



13 JUL 29 P5:14

SENATE

S. No. 1147

RECEIVED BY: *je*

Introduced by Senator Antonio "SONNY" F. Trillanes IV

**Explanatory Note**

Sec. 3, Article XIII of the Constitution states:

*"Section 3. 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. It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. They shall be entitled to security of tenure, humane conditions of work, and a living wage. They shall also participate in policy and decision-making processes affecting their rights and benefits as may be provided by law."*

Money sent home by Overseas Filipino Workers (OFWs) rose by 8.4 percent to \$1.855 billion in January from \$1.7 billion a year ago according to the Bangko Sentral ng Pilipinas (BSP). Remittances made by the OFWs hit \$20.117 billion last year, up 7.2 percent. Clearly, our OFWs play a huge role in propelling our country's economic growth. Despite their contributions however, numerous reports of maltreatment and exploitation have been reported. It is due to these numerous threats that the Overseas Workers Welfare Administration was created.

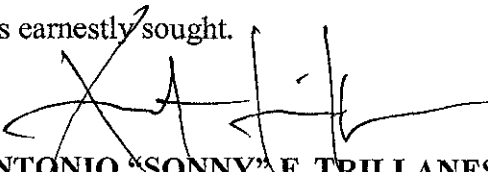
The Overseas Workers Welfare Administration (OWWA), an attached agency of the Department of Labor and Employment (DOLE), is the lead government agency tasked to protect and promote the welfare and well-being of Overseas Filipino Workers (OFWs) and their dependents. They serve as the lead agency when it comes to the interest and welfare of the OFWs.

However, OWWA has been receiving huge amounts of criticisms and intrigues ranging from mismanagement to allegations of graft and corruption in the agency. It can be agreed upon that our OFWs, our modern-day heroes, deserve a more effective and responsive OWWA for their protection.

This bill therefore seeks to create an OWWA Charter which shall govern the operation and administration of OWWA. The proposed OWWA Charter shall clarify its mandate, define the membership base and coverage of benefits, identify the programs for availment of its members, fund management, and public accountability of its administrators and officials.

It is hoped that with the passage of this measure, our OFWs will be afforded and be able to benefit from a more efficient and professional OWWA.

In view of the foregoing, early passage of this bill is earnestly sought.

  
ANTONIO "SONNY" F. TRILLANES IV  
Senator



'13 JUL 29 P5:14

SENATE

S. No. 1147

RECEIVED BY: *ji*

---

Introduced by Senator Antonio "SONNY" F. Trillanes IV

---

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, POLICY AND OBJECTIVES

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.

SEC. 3. *Objectives.* – This Act is enacted to provide guidelines on matters concerning the OWWA, its mandate, purposes and objectives, membership, collection of contributions, and availment of benefits and services. This Act also embodies the policies on fund management, programs and services administration.

CHAPTER II

NATURE, SCOPE AND FUNCTIONS OF THE OWWA

SEC. 4. *Nature of the 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: (a) government instrumentalities with corporate powers; (b)

1 government corporate entities; (c) government financial institutions; and/or (d) government-  
2 owned or -controlled corporations.

3 The OWWA shall be an attached agency of the Department of Labor and Employment  
4 (DOLE). Its officials and employees are covered by the Salary Standardization Law.  
5

6 **SEC. 5. Scope.** – This Act shall apply to all OFWs who are duly registered with the  
7 Philippine Overseas Employment Administration (POEA) and those who will avail of the  
8 voluntary membership program of the OWWA.  
9

10 **SEC. 6. Functions.** – The main functions of the OWWA are:

11 (a) To protect the interest and promote the welfare of member-OFWs in all phases of  
12 overseas employment in recognition of their valuable contribution to the overall development  
13 effort;

14 (b) To facilitate the implementation of the provisions of the Labor Code and Republic  
15 Act No. 8042, as amended, concerning the responsibility of the government to promote the well-  
16 being of OFWs. Pursuant thereto, and in furtherance thereof, it shall provide legal assistance to  
17 its members;

