and appointed in  
2 accordance with the provisions of Republic Act No. 10022;
- 3 i) One (1) representative of the women sector who is nominated and appointed in  
4 accordance with the provisions of Republic Act No. 10022;
- 5 j) One (1) representative of the land-based recruitment sector, who is selected from  
6 among the various associations of registered overseas placement and recruitment  
7 agencies based in the Philippines who shall be appointed by the President to serve a  
8 single term of three (3) years; and
- 9 k) One (1) representative of the sea-based manning sector, who is selected from among  
10 the various associations of registered overseas placement and manning agencies based  
11 in the Philippines who shall be appointed by the President to serve a single term of  
12 three (3) years.

13 The Trustees holding office as members of the OWWA Board at the time of the  
14 effectivity of the Act shall continue to serve until the expiration of their term of appointments.

15 In case of vacancy in any of the appointive positions in the OWWA Board, the vacancy  
16 shall be filled by the subsequent nomination by the respective sector concerned in the same  
17 manner as the selection of the predecessor. Such successor shall hold office for the unexpired  
18 term only.

19 **Sec. 20. *Per Diem.*** – The members of the OWWA Board shall not receive any  
20 compensation but shall be provided with per diem at rates allowed under existing rules and  
21 regulations.

22 **Sec. 21. *Responsibilities and Powers of the Board of Trustees.*** – The OWWA board shall  
23 exercise the following specific powers and duties:

- 24 a) To define the thrusts of the OWWA and adopt broad policy guidelines to ensure their  
25 implementation;
- 26 b) To preserve the integrity of the OWWA Trust Fund;
- 27 c) To approve programs, projects and the organizational structure of the OWWA  
28 Secretariat;
- 29 d) To modify or adjust the membership fee and other necessary charges based on  
30 actuarial studies upon consultation with OFW organizations;
- 31 e) To formulate rules and regulations governing financial transactions and prepare the  
32 annual budget of the Secretariat for submission to the Department of Budget and  
33 Management;
- 34 f) To ensure the efficiency of collection and the viability and sustainability of the Fund  
35 through sound and judicious investment and fund management policies;

- 1 g) To receive and disburse all sums as may be provided by law for the support of the  
2 OWWA to the ends specified by law, and all other sums in the manner it may, in its  
3 discretion, determine to carry out the purposes and functions of the OWWA;
- 4 h) To authorize the construction or repair of its buildings, machinery, equipment and  
5 other facilities and the purchase and acquisition of real and personal properties,  
6 including the necessary supplies, materials and equipment;
- 7 i) To receive in trust legacies, gifts and donations of real and personal property of all  
8 kinds and to administer and dispose the same when necessary for the benefit of the  
9 OWWA general membership and subject to the instructions of the donor, if any;
- 10 j) To delegate any of its powers to the Chairperson of the OWWA Board, OWWA  
11 Administrator or any other officials as it may deem necessary;
- 12 k) To prescribe such general policies, rules and regulations, not contrary to law, as are  
13 consistent with the purposes of the OWWA; and
- 14 l) To exercise such powers as may be proper and necessary to carry out the objectives  
15 of this Act.

## 16 CHAPTER VI

### 17 BOARD MEETINGS, PROXIES, AND RECORDS MANAGEMENT

18 **Sec. 22. *Schedule of Meetings and Quorum of the Board.*** – The regular meetings of the  
19 OWWA Board shall be held every last Friday of the month. If a change of date becomes  
20 necessary, the same shall be held at the most convenient time set by the Board.

21 Special Board meetings and executive meetings may be scheduled as the need arises.  
22 Special board meetings may be called upon by the Chairperson or by five (5) members of the  
23 Board.

