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**Working Paper**

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## Institutions Serving Philippine International Labor Migrants

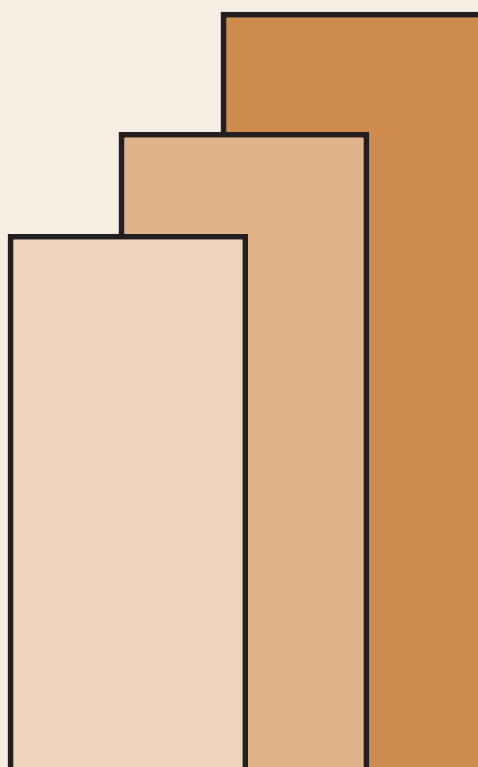
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and Michael Cabalfin*

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# **Institutions Serving Philippine International Labour Migrants**

Aniceto Orbeta, Michael Abrigo, Michael Cabalfin  
May 2009

## **Abstract**

This paper discusses public and private institutions that were established in the Philippines to provide services to Filipino international migrant workers. Thirty years of having explicit policy on international labour migration has resulted to the creation of various public agencies to promote, manage, and protect migrant workers. This paper looks at their evolution and at the letter and application of their mandates as well as how some have become models for many developing countries to follow. It presents how government migration services work together with non-government organizations in a complementary manner in order to be able to provide support to Filipinos working and living overseas. It also shows how these institutions cover all aspects of migration including but not limited to pre-deployment, deployment, on-site support services and eventual return.

**Keywords:** institution, international labor migration, Philippines

**JEL:** J61, J68

## Table of Contents

	Page
I. Introduction	1
II. Government Institutions	2
A. Early Beginnings	2
B. The Philippine Overseas Employment Administration	2
1. Legal Mandate	2
2. Programs and Services	3
C. Overseas Workers Welfare Administration	10
1. Legal Mandate	10
2. Programs and Services	11
D. Commission on Filipinos Overseas (CFO)	14
1. Legal Mandate.	14
2. Programs and Services	14
E. National Reintegration Center for Overseas Filipino Workers (NRCO)	15
1. Legal Mandate	15
2. Programs and Services	15
F. Other Public Offices for Migrant Workers	16
1. Department of Foreign Affairs - Office of the Undersecretary for Migrant Affairs	16
2. Philippine Overseas Labor Offices (POLOs)	17
3. Overseas Absentee Voting Secretariat	18
III. Non-Government Organizations	18
IV. Summary, Assessment and Recommendations	21
V. References	24

# **Institutions Serving Philippine International Labour Migrants**

Aniceto Orbeta, Jr., Michael Abrigo, Michael Cabalfin<sup>1</sup>

Earlier version, May 2009

This version, October 2009

## **I. Introduction**

The thirty years<sup>2</sup> of having explicit policy of protecting workers abroad has spawned institutions that managed almost every aspect of migration and worker deployment. The scope of the services ranged from deployment, the worker and his family's welfare while working abroad to his eventual return. The Philippines has been frequently considered as the global model of managing the exodus of workers (e.g., IOM, 2005). Nonetheless, with all its experience and sophistication there are limitations that need to be recognized.

This paper discusses public and private institutions that were established to serve migrant workers. It describes both government and non-government organizations serving migrant workers. It discusses the legal mandates and major programs and projects of state institutions. It also provides an overview of non-government institutions serving the needs of migrant workers. In the concluding section, an assessment of the strengths and weaknesses of the programs is provided.