18 (c) To provide social and welfare programs and services to member-OFWs including, but  
19 not limited to, social assistance, education and training, cultural services, financial management,  
20 reintegration and entrepreneurial development services;

21 (d) To provide prompt and appropriate response to global emergency or crisis situations;

22 (e) To ensure the efficiency of collections and the viability and sustainability of the Fund  
23 through sound, judicious and transparent investment and management policies;

24 (f) To undertake studies and research for the enhancement of social, economic and  
25 cultural well-being of member-OFWs, and;

26 (g) To develop, support and finance specific projects for the welfare of member-OFWs.  
27

### 28 CHAPTER III

### 29 DEFINITIONS

30

31 **SEC. 7. Definition of Terms.** – For purposes of this Act, the following terms shall mean:

32 (a) *Overseas Filipino Worker (OFW)* refers to a person who is to be engaged, is engaged  
33 or has been engaged in a remunerated activity in a State of which he or she is not a citizen, or on  
34 board a vessel navigating the foreign seas other than a government ship used for military or  
35 noncommercial purposes, or on an installation located offshore or on the high seas.

36 (b) *Dependent* refers to any of the following: (1) the legal spouse dependent for support  
37 upon the member or pensioner; (2) the legitimate, legitimated, legally adopted child, including  
38 the illegitimate child, who is unmarried, not gainfully employed, not over the age of majority, or

1 is over the age of majority but incapacitated and incapable of self-support due to a mental or  
2 physical defect acquired prior to age of majority; and (3) the parents dependent upon the member  
3 for support.

4 (c) *Compensation* refers to the basic pay or salary received by an employee, pursuant to  
5 his or her appointment, excluding per diems, bonuses, overtime pay, honoraria, allowances and  
6 any other emoluments received in addition to the basic pay which are not integrated into the  
7 basic pay under existing laws.

8 (d) *Contribution or membership fee* refers to the amount payable to the OWWA by an  
9 OFW or the employer in accordance with the provisions of this Act.

10 (e) *OWWA member* refers to an OFW with a paid contribution or membership fee.

11 (f) *Non-active OWWA member* refers to an OFW whose OWWA membership has  
12 expired.

13 (g) *Non-member OFW* refers to an undocumented OFW and who has not availed of the  
14 voluntary membership of the OWWA on-site.

#### 15 16 CHAPTER IV

#### 17 MEMBERSHIP, CONTRIBUTION AND COLLECTION

18  
19 **SEC. 8. *Registration of Membership.*** – Registration or enrolment of members shall be in  
20 accordance with the provisions of this Act. Membership in the OWWA may be obtained in two  
21 (2) ways:

22 (a) By compulsory registration upon processing of employment contracts of OFWs at the  
23 POEA; and

24 (b) By voluntary registration of OFWs at job-sites overseas or at the OWWA regional  
25 welfare offices.

26  
27 **SEC. 9. *Proof of Membership.*** – All members shall be issued official receipt upon  
28 payment of the required contribution. They shall likewise be issued an OWWA E-Card,  
29 identification card or other proof of OWWA membership. No additional or extra charges shall be  
30 levied on members.

31 The OWWA is mandated to maintain an updated database of member-OFWs and to  
32 update this regularly.

33  
34 **SEC. 10. *Amount of Contribution and Effectivity of Membership.*** – Membership to the  
35 OWWA, either through the compulsory or voluntary coverage, shall be effective upon payment  
36 of membership contribution in the amount of Twenty-five U.S. dollars (US\$25.00) or its  
37 equivalent in the current foreign exchange rates. Such membership shall be considered active  
38 until the expiration of the OFW's existing employment contract.

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

3 Based on actuarial studies and taking into consideration the welfare and interest of the  
4 members, the Board may adjust or modify the amount of membership contribution.