24 **Sec. 23. *Board Proceedings.*** – The board proceedings shall be guided by the following  
25 rules:

- 26 a) Notice of Meetings – The Board Secretary shall distribute to all Members of the  
27 Board the Notice of Meeting together with the discussion materials at least three (3)  
28 working days prior to the scheduled meetings.
- 29 b) Quorum - In determining the existence of a quorum, the Board shall adopt the simple  
30 majority rule of one-half plus one of the total filled Board seats.
- 31 c) Voting – For the approval of any policy requiring the disbursement of the OWWA  
32 Fund, an affirmative vote of a majority of all members shall be required. For the  
33 approval of all other policies, an affirmative vote of a majority of the members  
34 present constituting a quorum shall be necessary.
- 35 d) Attendance in Board Meetings – Board members are responsible for attending all  
36 Board meetings. The Ex-Officio members of the Board of Trustees may designate in  
37 writing their permanent alternate who shall have voting power.



1 e) Presiding Officer – The Chairperson shall preside over meetings of the Board. In the  
2 absence of the Chair, the Vice-Chairperson shall preside.

3 f) Board Resolution – All decisions of the Board shall be expressed in the form of  
4 Resolutions signed by all the members present. Resolutions may be modified or  
5 superseded by another resolution.

6 Resolutions shall take effect upon adoption and signing by the members present,  
7 subject to requisite publication.

8 g) Records Management and Archiving of Board Documents – The Board Secretary  
9 shall ensure a complete and thorough recording of all proceedings during a Board  
10 meeting. The minutes of the previous meeting shall be made available for approval  
11 during the succeeding scheduled Board Meeting.

12 The Minutes of the meeting shall contain the attendance, business arising from the  
13 minutes, major agreements reached, corresponding resolutions and other items noted  
14 or discussed and instructions issued by the Board.

15 All Minutes of meetings and Board Resolutions, tape recordings and other documents  
16 pertaining to the business of the Board shall be kept and archived pursuant to standard  
17 records management systems and procedures.

## 18 CHAPTER VII

### 19 OWWA SECRETARIAT

20 **Sec. 24.** *The OWWA Secretariat.* – The OWWA Secretariat is the implementing arm of  
21 the OWWA.

22 **Sec. 25.** *Duties and Responsibilities of OWWA Secretariat.* -- The OWWA Secretariat  
23 shall perform and assume the following duties and responsibilities:

24 a) To manage programs including the delivery of welfare services locally and overseas  
25 to its members supported by advocacy and information programs;

26 b) To implement Board policies on investment and fund management;

27 c) To formulate medium-term development plans responsive to the welfare, needs and  
28 demands of member-OFWs;

29 d) To submit work and financial plans for Board consideration;

30 e) To provide policy analyses and recommendations for Board consideration;

31 f) To conduct continuing researches and studies, including impact evaluation, in aid of  
32 policy and program development;

33 g) To regularly monitor and conduct assessment and evaluation of organizational  
34 performance;

35 h) To establish and maintain an on line management information system, to include  
36 database on membership;

- 1 i) To establish and maintain linkages and networks with local and international social  
2 and institutional partners;
- 3 j) To conduct annual planning, budgeting and organizational performance assessment  
4 and render the report to the Board;
- 5 k) To submit annual reports to the Board, Congress and the President
- 6 l) To submit written quarterly reports on the assessment and evaluation of programs,  
7 projects and services and such other reports as may be required by the Board;
- 8 m) To undertake the periodic review of programs, standards, thrusts and policies;
- 9 n) To perform other functions as may be instructed by the Board; and
- 10 o) To adopt internal rules of procedure consistent with the provisions of this Act.

11 **Sec. 26. *The OWWA Administrator.*** – The administration of the OWWA is vested in the  
12 Administrator. As the Chief Executive Officer of the Secretariat, the Administrator shall exercise  
13 general supervision and control of all OWWA personnel and resources, and assume full  
14 responsibility and accountability thereof.

15 The Administrator must possess good leadership and managerial skills. The  
16 Administrator shall be appointed by the President. The Administrator shall report to the President  
17 through the Secretary of DOLE and shall perform the duties and functions stated in this Act and  
18 all the usual, necessary and related functions of the office of the Administrator, subject to the  
19 policies and rules prescribed by the OWWA Board.

20 **Sec. 27. *The Deputy Administrators.*** – Two (2) Deputy Administrators shall assist the  
21 Administrator in the administration and supervision of operations of OWWA. They shall be  
22 appointed by the Board upon the recommendations of the Administrator. They must also possess  
23 good leadership and managerial skills. The Board may assign specific functional responsibilities  
24 to the Deputy Administrators.

