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taking into consideration H. No. 4990)

Prepared by the Committees on Labor, Employment and Human Resources
Development, Foreign Relations; and Finance with Senators Jinggoy Ejercito
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**AN ACT
GOVERNING THE OPERATIONS AND ADMINISTRATION OF THE
OVERSEAS WORKERS WELFARE ADMINISTRATION**

*Be it enacted by the Senate and the 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 "Overseas
Workers Welfare Administration Act".

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.

Welfare assistance, services, and programs provided by OWWA shall be
gender-sensitive, taking into consideration the different impacts of labor migration to
men and women.

SEC. 3. Objectives. – This Act is enacted to provide guidelines on matters
concerning the OWWA, its mandate, purposes and objectives, membership,

1 collection of contributions, and availment of benefits and services. This Act also
2 embodies the policies on fund management, programs and services administration.

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5 **CHAPTER II**
6 **NATURE, SCOPE AND FUNCTIONS OF OWWA**

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8 **SEC. 4. Nature of the OWWA.** – The OWWA is a national government
9 agency vested with a special function of developing and implementing welfare
10 programs and services that respond to the needs of its member-OFWs and their
11 families. It is endowed with powers to administer a trust fund to be called the
12 OWWA Fund. Being a chartered institution, the OWWA shall not fall under the
13 category of any of the following: Government Instrumentalities with Corporate
14 Powers (GICP), Government Corporate Entities (GCE), Government Financial
15 Institutions (GFI) and/or Government-Owned or -Controlled Corporations (GOCC).

16
17 The OWWA shall be an attached agency of the Department of Labor and
18 Employment (DOLE). Its officials and employees are covered by the Salary
19 Standardization Law.

20
21 **SEC. 5. Scope.** – This Act shall apply to the OWWA, the OWWA Secretariat,
22 the OWWA Fund, to its member OFWs and those who will avail of the voluntary
23 membership program of the OWWA, and to overseas recruitment/manning
24 agencies/employers who are duly registered with the Philippine Overseas
25 Employment Administration (POEA).

26
27 **SEC. 6. Functions.** – The OWWA shall exercise the following functions:

- 28
29 (a) To protect the interest and promote the welfare of member-OFWs in all
30 phases of overseas employment in recognition of their valuable contribution to
31 the overall development effort;
32
33 (b) To facilitate the implementation of the provisions of the Labor Code of the
34 Philippines (Presidential Decree No. 442, as amended) and the Migrant
35 Workers and Overseas Filipinos Act of 1995 (Republic Act No. 8042, as
36 amended), concerning the responsibility of the government to promote the
37 well-being of OFWs. Pursuant thereto, and in furtherance thereof, it shall
38 provide legal assistance to member-OFWs;
39
40 (c) To provide social and welfare programs and services to member-OFWs,
41 including social assistance, education and training, cultural services, financial
42 management, reintegration, and entrepreneurial development services;
43
44 (d) To provide prompt and appropriate response to global emergency or crisis
45 situations affecting OFWs and their families;
46
47 (e) To ensure the efficiency of collections and the viability and sustainability of the
48 OWWA Fund through sound, judicious, and transparent investment and
49 management policies;
50

- 1 (f) To undertake studies and research for the enhancement of social, economic,
2 and cultural well-being of member-OFWs; and
3
4 (g) To develop, support and finance specific projects for the welfare of member-
5 OFWs.
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8 **CHAPTER III**
9 **DEFINITION OF TERMS**

10 **SEC. 7. Definition of Terms.** – As used in this Act:
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- 12
13 (a) **Compensation** refers to the basic pay or salary received by an officer or
14 employee of the OWWA, pursuant to the official appointment, excluding per
15 diems, bonuses, overtime pay, honoraria, allowances and any other
16 emoluments received in addition to the basic pay that are not integrated into
17 the basic pay under existing laws;
18
19 (b) **Contribution or membership fee** refers to the amount paid to the OWWA by
20 an OFW or the employer in accordance with the provisions of this Act;
21
22 (c) **Dependent** refers to any of the following:
23
24 (1) The legal spouse;
25 (2) The legitimate, legitimated, legally adopted child, including the illegitimate
26 child, who is unmarried, not gainfully employed, not over the age of
27 majority, or is over the age of majority but incapacitated and incapable of
28 self-support due to a mental or physical defect; and
29 (3) The parents dependent upon the member-OFWs for support;
30
31 (d) **Non-Active OWWA Member** refers to an OFW whose OWWA membership
32 has expired;
33
34 (e) **Non-Member OFW** refers to an undocumented OFW and who has not availed
35 of the voluntary membership of the OWWA;
36
37 (f) **OWWA Member** refers to an OFW with a paid contribution or membership fee;
38
39 (g) **Overseas Filipino Worker (OFW)** refers to a person who is to be engaged, is
40 engaged, or has been engaged in a remunerated activity in a state of which
41 the person is not a citizen, or on board a vessel navigating the foreign seas
42 other than a government ship used for military or non-commercial purposes, or
43 on an installation located offshore or on the high seas; and
44
45 (h) **Voluntary OWWA member** refers to the OFW who has availed of the
46 voluntary membership of OWWA on site.
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CHAPTER IV
MEMBERSHIP, CONTRIBUTION AND COLLECTION