5  
6 **SEC. 11. *Renewal of Membership.*** – Membership shall be renewed upon payment of  
7 contribution on contract renewal or issuance of a new contract of employment. In the case of  
8 voluntary membership, coverage shall be renewed upon payment of contribution of Twenty-five  
9 U.S. dollars (US \$25.00) or its equivalent in the current foreign exchange rates.

10 There shall be a grace period of two (2) months in both instances.

11  
12 **SEC. 12. *Separation of Sea-based and Land-based Workers' Contributions.*** – To effect  
13 a more efficient fund management between the two (2) subsectoral groups of land-based and sea-  
14 based workers, the collection of membership contributions shall be accounted for in two (2)  
15 separate books of account.

16  
17 **SEC. 13. *Authorized Collecting Officers.*** – (a) Membership contributions shall be  
18 collected by duly authorized OWWA collecting officers, deputized collecting officers or  
19 accredited collecting agents. The collection of membership contributions shall be made at the  
20 POEA contract processing hub, the OWWA regional and overseas offices and other accredited  
21 collection centers.

22 (b) In case of voluntary members who register on-site, membership contributions shall be  
23 made directly to the OWWA overseas offices located in the various diplomatic stations,  
24 embassies or consulate offices of the Philippines.

25  
26 **SEC. 14. *Reportorial Requirements and Handling of Collections.*** – The collecting  
27 officer, deputized collecting officer or the accredited collecting agent shall prepare and submit  
28 the required monthly reports to the OWWA Central Office in the Philippines. Handling of  
29 collections and deposits by collection officers shall be governed by the usual accounting and  
30 auditing rules.

31  
32 **SEC. 15. *Sanctions for Erring Officers.*** – Corresponding administrative sanctions and  
33 other disciplinary measures, including recall from post/suspension or separation from service,  
34 shall be imposed upon any officer who violates the provision of the preceding section.

35  
36 **SEC. 16. *Prohibition Against Discrimination on Membership.*** – No OFW shall be  
37 denied membership to the OWWA by reason of age, gender, nationality, religious belief, or

1 political opinion or affiliation. The OWWA shall take affirmative steps to enhance the access of  
2 OFWs to its programs and services.

3  
4 **SEC. 17. *Payment of Contribution or OWWA Fee by Employer.*** – Contributions to the  
5 OWWA Fund must be paid by the employers/principal, or in their default, the  
6 recruitment/manning agency in the case of new-hires. The POEA shall ensure that a provision to  
7 this effect shall be made an integral part of the overseas employment contract.

8  
9 **SEC. 18. *Penalty for Violation by Recruitment/Manning Agency.*** – Violation by a  
10 recruitment/manning agency of the preceding section shall constitute an offense punishable by  
11 revocation of its license and all its officers and directors shall be perpetually disqualified from  
12 engaging in the business of recruitment/placement of overseas workers. Such penalty is without  
13 prejudice to any other liability which such officers and directors may have incurred under  
14 existing laws, rules and regulations.

15  
16 **SEC. 19. *Deposit and Remittance of Collection.*** –

17 (a) OWWA Central Office and Regional Offices – The collecting officer shall, on a daily  
18 basis, deposit all OWWA fee contributions to the OWWA Capital Fund Account with the  
19 Land Bank of the Philippines. For reconciliation and record purposes, bank validated  
20 deposit slips shall be prepared in triplicate forms to be distributed to the (1) servicing  
21 bank; (2) OWWA, together with the Report of Collections; and (3) collecting officer.

22 (b) OWWA Overseas Officers – The collecting officer shall, on a daily basis, deposit all  
23 OWWA fee contributions in the same currency received to a separate bank account for  
24 collections in the name of the “Office of the Labor Attaché – OWWA Collections”, in the  
25 depository bank of the Department of Foreign Affairs (DFA), or in the accredited  
26 correspondent bank of the Land Bank of the Philippines. Accumulated monthly  
27 collections shall be remitted to the OWWA Capital Fund Account with the Land Bank of  
28 the Philippines not later than the fifth (5<sup>th</sup>) day of the following month.