25 **Sec. 28. *Regional on-Site Welfare Officers.*** – OWWA shall maintain Regional Offices  
26 and on-site Welfare Offices under the Philippine Overseas Labor Offices of the Department of  
27 Labor and Employment.

## 28 CHAPTER VIII

### 29 PERSONNEL AND STAFFING PATTERN

30 **Sec. 29. *New Structure and Staffing Pattern.*** –

- 31 a) Upon effectivity of this Act, the officers and employees of the OWWA shall, in a  
32 holdover capacity, continue to perform their respective duties and responsibilities and  
33 receive the corresponding salaries and benefits unless in the meantime they are  
34 separated from the service. The new structure and staffing pattern for the OWWA  
35 shall be prescribed by the OWWA Board and approved by the Department of Budget  
36 and Management. The salaries and benefits of all personnel shall be in accordance  
37 with existing compensation laws.

1 b) Those incumbents whose positions are not included therein or who are not  
2 reappointed shall be deemed separated from the service. Those separated from the  
3 service shall receive the retirement benefits to which they may be entitled under  
4 existing laws, rules and regulations.

5 **Sec. 30. *Qualifications Upgrading Program.*** – Pursuant to the provision of paragraph (1)  
6 of the immediately preceding section, the OWWA Board shall design and establish a  
7 qualifications upgrading program for the staffing of the OWWA, in coordination with the DOLE  
8 and the Civil Service Commission (CSC), within one hundred twenty (120) days from the  
9 effectivity of this Act: *Provided*, That those who are already in the service from the effectivity of  
10 this Act shall have, not later than five (5) years, to obtain the required academic degree and/or  
11 qualification counted from the implementation of the qualifications upgrading program:  
12 *Provided, further*, That those who are already in the service from the effectivity of this Act shall  
13 have, not later than one (1) year, to obtain the necessary CSC qualification required for the  
14 position they are currently holding: *Provided, finally*, That said personnel has obtained at least a  
15 Satisfactory performance rating.

16 **Sec. 31. *Authority to Reorganize the Administration.*** – Notwithstanding the provisions of  
17 existing laws, the OWWA Board shall conduct a management audit, prepare and submit to the  
18 DBM a proposed reorganization plan of the OWWA not later than one (1) year, subject to the  
19 limitations under this Act and based on the following criteria.

- 20 a) Increased OWWA visibility from the Head Office to the various Regional Offices and  
21 by the appointment and assignment of personnel to positions which are purely  
22 administrative, technical, clerical or menial in nature and other positions which are  
23 not directly related to its operation and administration; and  
24 b) Efficient and optimized delivery of OWWA services to the OFWs and their  
25 respective families.

26 **Sec. 32. *General Qualifications for Appointment.***—The general qualifications for  
27 appointment of OWWA personnel shall be in accordance with the minimum requirements set by  
28 the Civil Service Commission (CSC). The OWWA may hire consultants who are experts in  
29 actuarial studies, information technology, finance and investment, and such other fields as may  
30 be deemed necessary in the implementation of programs and services.

## 31 CHAPTER IX

### 32 OWWA BENEFITS AND SERVICES

33 **Sec. 33. *Guiding Principles.*** – Pursuant to its mandate, OWWA shall provide reintegration  
34 programs, repatriation assistance, loan and credit assistance, workers assistance on-site, death  
35 and disability benefits, health care benefits, education and skills training, social services, family  
36 welfare assistance, and other appropriate programs that provide timely social and economic  
37 services.

1           Nothing in this Act shall be construed as a limitation or denial of the right of the OFW to  
2   avail of any benefit plan which may be adopted in the employment contract, or offered voluntarily  
3   by employers, or by the laws of the receiving country which are over and above those provided  
4   under this Act.

5           **Sec 34. Benefits and Services to OFWs. –**

6           A. Reintegration of OFWs. Reintegration of OFWs shall be one of the core programs of  
7           OWWA

8           To be able to sustain the viability of this program, not less than ten percent (10%) of  
9           OWWA's collection of contribution for the immediately preceding year shall be  
10          allocated annually for reintegration program.