SEC. 8. Registration of Membership. – Membership in the OWWA may be obtained in two (2) ways:

- (a) By compulsory registration upon processing of employment contracts of OFWs at the POEA; and
- (b) By voluntary registration of OFWs at job sites.

SEC. 9. Amount of Contribution and Effectivity of Membership. – Membership in the OWWA, either through the compulsory or voluntary coverage, shall be effective upon payment of membership contribution in the amount of twenty-five US dollars (US\$ 25.00) or its equivalent in the prevailing foreign exchange rates. Such membership shall be considered active until the expiration of the OFW's existing employment contract or after two years from contract effectivity, whichever comes first.

In case of voluntary registration, membership shall be considered active until the expiration of the OFW's existing employment contract or after two years from the date of voluntary registration, whichever comes first.

Based on actuarial studies and taking into consideration the welfare and interest of the member-OFWs, the OWWA Board may adjust or modify the amount of membership contribution.

SEC. 10. Proof of Membership. – Upon payment of the required contribution, an OWWA member shall be issued an Official Receipt, an OWWA E-Card, identification card, or other proof of membership. No additional or extra charges shall be levied on the member-OFW.

The OWWA shall maintain a comprehensive database of member-OFWs, which shall be updated regularly.

SEC. 11. Renewal of Membership. – Membership shall be renewed upon payment of contribution on contract renewal or issuance of a new contract of employment. In the case of voluntary membership, coverage shall be renewed upon payment of contribution of twenty-five US Dollars (US \$25.00) or its equivalent in the prevailing foreign exchange rates.

SEC. 12. Separate Accounting of Land-based and Sea-based Members' Contributions. – For a more effective financial management, the membership contributions of land-based and sea-based members shall be accounted for in two (2) separate books of accounts.

SEC. 13. Authorized Collecting Officers. –

- (a) Membership contributions shall be collected by duly authorized OWWA collecting officers, deputized collecting officers or accredited collecting agents.

1 The collection of membership contributions shall be made at the POEA
2 contract processing hub, OWWA regional and overseas offices, and other
3 accredited collection centers.

- 4
5 (b) In case of voluntary members who register at the job site, membership
6 contributions shall be made directly to the OWWA Overseas Offices located in
7 the respective foreign service posts of the Philippines.

8
9 **SEC. 14. Reportorial Requirements and Handling of Collections.** – The
10 collecting officer, deputized collecting officer, or the accredited collecting agent shall
11 prepare and submit the required monthly reports to the OWWA Central Office in the
12 Philippines. Handling of collections and deposits by collection officers shall be
13 governed by the generally accepted accounting and auditing rules.

14
15 **SEC. 15. Sanctions for Erring Officers.** – Corresponding administrative
16 sanctions and other disciplinary measures, including recall from post, suspension, or
17 separation from service, shall be imposed upon any officer who violates the
18 preceding section.

19
20 **SEC. 16. Prohibition Against Discrimination on Membership.** – No OFW
21 shall be denied membership to the OWWA by reason of age, gender, nationality,
22 religious belief, or political affiliation. The OWWA shall take affirmative steps to
23 enhance the access of OFWs to its programs and services.

24
25 **SEC. 17. Payment of Contribution or OWWA Fee by Employer.** –
26 Contributions to the OWWA Fund must be paid by the employers or principals, or in
27 their default, by the recruitment/manning agency in the case of new hires. The POEA
28 shall ensure that this stipulation is made an integral part of the overseas employment
29 contract.

30
31 **SEC. 18. Penalty for Violation by Recruitment/Manning Agency.** –
32 Violation by a recruitment/manning agency of the preceding section shall be
33 punishable under existing POEA rules and regulations.