The paper is organized as follows. The next section provides a discussion of the seven (7) currently known major public institutions dealing with overseas Filipinos, namely: the Philippine Overseas Employment Administration (POEA), the Overseas Workers Welfare Administration (OWWA), the Commission on Filipino Overseas (CFO), the Philippine Overseas Labor Offices (POLO), the Overseas Absentee Voting Secretariat (OAVS), the Department of Foreign Affairs-Office of the Undersecretary for Migrant Workers Affairs (DFA-OUMWA), and the newly established National Reintegration Center for Overseas Filipino Workers (NRCO). This is followed by a selective description of non-government institutions. A summary, assessment and recommendations are given in the final section.

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<sup>1</sup> Senior Research Fellow, Research Assistant and Research Associate, respectively at the Philippine Institute for Development Studies. This is one of three papers on international migration in the Philippines prepared for the ILO, Bangkok. Views expressed herein are of the authors and does not necessarily reflects the views and policies of the ILO or of PIDS. We are grateful for the assistance provided by the officers at the POEA, OWWA, CFO, NRCO, and OAVS (DFA). However, all remaining errors are the sole responsibility of the authors.

<sup>2</sup> While the flow of migrant workers dates back to the Spanish period where Filipinos manned the ships of Manila-Acapulco trade, it was in the 1970s when the numbers increased rapidly and consequently government made the protection of migrant workers an explicit policy (Samonte, E., et al., 1985).

## **II. Government Institutions**

### **A. Early Beginnings**

Several institutions managing migration flows have been created that are different from what currently exists. Public policy on overseas employment was first introduced in 1974 with the adoption of the Labor Code of the Philippines<sup>3</sup>. Prior to its promulgation, the government played very minimal roles in the recruitment and placement of Filipino workers for overseas employment. The 1974 Labor Code sought to correct the inadequacy of existing laws on employment.<sup>4</sup> In accordance with state policy to promote full employment and to protect workers<sup>5</sup>, the Labor Code aims, among others, to protect Filipinos who wish to work overseas by securing the best possible terms of employment for them, strengthen public employment offices, and rationalize private sector participation in the recruitment of workers. To promote the employment of Filipinos overseas and to regulate private participation in the recruitment process, three offices were created: the Bureau of Employment Services (BES), the Overseas Employment Development Board (OEDB) and the National Seamen Board (NSB).

The 1974 Labor Code originally envisioned complete control over recruitment and overseas placement. It was believed that the best way to protect workers against malpractice was through a government-organized deployment system. The plan was to gradually replace private recruitment agencies, which at that time were blamed for increasing violations against migrant workers, with the BES, the OEDB and the NSB. This plan, however, was abandoned in 1977 with the boom in the number of overseas employment contracts processed from 1974 to 1977. Government realized its limitations and recognized the role of the private sector in managing the flow of workers. The policy of gradual replacement was abandoned in favour of the policy of regulation of recruitment agencies by the BES (Mughal and Padilla, 2005; Agunias, 2008).

### **B. The Philippine Overseas Employment Administration**

#### **1. Legal Mandate**

The Philippine Overseas Employment Administration (POEA) was created in 1982 with the re-organization of the Department of Labor and Employment (DOLE) through Executive Order (EO) 797. It assumed the functions of the OEDB, the NSB and the overseas employment functions of the BES. The POEA is mandated, among others, to promote and monitor overseas employment of Filipino workers taking into consideration domestic labour demand, and to protect their rights to fair and equitable employment practices.

In 1987, EO 247 reorganized the POEA to systematize its operation to more efficiently perform its functions of promoting overseas employment, regulating private participation, and providing welfare services to overseas Filipino workers (OFWs). The POEA was tasked to regulate

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<sup>3</sup> Presidential Decree (PD) 442

<sup>4</sup> For instance, Act 2486 passed by the Philippine Legislature in 1915. See Gonzales (1998) for a discussion of pertinent laws prior to the issuance of the Labor Code.