11          B. Repatriation Assistance. Consistent with the provisions of R. A. No. 8042, as  
12          amended, members shall be provided with all the services necessary for repatriation.

13          C. Loan and Credit Assistance. OWWA shall provide low-interest loans to member-  
14          OFWs. It shall have the authority to hire consultants who are experts in finance or  
15          banking to assist in the conceptualization and implementation of the said loan  
16          programs.

17          D. Workers Assistance and On-site Services. OWWA shall provide assistance to OFWs  
18          in all its Overseas and Regional Offices. Services shall include information regarding  
19          the names, occupation/job category and addresses of OFW, providing guidance,  
20          developing materials for the Pre-Departure Orientation Seminars, conducting psycho-  
21          social counselling, conciliation services and outreach missions, among others. On  
22          behalf of the OFW, the OWWA may provide appropriate representation with  
23          employer, agents and host government authorities, including, but not limited to  
24          assisting OFWs to regain unpaid wages.

25          E. Social Benefits. A member-OFW shall be covered with the following social benefits:

26           1. Death and Disability Benefits.

27           a. Death Benefits. A member shall be covered with life insurance for the  
28           duration of one's employment contract. The coverage shall include One  
29           Hundred Thousand Pesos (P100,000.00) for natural death and Two Hundred  
30           Thousand Pcsos (P200,000.00) for natural death and Two Hundred Thousand  
31           Pesos (P200, 000.00) for accidental death.

32           b. Disability and Dismemberment Benefits. A member shall be entitled to  
33           disability/dismemberment benefits as a rider provision of one's life insurance  
34           as provided for in the impediment schedule contained in the Manual of  
35           Systems and Procedures. The coverage is within the range of Two Thousand  
36           Pesos (P2, 000.00) to fifty thousand Pesos (P50,000.00).

1 c. Total Disability Benefit. In case of total permanent disability, a member shall  
2 be entitled to One Hundred Thousand Pesos (P100,000.00).

3 d. Burial Benefit. A burial benefit of Twenty Thousand Pesos (P20,000.00) shall  
4 be provided in case of the member's death.

5 Based on actuarial studies, the Board may increase the amount of the above-  
6 mentioned benefits.

7 2. Health Care Benefits. Within two (2) years from the effectivity of this Act,  
8 OWWA is mandated to develop and implement health care programs for the  
9 benefit of member-OFWs and their families.

10 F. Education and Training Benefits. A member or a designated beneficiary may avail of  
11 the following scholarship programs, subject to a selection process and accreditation of  
12 participating institutions. Annual scholarship lists shall be submitted to the Board.

13 1. Skills-for-Employment Scholarship Program. – For technical or vocational  
14 training scholarship.

15 2. Education for Development Scholarship Program. – For baccalaureate programs.

16 3. Seafarers' Upgrading Program. – To ensure the competitive advantage of Filipino  
17 seafarers in meeting International Maritime Organization (IMO) competency  
18 standards, sea-based members shall be entitled to one upgrading program for  
19 every three (3) membership contributions.

20 **Sec 35. *Development and Assessment of Programs.*** - OWWA shall continue to develop  
21 and implement new programs to meet new OFW needs and requirements as they arise, and to  
22 assess the effectiveness of existing services and benefits in serving OFW welfare.

23 OWWA shall also maintain an interactive website to collect OFW feedback, comments,  
24 suggestions and complaints on existing programs and services.

25 **Sec. 36. *Extension of Services to Non-members.*** – OWWA may also extend appropriate  
26 programs or services to non-members as may be determined by the Board.

## 27 CHAPTER X

### 28 THE OWWA TRUST FUND

29 **Sec. 37. *OWWA Fund.*** – The OWWA Fund is a private fund held in trust by OWWA.  
30 The OWWA Fund, being a trust fund, is not government money. No portion thereof or any of its  
31 income, dividends or earnings shall accrue to the General Fund of the National Government.  
32 Neither shall any amount or portion thereof be conjoined with the government money, nor revert  
33 to the National Government. In the same manner, it is exempted from the “one fund doctrine” of  
34 the government.