34
35 **SEC. 19. Deposit and Remittance of Collection.** –

- 36
37 (a) *OWWA Central Office and Regional Offices* – The collecting officer shall, on a
38 daily basis, deposit all collected OWWA fee contributions to the OWWA Capital
39 Fund Account with the Land Bank of the Philippines. For reconciliation and
40 record purposes, bank validated deposit slips shall be prepared in triplicate
41 forms to be distributed to the: (1) servicing bank; (2) collecting officer; and (3)
42 appropriate OWWA office together with the Report of Collections.

- 43
44 (b) *OWWA Overseas Officers* – The OWWA overseas collecting officer shall, on a
45 daily basis, deposit all OWWA fee contributions in the same currency received,
46 to a separate bank account for collections in the name of the "Office of the
47 Labor Attaché – OWWA Collections," in the depository bank of the Department
48 of Foreign Affairs (DFA), or in the accredited correspondent bank of the Land
49 Bank of the Philippines. Accumulated monthly collections shall be remitted to

1 the OWWA Capital Fund Account with the Land Bank of the Philippines not
2 later than the fifth (5th) day of the following month.
3

4 No withdrawals, except remittances of collections, can be made from the
5 bank accounts for collections without prior written approval of the Administrator or
6 the duly authorized OWWA representative, subject to the policies approved by the
7 OWWA Board.
8

9 The OWWA overseas offices shall be authorized to retain the required
10 amount for the beginning and maintaining balance of the abovementioned bank
11 accounts for collections.
12

13 14 **CHAPTER V** 15 **THE OWWA BOARD OF TRUSTEES** 16

17 **SEC. 20. The OWWA Board of Trustees.** – To carry out the purposes of
18 this Act, the OWWA shall be directed and controlled by a Board of Trustees which
19 shall act as its policy making body. It shall be composed of the following members:
20

- 21 (a) Secretary of Labor and Employment, as Chairperson;
- 22
- 23 (b) OWWA Administrator, as Vice Chairperson;
- 24
- 25 (c) Secretary of Foreign Affairs;
- 26
- 27 (d) Secretary of Finance;
- 28
- 29 (e) Secretary of Budget and Management;
- 30
- 31 (f) POEA Administrator;
- 32
- 33 (g) Three (3) representatives from the land-based OFWs who are nominated and
34 appointed in accordance with the provisions of Republic Act No. 8042, as
35 amended by Republic Act No. 10022;
- 36
- 37 (h) Two (2) representatives from the sea-based OFWs who are nominated and
38 appointed in accordance with the provisions of Republic Act No. 8042, as
39 amended by Republic Act No. 10022;
- 40
- 41 (i) One (1) representative from the women sector who is nominated and
42 appointed in accordance with the provisions of Republic Act No. 8042, as
43 amended by Republic Act No. 10022;
- 44
- 45 (j) One (1) representative from the land-based recruitment sector who is selected
46 from among the various associations of registered overseas placement and
47 recruitment agencies based in the Philippines, who shall be appointed by the
48 President of the Philippines to serve a single term of three (3) years; and
49

1 (k) One (1) representative from the sea-based manning sector, who is selected
2 from among the various associations of registered overseas placement and
3 manning agencies based in the Philippines, who shall be appointed by the
4 President of the Philippines to serve a single term of three (3) years.

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

8
9 In case of vacancy in any of the appointive positions in the OWWA Board, the
10 vacancy shall be filled by the subsequent nomination of the respective sector
11 concerned, in the same manner as the selection of the predecessor. Such successor
12 shall hold office for the unexpired term.

13
14 **SEC. 21. Per Diem.** – The members of the OWWA Board shall not receive
15 any compensation but shall be provided with per diem at rates allowed under
16 existing rules and regulations.

17
18 **SEC. 22. Responsibilities and Powers of the Board of Trustees.** – The
19 Board shall exercise the following specific powers and duties:

- 20
21 (a) To define the thrusts of the OWWA and adopt policy guidelines to ensure their
22 implementation;
- 23
24 (b) To preserve the integrity of the OWWA Fund;
- 25
26 (c) To approve programs, projects, and the organizational structure of the OWWA
27 Secretariat;
- 28
29 (d) To modify or adjust the membership contribution and other necessary charges
30 based on periodic reviews and actuarial studies, subject to due consultation
31 with OFWs or nongovernment organizations (NGOs) advocating the protection
32 of the rights and welfare of OFWs and their families;
- 33
34 (e) To formulate rules and regulations governing financial transactions and
35 prepare the annual and supplemental budget of the Secretariat for submission
36 to the DBM;
- 37
38 (f) To formulate rules and regulations governing the conduct and discipline of
39 OWWA officials and employees;
- 40
41 (g) To ensure the efficiency of collection and the viability and sustainability of the
42 fund through sound and judicious investment and fund management policies;
- 43
44 (h) To receive and appropriate all sums to carry out the purposes and functions of
45 the OWWA;
- 46
47 (i) To authorize the construction or repair of its buildings, machinery, equipment
48 and other facilities, and the purchase and acquisition of real and personal
49 properties, including the necessary supplies, materials and equipment;