<sup>5</sup>See Section 9, 1973 Philippine Constitution

private sector participation in the recruitment and overseas placement of workers by setting up a licensing and registration system of private agencies involved in the process. With the passage of Republic Act (RA) 8042 or the “Migrant Workers and Overseas Filipinos Act of 1995”, the legal mandate of the POEA was reinforced by the affirmation of its role of regulating private participation in the recruitment and overseas placement of Filipino workers, and of promoting and monitoring their overseas employment.

The national policy direction during the enactment of the “Migrant Workers and Overseas Filipinos Act of 1995” was generally that of decentralization of services and deregulation of industries. The legislation, in fact, contains provisions stipulating the phase-out of the regulatory functions of the POEA, and the deregulation of the recruitment and overseas placement process. These provisions, however, were repealed in 2007 with the passage of RA 9422<sup>6</sup> further strengthening the regulatory functions of the POEA.

The POEA has a six-person Governing Board headed by the Secretary of the DOLE, with the POEA Administrator as vice-chair, and with representations from the private and women sectors, and from sea-based and land-based OFWs. All of the members are appointed by the President of the Philippines.

## **2. Programs and Services**

The POEA’s mandate centers on two primary functions: (i) to promote maximum employment of Filipino overseas workers, and (ii) to protect migrant workers’ rights to fair and equitable labour practices. The POEA’s mandates, however, do not cover Filipinos who leave as permanent migrants<sup>7</sup>, and who thus become citizens of another country, but only those who leave for temporary employment.

The POEA controls temporary overseas employment by creating rules and regulations governing the recruitment and overseas placement process, and setting of minimum standards; by maintaining a system of monitoring compliance with and of redress against violations of rules and regulations; and by maintaining parallel facilities for enforcement of established rules and regulations and of adjudication decisions. Thus the POEA performs executive, quasi-legislative and quasi-judicial functions.

### **2.1 Overseas Employment Promotion**

The POEA manages a recruitment network of licensed recruitment and manning agencies, and in-house facilities for government-to-government, name-hiring and direct-hiring arrangements to satisfy foreign demand for Filipino labour. In coordination with other government agencies, the POEA conducts various marketing strategies, e.g. conduct of marketing missions and participation in drafting of bilateral agreements and arrangements, to promote overseas employment of Filipino

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<sup>6</sup> An act strengthening the regulatory functions of the Philippine Overseas Employment Administration (POEA), amending for this purpose Republic Act 8042, otherwise known as the “Migrant Workers and Overseas Filipinos Act of 1995”

<sup>7</sup> The government, however, still maintains ties with Filipino permanent emigrants in other countries through the Commission on Filipinos Overseas, an attached agency of the Office of the President



workers. The government, recognizing that the possession of skills is vital in the protection of workers, encourages the deployment of skilled migrant workers only<sup>8</sup>.

### 2.2.2 *Migrant Rights Protection*

To promote the welfare of migrant workers and to protect their rights, the POEA creates rules for participation in the overseas employment program, and sets minimum standards in overseas employment. Principal actors in the temporary labour migration process, i.e. local private recruitment and manning agencies, foreign principals, employers or projects, workers and foreign governments recruiting Filipino workers, are bound to meet the rules and regulations set by the POEA. The POEA maintains a system of monitoring compliance with and of adjudication of grievances on violations of the established rules and regulations.

#### Rules of Participation

At the forefront of protective measures against offenses committed against migrant workers is the pre-determination of who may participate in the overseas employment program, by setting minimum qualifications among parties in the process. Those who are allowed to participate are bound by rules and regulations on how recruitment and overseas placement shall be conducted.

*Local Private Recruitment and Manning Agencies.* The POEA reserves the privilege of recruiting and placing workers for overseas employment positions to agencies which are at least 75 percent owned and controlled by Filipino citizens. Agencies with proprietors, partners or members of the board with derogatory records with the National Bureau of Investigation or with the Anti-Illegal Recruitment Branch of the POEA are disqualified from participating in the overseas recruitment program. Agencies with proprietors, partners or members of the board who are engaged in the operation of travel agencies or are sales agencies for airline companies are likewise barred from participating.