35 **Sec. 38. *Purpose of the OWWA Fund.*** – The OWWA Fund can only be used for the  
36 purposes for which it was created, that is, to exclusively serve the welfare of member-OFWs and

1 their families. The Fund is to be used exclusively to finance the core programs and services of  
2 the OWWA.

3 **Sec. 39. Reporting of the Fund.** – Within fifteen (15) days after receipt of audited reports  
4 from the Commission on Audit, the OWWA Board of Trustees shall submit to the President and  
5 Congress a report showing the total collections of and the disbursements from the OWWA Fund.

6 **Sec. 40. Disbursement of OWWA Fund.** – Any provision of existing law to the contrary  
7 notwithstanding, all incomes generated by the OWWA shall, upon their collection, be retained  
8 by the OWWA and disbursed by the Board for the general welfare and other benefits of the  
9 OWWA general membership and the OWWA Secretariat personnel; for the acquisition,  
10 construction, maintenance and repair of urgently needed auxiliary facilities, equipment, buildings  
11 and other infrastructure; and for expenses necessary for the attainment of its purposes under the  
12 approved program of expenditures.

13 No fund shall be withdrawn from the OWWA Fund to respond, aid, supplement, or in  
14 any manner augment any required expenditure by other government agencies.

15 **Sec. 41. Source of the OWWA Fund.** – The OWWA Fund is the sum total of the amounts  
16 under the management and fiscal administration of the OWWA Board and the Secretariat,  
17 including the US \$25 contributions that shall accrue to the Fund as fees, investment and interest  
18 income, and income from other sources.

19 **Sec. 42. Trustees of the Fund.** – The OWWA Board is designated as the trustee of the  
20 OWWA Fund. It shall be bound by a fiduciary duty to manage the Fund with extra-ordinary  
21 diligence and with utmost skill, care and judiciousness.

22 **Sec. 43. Transparency.** – the OWWA Fund shall be managed with full transparency and  
23 full public disclosure. It shall make available all records of how the funds are utilized, disbursed  
24 and invested in accordance with existing laws.

## 25 CHAPTER XI

### 26 INVESTMENT ADMINISTRATION: SAFEGUARDS

27 **Sec. 44. Safeguards of the OWWA Fund, Acquired Assets, Unredeemed Investments.** –

28 a) The OWWA Trust Fund shall be managed and expended in accordance with the  
29 purposes of the Fund and safeguarded against any possible loss and misuse.

30 The OWWA shall ensure an appropriate growth rate in the fund sufficient to sustain  
31 the growing needs of OFW members. It shall ensure that all investment instruments  
32 are periodically inventoried and properly kept at a government bank under a  
33 custodianship agreement.

34 A monthly report on all investment schedules showing the interest rates, yields,  
35 discount rates and other relevant data shall be submitted to the Board.

1 b) The OWWA shall administer all properties, acquired or foreclosed. To ensure that the  
2 properties are safeguarded and preserved, the same must be properly accounted for  
3 and documented, re-inspected, re-appraised and insured with taxes paid.

4 An asset development/disposal plan shall be submitted by the Administrator for the  
5 consideration of the Board.

6 Foreclosed properties shall be registered as OWWA assets within one (1) month after  
7 foreclosure.

8 c) Unredeemed investments and other receivables shall be inventoried semi-annually  
9 and corresponding redemption plan shall be submitted to the Board. All receivables  
10 shall be supported by documents appropriately acknowledged by the accountable  
11 party.