- 1 (j) To receive in trust legacies, gifts and donations of real and personal property
2 of all kinds, and to administer and dispose the same when necessary for the
3 benefit of the OWWA general membership and subject to the instructions of
4 the donor, if any;
5
6 (k) To delegate any of its powers to the Chairperson of the Board or to the
7 Administrator of the OWWA Secretariat in case of national emergency that
8 affects the rights and welfare of its member-OFWs and their families;
9
10 (l) To prescribe such general policies, rules and regulations, not contrary to law,
11 consistent with the purposes of the OWWA subject to due consultation with
12 OFWs or nongovernment organizations (NGOs) advocating the protection of
13 the rights and welfare of OFWs and their families; and
14
15 (m) To exercise such powers as may be proper and necessary to carry out the
16 objectives of this Act.
17
18

19 **CHAPTER VI**
20 **BOARD MEETINGS, PROXIES, AND RECORDS MANAGEMENT**
21

22 **SEC. 23. Schedule of Meetings.** – The regular meetings of the Board shall
23 be held every last Friday of the month. If a change of date becomes necessary, the
24 meetings shall be held at the most convenient time set by the Board.
25

26 Special Board meetings and executive meetings may be scheduled as the
27 need arises. Special Board meetings may be called upon by the Chairperson or
28 upon the instance of five (5) members of the Board.
29

30 **SEC. 24. Proceedings of the Board.** – The proceedings of the Board shall
31 be governed by the following rules:
32

- 33 (a) *Notice of Meetings* – The Board Secretary shall distribute to all members of
34 the Board the notice of meeting, together with the discussion materials, at
35 least three (3) working days prior to the scheduled meeting.
36
37 (b) *Quorum* – In determining the existence of a quorum, the Board shall adopt
38 the simple majority rule of one half of the total filled Board seats plus one.
39
40 (c) *Voting* – For the approval of any policy requiring the disbursement of the
41 OWWA Fund, an affirmative vote of the absolute majority of all the members
42 shall be required. For the approval of all other policies, an affirmative vote of
43 a majority of the members present constituting a quorum shall be necessary.
44
45 (d) *Attendance in Board Meetings* – Board members are responsible for
46 attending all Board meetings. The *ex officio* members of the Board of
47 Trustees may designate in writing their permanent alternate who shall have
48 voting power. The Board shall install teleconferencing facilities in order to
49 muster a quorum during Board meetings.
50

1 (e) *Presiding Officer* – The Chairperson shall preside over meetings of the
2 Board. In the absence of the Chairperson, the Vice Chairperson shall
3 preside.
4

5 (f) *Board Resolution* – All decisions of the Board shall be expressed in the form
6 of Resolutions and shall take effect upon adoption and signing by all the
7 members present, subject to requisite publication. Provided that resolutions
8 may be modified or superseded by another resolution.
9

10 (g) *Records Management and Archiving of Board Documents* – The Board
11 Secretary shall ensure a complete and thorough recording of all proceedings
12 during a Board meeting. The minutes of the previous meeting shall be made
13 available for approval during the succeeding scheduled Board meeting.
14

15 The minutes of the meeting shall contain the attendance, business arising
16 from the minutes of the previous meeting, agreements reached,
17 corresponding resolutions, other items noted or discussed, and instructions
18 issued by the Board.
19

20 All minutes of meetings and Board Resolutions, tape recordings, and other
21 documents pertaining to the business of the Board shall be kept and
22 archived pursuant to standard records management systems, procedures
23 and shall be made accessible to the public at all times.
24

25 26 **CHAPTER VII** 27 **OWWA SECRETARIAT** 28

29 **SEC. 25. *The OWWA Secretariat.*** – The OWWA Secretariat shall be the
30 implementing arm of the OWWA.
31

32 **SEC. 26. *Duties and Responsibilities of the OWWA Secretariat.*** – The
33 OWWA Secretariat shall perform and assume the following duties and
34 responsibilities:
35