29  
30 No withdrawals, except remittances of collections, can be made from the bank accounts  
31 for collections without prior written approval of the Administrator or his or her duly authorized  
32 representative, subject to the policies approved by the Board.

33 Overseas offices shall be authorized to retain the required amount for the beginning and  
34 maintaining balance of the abovementioned bank accounts for collections.







1 The Board Secretary shall distribute to all members of the Board the notice of meeting,  
2 together with the discussion materials, at least three (3) working days prior to the scheduled  
3 meeting.

4  
5 **SEC. 24. Board Proceedings.** – The Board proceedings shall be guided by the following  
6 rules:

7 (a) Notice of Meetings – The Board Secretary shall distribute to all members of the Board  
8 the notice of meeting, together with the discussion materials at least three (3) working days prior  
9 to the scheduled meeting.

10 (b) Quorum – In determining the existence of a quorum, the Board shall adopt the simple  
11 majority rule of one-half plus one of the total filled Board seats.

12 (c) Voting – For the approval of any policy requiring the disbursement of the OWWA  
13 Fund, an affirmative vote of a majority of all the members shall be required. For the approval of  
14 all other policies, an affirmative vote of a majority of the members present constituting a quorum  
15 shall be necessary.

16 (d) Attendance in Board Meetings – Board members are responsible for attending all  
17 Board meetings. The ex officio members of the Board of Trustees may designate in writing their  
18 permanent alternate who shall have voting power. The Board shall install teleconferencing  
19 facilities in order to muster quorum during Board meetings.

20 (e) Presiding Officer – The Chairperson shall preside over meetings of the Board. In the  
21 absence of the Chair, the Vice Chairperson shall preside.

22 (f) Board Resolution – All decisions of the Board shall be expressed in the form of  
23 resolutions signed by all the members present. Resolutions may be modified or superseded by  
24 another resolution.

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

27 (g) Records Management and Archiving of Board Documents – The Board Secretary  
28 shall ensure a complete and thorough recording of all proceedings during a Board meeting. The  
29 minutes of the previous meeting shall be made available for approval during the succeeding  
30 scheduled Board meeting.

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

34 All minutes of meetings and Board resolutions, tape recordings and other documents  
35 pertaining to the business of the Board shall be kept and archived pursuant to standard records  
36 management systems and procedures.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32

**CHAPTER VII**  
**OWWA SECRETARIAT**

4       **SEC. 25. *The OWWA Secretariat.*** – The OWWA Secretariat is the implementing arm of  
5 the OWWA.

7       **SEC. 26. *Duties and Responsibilities of the OWWA Secretariat.*** – The OWWA  
8 Secretariat shall perform and assume the following duties and responsibilities:

9       (a) To manage programs and the delivery of welfare services locally and overseas to its  
10 members, supported by advocacy and information programs;

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

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

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

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

16       (f) To conduct continuing researches and studies, including impact evaluation, in aid of  
17 policy and program development;

18       (g) To regularly monitor and conduct assessment and evaluation of organizational  
19 performance;

20       (h) To establish and maintain an on-line management information system, to include  
21 database on membership;

22       (i) To establish and maintain linkages and networks with local and international social  
23 and institutional partners;

24       (j) To conduct annual planning, budgeting and organizational performance assessment  
25 and render the report to the Board;

26       (k) To submit annual reports to the Board, Congress and the President;

27       (l) To submit written quarterly reports on the assessment and evaluation of programs,  
28 projects and services and such other reports as may be required by the Board;

29       (m) To undertake the periodic review of programs, standards, thrusts and policies;

30       (n) To perform other functions as may be instructed by the Board; and

31       (o) To adopt internal rules of procedure consistent with the provisions of this Act.

32  
33       **SEC. 27. *The OWWA Administrator.*** – The administration of the OWWA is vested in  
34 the Administrator. As the Chief Executive Officer of the Secretariat, the Administrator shall  
35 exercise general supervision and control of all OWWA personnel and resources, and assume full  
36 responsibility and accountability thereof.