Although the requirement on minimum capitalization of agencies as pre-qualification for participation has been maintained since the introduction of the registration and licensing of recruitment and manning agencies in 1974, the actual amount has increased through the years. From Php500,000 (US\$11,244)<sup>9</sup> in 1985 to Php1 million (US\$22,487) in 1991, the POEA raised the minimum capitalization requirement for agencies wishing to participate in the overseas employment program to Php2 million (US\$44,974) in 2002 for recruitment agencies and in 2003 for manning agencies (Table 1). A certificate of bank deposit and a verified copy of income tax return in the last two years preceding the application are likewise required to prove the financial capacity of proprietors, partners or corporations wishing to participate in the overseas employment program.

In addition, each recruitment and manning agency must also submit a verified undertaking stating, among others, that it shall assume full and complete responsibility over all claims or liabilities arising from the use of the license; that it shall assume joint and solidary responsibility with the foreign principal or employer for all claims and liabilities arising from the implementation of workers' employment contract; and that it shall repatriate deployed workers and his/her belongings

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<sup>8</sup> See Section 2(c), Migrant Workers and Overseas Employment Act of 1995

<sup>9</sup> All calculations of US\$ equivalent from here forward using 2008 annual average exchange rate  
Php44.47=US\$1

when needed. Joint and solidary responsibility of foreign employers and local recruitment or manning agencies ensures that local recruitment agencies will choose their principals well. This, together with the Filipino-ownership requirement, also enables redress of legitimate grievances in the Philippines, where the employment contract of workers is executed (Sto. Tomas, 2005).

Only licensed agencies are allowed to conduct recruitment activities. However, licensed recruitment or manning agencies may only do so at the address stated in their license or in their POEA-acknowledged additional offices. Conducting of recruitment activities at places other than at registered offices require prior approval by the POEA and supervision by the POEA, the DOLE or representatives of the local government unit where the recruitment activity will be held. Advertising for verified manpower requests and for man-pooling purposes are likewise governed by rules and regulations set by the POEA. Recruitment and manning agencies may only charge a placement fee equivalent to at most one month's salary of the worker per contract processed.

**Table 1: Schedule of Fees and Other Requirements (Partial) for Application of License**

	1985	1991	2002 <i>Recruitment Agencies</i>	2003 <i>Manning Agencies</i>
Minimum Capitalization	Php500,000 (US\$11,244)	Php1 Million (US\$22,487)	Php2 Million (US\$44,974)	Php2 Million (US\$44,974)
Proof of Financial Capacity <i>Certificate of Bank Deposit amounting to at least</i>	Php250,000 (US\$5,622)	Php250,000 (US\$5,622)	Php500,000 (US\$11,244)	Php500,000 (US\$11,244)
Proof of Marketing Capability <i>Manpower request or visa approval of at least</i>	-	50 workers (50 seafarers)	100 workers	50 seafarers
Filing Fee	To be determined by the POEA	Php5,000 (US\$112)	Php10,000 (US\$225)	Php10,000 (US\$225)
License Fee	Php6,000 (us\$135)	Php30,000 (US\$675)	Php50,000 (US\$1,124)	Php50,000 (US\$1,124)
Bonds*	Php250,000 (US\$5,622)	Php150,000 (US\$3,373)	Php100,000 (US\$2,249)	Php100,000 (US\$2,249)
Escrow Deposit	-	Php200,000 (US\$4,497)	Php1 Million (US\$22,487)	Php1 Million (US\$22,487)
License Validity (Maximum)	1	2	4	4

Source: POEA Rules and Regulations governing Overseas Employment, various years

\* Aggregate amount of required bonds, i.e. surety and cash bonds (1985 and 1991 POEA Rules and Regulations)

As of 12 June 2007, POEA has so far granted license to 3,168 recruitment agencies, of which 45 percent (1,431 agencies) are of good standing, while the rest are no longer operating for various reasons (Table 2) (COA, 2008).

In 2006, POEA records show that 1,178 land-based and sea-based agencies were covered in their regular and spot inspections. Also for the same year, 622 suspension orders were issued for

various violations; 69 agencies were delisted for non-compliance with provisional license activity (COA, 2008).