36 (a) To implement all decisions and policies promulgated by the Board including
37 investment and fund management;
38

39 (b) To manage programs and implement the delivery of welfare services to its
40 members, both local and overseas, supported by advocacy and information
41 campaign programs;
42

43 (c) To formulate medium-term development plans responsive to the welfare,
44 needs, and demands of member-OFWs;
45

46 (d) To submit work and financial plans for Board consideration;
47

48 (e) To provide policy analyses and recommendations for Board consideration;
49

- 1 (f) To conduct continuing research and studies, including impact evaluation, in aid
2 of policy and program development;
3
- 4 (g) To regularly monitor and conduct assessment and evaluation of organizational
5 performance;
6
- 7 (h) To establish and maintain an on-line management information system, which
8 shall include a database on membership;
9
- 10 (i) To establish and maintain linkages and networks with social and institutional
11 partners, both local and international;
12
- 13 (j) To submit written quarterly reports on the assessment and evaluation of
14 programs, projects and services, and such other reports as may be required by
15 the Board;
16
- 17 (k) To conduct an annual planning, budgeting and organizational performance
18 assessment, and render the corresponding report to the Board;
19
- 20 (l) To submit annual reports to the Board, the Congress and the President of the
21 Philippines;
22
- 23 (m) To undertake a periodic review of programs, standards, thrusts, and policies;
24
- 25 (n) To perform other functions as may be instructed by the Board; and
26
- 27 (o) To adopt internal rules of procedure consistent with the provisions of this Act.
28

29 **SEC. 27. The OWWA Administrator.** – The management and supervision
30 of the OWWA shall be vested in the Administrator. As the Chief Executive Officer of
31 the Secretariat, the Administrator shall oversee the overall operations of the
32 Secretariat, which shall include the general supervision and control of all its
33 personnel and resources, and the assumption of full responsibility and
34 accountability thereof.
35

36 The Administrator must possess good leadership and managerial skills, and
37 shall be appointed by the President of the Philippines. The Administrator shall report
38 to the President, through the Secretary of the DOLE, and shall perform the duties
39 and functions stated in this Act and all the necessary and related functions of the
40 office of the Administrator, subject to the policies and rules prescribed by the OWWA
41 Board.
42

43 **SEC. 28. The Deputy Administrators.** – Two (2) Deputy Administrators shall
44 assist the Administrator in the management and supervision of operations of the
45 OWWA. They shall also be appointed by the President upon the recommendation of
46 the Administrator. They must also possess good leadership and managerial skills.
47 The Board may assign specific functional responsibilities to the Deputy
48 Administrators.
49

1 There shall be no demotion in ranks and positions and no diminution in salaries,
2 benefits, allowances and emoluments of all OWWA personnel.

3
4 **SEC. 33. General Qualifications for Appointment.** – The general
5 qualifications for appointment of OWWA personnel shall be in accordance with the
6 minimum requirements set by the CSC. The OWWA may hire experts in actuarial
7 studies, information technology, finance and investment, and such other fields as
8 may be deemed necessary in the implementation of programs and services.

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11 **CHAPTER IX**
12 **OWWA BENEFITS AND SERVICES**
13

14 **SEC. 34. Guiding Principles.** – Pursuant to its mandate, the OWWA shall
15 provide reintegration programs, repatriation assistance, loan and credit assistance,
16 on-site workers assistance, death and disability benefits, health care benefits,
17 education and skills training, social services, family welfare assistance, and other
18 appropriate programs that provide timely social and economic services.

19
20 Nothing in this Act shall be construed as a limitation or denial of the right of an
21 OFW to avail of any benefit plan which may be adopted in the employment contract,
22 or offered voluntarily by employers, or by the laws of the receiving country, over and
23 above those provided under this Act.

24
25 **SEC. 35. Benefits and Services to OFWs.** –

26
27 (a) Reintegration of OFWs. – The reintegration of OFWs shall be one of the
28 core programs of the OWWA. In this regard, and for purposes of policy and
29 program coordination, the National Reintegration Center for OFWs created under
30 Republic Act No. 10022 shall be an attached agency of the OWWA. It shall be
31 headed by an Executive Director who shall be under the supervision of the OWWA
32 Administrator.

33
34 To be able to sustain the viability of this program, at least ten percent (10%) of
35 OWWA's collection of contribution for the immediately preceding year shall be
36 allocated annually for the reintegration program.

37
38 (b) Repatriation Assistance. – Consistent with the provisions of Republic Act
39 No. 8042, as amended, OWWA shall assist the DFA in providing OFWs with
40 services necessary to facilitate repatriation, as may be required.