37       The Administrator must possess good leadership and managerial skills. The  
38 Administrator shall be appointed by the President. The Administrator shall report to the President

1 through the Secretary of the DOLE, and shall perform the duties and functions elsewhere stated  
2 in this Act and all the usual, necessary and related functions of the Office of the Administrator,  
3 subject to the policies and rules prescribed by the OWWA Board.

4  
5 **SEC. 28. *The Deputy Administrators.*** – Two (2) Deputy Administrators shall assist the  
6 Administrator in the administration and supervision of operations of the OWWA. They shall be  
7 appointed by the Board upon the recommendation of the Administrator. They must also possess  
8 good leadership and managerial skills. The Board may assign specific functional responsibilities  
9 to the Deputy Administrators.

10  
11 **SEC. 29. *Regional and On-site Welfare Officers.*** – The OWWA shall maintain regional  
12 offices and on-site welfare offices under the Philippine Overseas Labor Offices of the DOLE.

13  
14 **CHAPTER VIII**  
15 **PERSONNEL AND STAFFING PATTERN**

16  
17 **SEC. 30. *New Structure and Staffing Pattern.*** – (a) Upon the effectivity of this Act, the  
18 officers and employees of the OWWA shall, in a holdover capacity, continue to perform their  
19 respective duties and responsibilities and receive the corresponding salaries and benefits unless  
20 in the meantime they are separated from the service. The new structure and staffing pattern for  
21 the OWWA shall be prescribed by the OWWA Board and approved by the President of the  
22 Philippines. The salaries and benefits of all personnel shall be in accordance with existing  
23 compensation laws.

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

28  
29 **SEC. 31. *Qualifications Upgrading Program.*** – Pursuant to the provision of paragraph  
30 (1) of the immediately preceding section, the OWWA Board shall design and establish a  
31 qualifications upgrading program for the staffing of the OWWA, in coordination with the DOLE  
32 and the Civil Service Commission (CSC), within one hundred twenty (120) days from the  
33 effectivity of this Act: Provided, That those who are already in the service from the effectivity of  
34 this Act shall have, not later than five (5) years, to obtain the required academic degree and/or  
35 qualification counted from the implementation of the qualifications upgrading program:  
36 Provided, further, That those who are already in the service from the effectivity of this Act shall  
37 have, not later than one (1) year, to obtain the necessary CSC qualification required for the  
38 position they are currently holding.



1 (c) Loan and Credit Assistance – The OWWA shall provide low interest loans to  
2 member-OFWs. It shall have the authority to hire experts in finance or banking to assist in  
3 implementing the said loan programs.

4 (d) Workers Assistance and On-site Services – The OWWA shall sustain and maintain  
5 assistance to OFWs in all its overseas and regional offices. Services shall include information  
6 regarding the names, occupation/job category and addresses of OFWs, providing guidance,  
7 developing materials for the Pre-departure Orientation Seminars, conducting psycho-social  
8 counselling, conciliation services and outreach missions, among others. On behalf of the OFWs,  
9 the OWWA may provide appropriate representation with employers, agents and host government  
10 authorities including, but not limited to, assisting OFWs to regain unpaid wages.

11 (e) Social Benefits – A member-OFW shall be covered with the following social benefits:

12 (1) *Death and Disability Benefits:*

13 (i) *Death Benefits* – A member shall be covered with life insurance for the duration of  
14 one's employment contract. The coverage shall include One hundred thousand pesos  
15 (P100,000.00) for natural death and Two hundred thousand pesos (P200,000.00) for  
16 accidental death;

17 (ii) *Disability and Dismemberment Benefits* – A member shall be entitled to  
18 disability/dismemberment benefits as a rider provision of one's life insurance as provided  
19 for in the impediment schedule contained in the Manual of Systems and Procedures. The  
20 coverage is within the range of Two thousand pesos (P2,000.00) to Fifty thousand pesos  
21 (P50,000.00);

22 (iii) *Total Disability Benefit* – In case of total permanent disability, a member shall be  
23 entitled to One hundred thousand pesos (P100,000.00); and

24 (iv) *Burial Benefit* – A burial benefit of Twenty thousand pesos (P20,000.00) shall be  
25 provided in case of the member's death.