12 **Sec. 45. General Investment Policy.** – The funds of the OWWA which are not needed to  
13 meet the current obligations may be invested under such terms and conditions and rules and  
14 regulations as may be prescribed by the Board: *Provided*, That investments shall satisfy the  
15 requirements of liquidity, safety/security and yield in order to ensure the actuarial solvency of  
16 the funds of the OWWA: *Provided, further*, That the OWWA shall submit an annual report on  
17 all investments made to both Houses of Congress of the Philippines, to wit:

18 (a) In interest-bearing bonds or securities or other evidence of indebtedness of the  
19 Government of the Philippines; and

20 (b) In foreign mutual funds and in foreign currency deposits or foreign currency-  
21 denominated debts, non-speculative equities and other financial instruments or other  
22 assets issued in accordance with existing laws of the countries where such financial  
23 instruments are issued: *Provided*, That these instruments or assets are listed in  
24 bourses of the respective countries where these instruments or assets are issued:  
25 *Provided, further*, That the issuing company has proven track record of profitability  
26 over the last three (3) years and payment of dividends at least once over the same  
27 period: *Provided, finally*, That not more than Twenty Percent (20%) of the above-  
28 mentioned funds shall be invested abroad.

29 Portfolio management of investible funds shall be outsourced to government financial  
30 institutions (GFIs).

31 **Sec. 46. Examination and Valuation of the Funds.** – The OWWA shall make a periodic  
32 actuarial examination and valuation of its funds in accordance with accepted actuarial principles.

## 33 CHAPTER XII

### 34 FISCAL AND BUDGET POLICY: MANAGEMENT

35 **Sec. 47. Operative Budget.** – The operative budget must be sufficient to support full  
36 protection of the OFW welfare. The budget shall be reviewed annually by the Board with  
37 emphasis on adequate funding for services and agency efficiency.

1 The Board shall approve by a majority vote of all its members, the operating budget  
2 which shall support the planned work programs and administrative costs to include but shall not  
3 be limited to personal services, transportation, office rentals, office supplies, equipment,  
4 technological support, communications and utilities, requirements for personal services, and  
5 capital outlays: *Provided*, That appropriations for Personal Services (PS) and its regular  
6 Maintenance and Other Operating Expenses (MOOE) shall not exceed Twenty Percent (20%) of  
7 the total member contributions realized in the immediately preceding year.

8 The approved operating budget shall be drawn from the OWWA Trust Fund.

9 **Sec. 48. *Benefits and Services Budget.*** – The annual budget shall include all benefits and  
10 services to OFWs. The budget shall prioritize protecting OFW welfare. The amount necessary to  
11 defray the cost of these benefits and services shall be drawn from the OWWA Trust Fund.

12 **Sec. 49. *Budget Preparation and Approval.*** – In preparing the annual budget, OWWA  
13 shall follow the national government budget system, format and cycle as may be prescribed by  
14 the Department of Budget and Management.

15 **Sec. 50. *Work and Financial Plans.*** – All cost centers/ offices/ units of OWWA shall  
16 submit their annual work and financial plans (WFP), which should correspond to the approved  
17 budget. The Directors shall endorse the WFP of their respective units for approval of the  
18 Administrator. The consolidated OWWA-WFP shall be reported to the Board.

19 **Sec. 51. *Budget Realignment.*** – Realignment of funds including adjustments in targets  
20 shall be submitted to the Board for approval. Similarly, in the event that extra-ordinary  
21 circumstances may occur which require additional funds beyond the coverage of the approved  
22 budget, the same shall be submitted for approval by the Board subject to the existing budget  
23 rules and regulations.

24 **Sec. 52. *Branch Accounting System; Financial Reports; Auditing Procedures; Annual***  
25 ***Reports.*** – The OWWA Regional Units shall maintain their respective books of account which  
26 shall be consolidated by the Central Office.

27 The OWWA shall install sound internal control and monitoring systems and submit  
28 quarterly prescribed Financial Statements to COA such as income statement, balance sheet, and  
29 cash flow as prescribed in post auditing reports by the COA.

30 The OWWA Secretariat is mandated to submit a monthly fund utilization report to the  
31 Board, copies of which shall be made available to Congress. It is further mandated to submit an  
32 Annual Report on its overall performance for the previous year within the first sixty (60) days of  
33 the following year to the OWWA Board, Congress and the President, through the Department of  
34 Budget and Management (DBM).

35 **Sec. 53. *Chart of Accounts.*** – the OWWA shall adopt the appropriate and standard chart  
36 of accounts as prescribed by the COA.