41
42 (c) Loan and Other Credit Assistance. – All member-OFWs may avail of a
43 loan of not more than fifty thousand pesos (P50,000.00) from the OWWA for any of
44 the following purposes: (1) to defray the living expenses of the member's family
45 during the first months of absence; and/or (2) to pay for recruitment expenses
46 including placement fees, documentation costs, and plane tickets: *Provided*, That
47 any member of the OFW's family not otherwise disqualified by law shall be a co-
48 borrower and shall execute the necessary documentation to that effect: *Provided*,
49 *further*, That the loan shall be granted and released by the OWWA upon proper
50 evaluation and submission of the employment contract and plane ticket, duly certified

1 to in writing by the recruitment agency or direct hirer as to their authenticity and
2 properly verified by the POEA.

3 The aforementioned maximum amount of fifty thousand pesos (P50,000.00)
4 specified herein may be increased by the OWWA, taking into account inflation and
5 other relevant factors, through a resolution duly approved by the OWWA Board of
6 Trustees. The loan shall be covered with a loan redemption insurance from any
7 private insurance provider duly registered with, and accredited by, the Insurance
8 Commission, the premium of which shall be paid by the member-OFW borrower. The
9 loan shall be paid in twelve (12) equal monthly installments at a preferred interest
10 rate not to exceed six percent (6%) per annum.

11 The OWWA shall provide other low-interest loans to member-OFWs. It shall
12 have the authority to hire experts in finance or banking to assist in implementing the
13 said loan programs.

14
15 (d) Workers Assistance and On-site Services. – The OWWA shall sustain
16 and maintain assistance to member-OFWs in all its overseas and regional offices.
17 Services shall include information regarding the names, occupation/job categories
18 and addresses of the member-OFWs; providing guidance; developing materials for
19 the Pre-Departure Orientation Seminars; conducting psycho-social counseling;
20 conciliation services; and outreach missions, among others. The OWWA shall
21 likewise make competent representations with employers, agents, and host
22 government authorities to assist member-OFWs in obtaining relief from grievances
23 and work-related issues, including claims for unpaid wages.

24
25 (e) Social Benefits. – A member-OFW shall be covered with the following
26 social benefits:

27
28 (1) Death and Disability Benefits.

29
30 (i) Death Benefits. – A member shall be covered with life insurance for
31 the duration of his or her employment contract. The coverage shall include
32 one hundred thousand pesos (P100,000.00) for natural death and two
33 hundred thousand pesos (P200,000.00) for accidental death.

34
35 (ii) Disability and Dismemberment Benefits. –Disability and
36 dismemberment benefits shall be included in a member's life insurance
37 policy, as provided for in the impediment schedule contained in the OWWA
38 Manual of Systems and Procedures. The coverage is within the range of two
39 thousand pesos (P2,000.00) to fifty thousand pesos (P50,000.00).

40
41 (iii) Total Disability Benefit. – In case of total permanent disability, a
42 member shall be entitled to one hundred thousand pesos (P100,000.00).

43
44 (iv) Burial Benefit. – A burial benefit of twenty thousand pesos
45 (P20,000.00) shall be provided in case of the member's death.

46
47 Based on actuarial studies, the Board may increase the amount of the
48 abovementioned benefits.

1 (2) Health Care Benefits. – Within two (2) years from the effectivity of this
2 Act, the OWWA shall develop and implement health care programs for the
3 benefit of member-OFWs and their families.

4 (3) Education and Training Benefits. – A member, or the member's
5 designated beneficiary, may avail any of the following scholarship programs,
6 subject to a selection process and accreditation of participating institutions:
7

8 (i) Skills-for-Employment Scholarship Program. – For technical or
9 vocational training scholarship;

10 (ii) Education for Development Scholarship Program. – For
11 baccalaureate programs; and

12 (iii) Seafarers' Upgrading Program. – To ensure the competitive
13 advantage of Filipino seafarers in meeting competency standards, as
14 required by the International Maritime Organization (IMO),
15 International Labor Organization (ILO) conventions, treaties and
16 agreements, sea-based members shall be entitled to one upgrading
17 program for every three (3) membership contributions.
18

19 The annual scholarship lists of all these programs shall be submitted to
20 the Board.
21

22 **SEC. 36. New Programs, Interactive Website and Extension of Services.**

23 – The OWWA shall continue to develop and implement new programs to meet new
24 OFW needs and requirements as they arise, and to assess the effectiveness of
25 existing services and benefits in serving the welfare of OFWs.
26