26 Based on actuarial studies, the Board may increase the amount of the abovementioned  
27 benefits.

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

31 (f) *Education and Training Benefits* – A member or a designated beneficiary may avail of  
32 the following scholarship programs, subject to a selection process and accreditation of  
33 participating institutions. Annual scholarship lists shall be submitted to the Board.

34 (1) *Skills-for-Employment Scholarship Program* – For technical or vocational training  
35 scholarship.

36 (2) *Education for Development Scholarship Program* – For baccalaureate programs.

1 (3) Seafarers' Upgrading Program – To ensure the competitive advantage of Filipino  
2 seafarers in meeting International Maritime Organization (IMO) competency standards,  
3 sea-based members shall be entitled to one (1) upgrading program for every three (3)  
4 membership contributions.

5  
6 **SEC. 36. *Extension of Services to Non-members.*** – The OWWA may also extend  
7 appropriate programs or services to non-members, as may be determined by the Board.

8 The OWWA shall continue to develop and implement new programs to meet new OFW  
9 needs and requirements as they arise, and to assess the effectiveness of existing services and  
10 benefits in serving OFW welfare.

11 The OWWA shall also maintain an interactive website to collect OFW feedbacks,  
12 comments, suggestions and complaints on existing programs and services.

13  
14 **CHAPTER X**  
15 **THE OWWA TRUST FUND**

16  
17 **SEC. 37. *The OWWA Fund.*** – The OWWA Fund is a private fund held in trust by the  
18 OWWA. The OWWA Fund, being a trust fund, is not government money. No portion thereof or  
19 any of its income, dividends or earnings shall accrue to the general fund of the national  
20 government. Neither shall any amount or portion thereof be conjoined with the government  
21 money nor revert to the national government. In the same manner, it is exempted from the “one  
22 fund doctrine” of the government.

23  
24 **SEC. 38. *Purpose of the OWWA Fund.*** – The OWWA Fund can only be used for the  
25 purposes for which it was created; that is, to exclusively serve the welfare of member-OFWs and  
26 their families. The Fund is to be used exclusively to finance the core programs and services of  
27 the OWWA.

28  
29 **SEC. 39. *Reporting of the Fund.*** – Within fifteen (15) days after receipt of audited  
30 reports from the Commission on Audit (COA), the OWWA Board of Trustees shall submit to the  
31 President and Congress a report showing the total collections of, and the disbursements from, the  
32 OWWA Fund.

33  
34 **SEC. 40. *Disbursement of the OWWA Fund.*** – Any provision of existing law to the  
35 contrary notwithstanding, all incomes generated by the OWWA shall, upon their collection, be  
36 retained by the OWWA and disbursed at the discretion of the Board for the general welfare and  
37 other benefits of the OWWA general membership and the OWWA Secretariat personnel; for the  
38 acquisition, construction, maintenance and repair of urgently needed auxiliary facilities,

1 equipment, buildings and other infrastructure; and for expenses necessary for the attainment of  
2 its purposes under its approved program of expenditures.

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

5  
6 **SEC. 41. *Source of the OWWA Fund.*** – The OWWA Fund is the sum total of the  
7 amounts under the management and fiscal administration of the OWWA Board and the  
8 Secretariat, including the Twenty-five U.S. dollars (US \$25) contributions that shall accrue to the  
9 Fund as fees, investment and interest income, and income from other sources.

10  
11 **SEC. 42. *Trustees of the Fund.*** – The OWWA Board is designated as the trustee of the  
12 OWWA Fund. It shall be bound by a fiduciary duty to manage the Fund with extraordinary  
13 diligence and with utmost skill, care and judiciousness.