27 The OWWA shall also maintain an interactive website to collect OFW
28 feedback, comments, suggestions, and complaints on existing programs and
29 services.
30

31 The OWWA may also extend appropriate programs or services to non-
32 members, as may be determined by the Board.
33

34
35 **CHAPTER X**
36 **THE OWWA TRUST FUND**
37

38 **SEC. 37. The OWWA Fund.** – The Welfare Fund for Overseas Workers
39 created under Letter of Instruction No. 537 and Presidential Decree No. 1694, as
40 amended by Presidential Decree No. 1809, is hereinafter referred to as the OWWA
41 Fund. The OWWA Fund is a private fund held in trust by the OWWA. Being a trust
42 fund, no portion thereof or any of its income, dividends or earnings shall accrue to
43 the general fund of the National Government. Neither shall any amount or portion
44 thereof be conjoined with government money, nor revert to the National
45 Government. In the same manner, it is exempted from the "one fund doctrine" of the
46 government.
47

48 **SEC. 38. Purpose of the OWWA Fund.** – The OWWA Fund can only be
49 used for the purposes for which it was created, that is, to exclusively serve the

1 welfare of member-OFWs and their families which shall include the financing of core
2 programs and services of the OWWA.

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

7
8 **SEC. 39. Source of the OWWA Fund.** – The OWWA Fund is the sum total
9 of the amounts under the management and fiscal administration of the OWWA
10 Board and the Secretariat, including the twenty-five US Dollars (US\$25)
11 contributions that shall accrue to the Fund as fees, investment and interest income,
12 and income from other sources.

13
14 **SEC. 40. Disbursement of the OWWA Fund.** – Any provision of existing
15 law to the contrary notwithstanding, all incomes generated by the OWWA shall,
16 upon their collection, be retained by the OWWA and disbursed at the discretion of
17 the Board for the general welfare and other benefits of the OWWA general
18 membership and the OWWA Secretariat personnel; for the acquisition,
19 construction, maintenance and repair of urgently needed auxiliary facilities,
20 equipment, buildings and other infrastructure; and for expenses necessary for the
21 attainment of its purposes under its approved program of expenditures.

22
23 **SEC. 41. Trustees of the Fund.** – The Board is designated as the trustee of
24 the OWWA Fund. It is bound by a fiduciary duty to manage the Fund with extra-
25 ordinary diligence and with utmost skill, care and judiciousness.

26
27 **SEC. 42. Transparency.** – The OWWA Fund shall be managed with full
28 transparency and full public disclosure. The OWWA shall make available all records
29 of how the funds are utilized, disbursed, and invested, in accordance with existing
30 laws.

31
32 **SEC. 43. Reporting of the OWWA Fund Collection and Utilization.** –
33 Within fifteen (15) days after receipt of audited reports from the Commission on Audit
34 (COA), the OWWA Board of Trustees shall submit to the Congress and the
35 President of the Philippines a report showing the total collections of, and the
36 disbursements from, the OWWA Fund and shall publish the electronic copy of the
37 report and make them available online, in a format that is searchable, accessible and
38 useful to the public.

39
40
41 **CHAPTER XI**
42 **INVESTMENT ADMINISTRATION: SAFEGUARDS.**

43
44 **SEC. 44. Safeguards of the OWWA Fund; Acquired Assets;**
45 **Unredeemed Investments.** –

- 46
47 (a) The OWWA Fund shall be managed and expended in accordance with the
48 purposes stipulated in this Act and safeguarded against any possible loss and
49 misuse.

1 The OWWA shall ensure an appropriate growth rate in the Fund sufficient to
2 sustain the growing needs of member-OFWs. It shall periodically conduct an
3 inventory of its investment instruments and ensure that they are properly kept
4 at a government bank under a custodianship agreement.
5

6 A monthly report on all investment schedules showing the interest rates,
7 yields, discount rates, and other relevant data, shall be submitted to the
8 Board.
9

10 (b) The OWWA shall administer all properties, acquired or foreclosed.
11

12 To ensure that the properties are safeguarded and preserved, the same must
13 be properly accounted for and documented, re-inspected, re-appraised, and
14 insured with taxes paid.
15

16 An asset development/disposal plan shall be submitted by the Administrator for
17 the consideration of the Board.
18

19 Foreclosed properties shall be registered as OWWA assets within one (1)
20 month after foreclosure.
21

22 (c) Unredeemed investments and other receivables shall be inventoried semi-
23 annually and corresponding redemption plan shall be submitted to the Board.
24 All receivables shall be supported by documents appropriately acknowledged
25 by the accountable party.
26

27 **SEC. 45. General Investment Policy.** – Upon approval of the Board, all
28 OWWA investments shall be placed only in government securities and bonds which
29 provide optimum earnings, liquidity and protection of the Fund. Portfolio
30 management of investible funds shall be outsourced to Government Financial
31 Institutions (GFIs).
32

33 **SEC. 46. Examination and Valuation of the Funds.** – The OWWA shall
34 make a periodic actuarial examination and valuation of its funds in accordance with
35 accepted actuarial principles.
36

37 CHAPTER XII

38 FISCAL AND BUDGET POLICY: MANAGEMENT

39

40
41 **SEC. 47. Operative Budget.** – The operative budget of the OWWA must be
42 sufficient to support full protection of the welfare of OFWs. The budget shall be
43 reviewed annually by the Board with emphasis on adequate funding for services
44 and agency efficiency.
45

46 The Board shall approve, by a majority vote of all its members, the operative
47 budget which shall support the planned work programs and administrative costs,
48 to include, but shall not be limited to, salaries, emoluments, and transportation
49 expenses for the OWWA personnel, office rentals, office supplies, equipment,
50 technological support, communications and utilities, requirements for personal

1 services, and maintenance: *Provided*, That appropriations for personal services
2 (PS) and regular maintenance and other operating expenses (MOOE) coming
3 exclusively from the OWWA Fund shall not exceed twenty percent (20%) of the
4 total member contributions realized in the immediately preceding year.

5
6 **SEC. 48. Benefits and Services Budget.** – The annual budget shall include
7 all benefits and services to OFWs and shall prioritize the protection of the welfare of
8 OFWs.

9
10 **SEC. 49. Budget Preparation and Approval.** – In preparing the annual
11 budget, the OWWA shall follow the national government budget system, format and
12 cycle.

13
14 **SEC. 50. Re-enacted Budget.** – In case the proposed annual budget sourced
15 from the OWWA Fund has not been approved by the Board at the start of the year,
16 the OWWA shall operate within the budget level of the previous year allocated on a
17 month-to-month basis. All savings realized in the previous year shall be deducted
18 from the current year's budget.

19
20 **SEC. 51. Work and Financial Plans.** – All cost centers/offices/units of the
21 OWWA shall submit their annual work and financial plans (WFP), which should
22 correspond to the approved budget. The Directors shall endorse the WFP of their
23 respective units for approval of the Administrator. The consolidated OWWA-WFP
24 shall be reported to the Board.

25
26 **SEC. 52. Budget Realignment.** – Realignment of funds sourced from the
27 OWWA Fund including adjustments in targets shall be submitted to the Board for
28 approval. Similarly, in the event that extra-ordinary circumstances may occur which
29 require sourcing of additional funds from the OWWA Fund beyond the coverage of
30 the approved budget, the same shall be submitted to the Board for approval.

31
32 **SEC. 53. Branch Accounting System; Financial Reports; Auditing
33 Procedures; Annual Reports.** – The OWWA Regional Units shall maintain their
34 respective books of accounts which shall be consolidated by the central office.

35
36 The OWWA shall install sound internal control and monitoring systems and
37 submit quarterly prescribed Financial Statements to the COA, such as income
38 statement, balance sheet, and cash flow as prescribed in post auditing reports by
39 the COA.

40
41 The OWWA Secretariat shall submit a monthly fund utilization report to the
42 Board, copies of which shall be made available to Congress. It shall also submit an
43 Annual Report on its overall performance for the previous year within the first sixty
44 (60) days of the following year to the OWWA Board, the Congress and the
45 President of the Philippines, through the Department of Budget and Management
46 (DBM).

47
48 **SEC. 54. Chart of Accounts.** – The OWWA shall adopt the appropriate and
49 standard chart of accounts as prescribed by the COA.

50

1 **SEC. 61. Separability Clause.** – If any provision of this Act is declared
2 unconstitutional, the remainder of this Act or any provision not affected thereby
3 shall remain in full force and effect.
4

5 **SEC. 62. Repealing Clause.** – Letter of Instruction No. 537, Presidential
6 Decree No. 1694 and Presidential Decree No. 1809 are hereby repealed. All other
7 laws, decrees, executive orders, rules and regulations inconsistent with the
8 provisions of this Act are likewise repealed.
9

10 **SEC. 63. Effectivity.** – This Act shall take effect fifteen (15) days after its
11 publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,