14  
15 **SEC. 43. *Transparency.*** – The OWWA Fund shall be managed with full transparency  
16 and full public disclosure. It shall make available all records of how the funds are utilized,  
17 disbursed and invested in accordance with existing laws.

## 18 19 **CHAPTER XI**

### 20 **INVESTMENT ADMINISTRATION: SAFEGUARDS**

#### 21 22 **SEC. 44. *Safeguards of the OWWA Fund; Acquired Assets; Unredeemed Investments.***

23 – (a) The OWWA Trust Fund shall be managed and expended in accordance with the purpose of  
24 the Fund and safeguarded against any possible loss and misuse.

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

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

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

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

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

1 (c) Unredeemed investments and other receivables shall be inventoried semi-annually and  
2 corresponding redemption plan shall be submitted to the Board. All receivables shall be  
3 supported by documents appropriately acknowledged by the accountable party.  
4

5 **SEC. 45. *General Investment Policy.*** – Upon approval of the Board, all OWWA  
6 investments shall be placed only in government securities and bonds which provide optimum  
7 earnings, liquidity and protection of the Fund. Portfolio management of investible funds shall be  
8 outsourced to government financial institutions (GFIs).  
9

10 **SEC. 46. *Examination and Valuation of the Funds.*** – The OWWA shall make a  
11 periodic actuarial examination and valuation of its funds in accordance with accepted actuarial  
12 principles.  
13

## 14 CHAPTER XII

### 15 FISCAL AND BUDGET POLICY: MANAGEMENT

16

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

20 The Board shall approve, by a majority vote of all its members, the operating budget  
21 which shall support the planned work programs and administrative costs to include, but shall not  
22 be limited to, salaries, emoluments and transportation expenses for OWWA personnel, office  
23 rentals, office supplies, equipment, technological support, communications and utilities,  
24 requirements for personal services and maintenance: Provided, That appropriations for personal  
25 services (PS) and its regular maintenance and other operating expenses (MOOE) shall not exceed  
26 twenty percent (20%) of the total member contributions realized in the immediately preceding  
27 year.

28 The approved operating budget shall be drawn from the OWWA Trust Fund.  
29

30 **SEC. 48. *Benefits and Services Budget.*** – The annual budget shall include all benefits  
31 and services to OFWs. The budget shall prioritize protecting the OFW welfare. The amount  
32 necessary to defray the cost of these benefits and services shall be drawn from the OWWA Trust  
33 Fund.  
34

35 **SEC. 49. *Budget Preparation and Approval.*** – In preparing the annual budget, the  
36 OWWA shall follow the national government budget system, format and cycle.





1 program for the grant of rebates or some form of financial assistance to OFWs who have been  
2 members of the OWWA for at least five (5) years and who have not availed of any services or  
3 benefits, including their families, from the OWWA.

4  
5 **SEC. 57. Procurement System.** – The OWWA procurement system shall be governed by  
6 Republic Act No. 9184, also known as the “Government Procurement Reform Act”.

7  
8 **SEC. 58. Implementing Rules and Regulations.** – The present OWWA Board, in  
9 consultation with the Senate Committee on Labor and Employment and the House Committee on  
10 Overseas Workers Affairs, shall, within sixty (60) days from the effectivity of this Act, formulate  
11 the necessary rules and regulations for its effective implementation.

12  
13 **SEC. 59. Separability Clause.** – If any provision or part of this Act, or the application  
14 thereof, is held invalid, the remainder of this Act, or the application of such provision, shall not  
15 be affected thereby.

16  
17 **SEC. 60. Repealing Clause.** – All laws not adopted as part of this Act, either directly or  
18 indirectly, are hereby repealed. All provisions of existing laws, orders, rules and regulations  
19 inconsistent herewith are likewise repealed.

20  
21 **SEC. 61. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its  
22 publication in two (2) newspapers of general circulation.

Approved,