*Foreign Principals.* Foreign principals, employers, projects or placement agencies wishing to hire Filipino labour require registration with and accreditation by the POEA. Documentary requirements for registration are first verified by the Philippine Overseas Labor Office<sup>10</sup> (POLO) nearest to the worksite to ensure conformity with the minimum standards set by the POEA, or legislations in the host country. In countries or worksites where there are no POLOs, verification of documents and accreditation of foreign principals is processed at the POEA through the foreign principal's partner licensed local recruitment or manning agency. Documentary requirements for pre-qualification for accreditation include: recruitment or service agreement with local recruitment agency, master employment contract, manpower request, and valid business license, registration certificate or equivalent document.

**Table 2: Recruitment Agencies, 2007**

Status	
Good Standing	1,431
Cancelled License	356
Delisted	964
Suspended	96
Forever Banned	167
Inactive	86
With preventive suspension	12
With request temporary suspension of operations	13
Denied Renewal of License	24
Ceased Operation	7
Revoked License	9
Cash Bond Withdrawn	3
<b>TOTAL</b>	<b>3,168</b>

Under the rules and regulations of the POEA, foreign principals of land-based workers shall pay for the visa, airfare, POEA processing and OWWA membership of the workers that will be employed by them. Foreign employers of seafarers, on the other hand, shall be charged a manning fee that covers services rendered in the recruitment and deployment of the worker.

Foreign employers of land-based workers in war-risk areas declared by the POEA have to purchase war-risk insurance with coverage of not less than Php200,000 (US\$4,497) during the duration of the employment contract for every worker they hire. All foreign principals and licensed manning agencies are required to report to the POEA within twenty-four (24) hours significant incidents, including death, injury or illness, and detention or abandonment in foreign ports, concerning employed Filipino seafarers, as well as those who are missing or have abandoned their posts.

<sup>10</sup> POLOs act as the operating arm to administer and enforce the adopted policies and programs of the DOLE on international labor affairs; As of December 2008, there are thirty-four (34) POLOs around the world (DOLE, 2008)

*Workers.* The government recognizes that the possession of skills is the ultimate protection of workers. Thus, the POEA, in coordination with other government agencies, strives for the standardization, assessment and certification of skills (Agunias, 2008). Recruitment and manning agencies are only allowed to recruit and place workers who are medically and technically fit as part of their verified undertaking with the POEA.

Skilled and semi-skilled workers are required to secure from skills-testing centres accredited by the Technical Education and Skills Development Authority (TESDA) a certification that attests to their skill and competency. For instance, domestic helpers need to secure a National Certificate for Household Service Workers (NCII), while overseas performing artists must secure an Artist Accreditation Card (AAC) before they can apply for overseas employment.

Professional workers are required to submit proof of having completed requisite courses from the Commission on Higher Education (CHED). In instances where license is required to practice such profession, such as for nurses and architects, the worker must show proof of having passed the required licensure examination coming from the Professional Regulatory Commission (PRC) (Sto. Tomas, 2008). In accordance with the “1978 Standards for Training, Certification and Watchkeeping Convention”, seafarers are required to hold a valid national certificate for the specific maritime position prior to their employment.

Prior to their deployment, workers bound for abroad are required to attend pre-employment and pre-departure orientation seminars, which will brief them on country-specific labour and cultural practices, their rights and obligations under their employment contracts, and how to cope with their overseas situation (Sto. Tomas, 2005).

Direct hiring of workers for overseas employment is prohibited by the POEA, unless otherwise allowed by the Secretary of the DOLE or by pertinent issuances. Name hires, or those workers who have found employment without assistance from the POEA or from private recruitment agencies, and direct hires, when allowed, are required to be registered with the POEA, subject to similar procedures as those workers hired through local recruitment agencies, and likewise subject to the approval of the POEA.

*Foreign Governments.* The POEA maintains an in-house recruitment facility, which primarily caters to government-to-government hiring of Filipino workers. Standards for foreign governments are not as well developed (Agunias, 2008) as those with other (private) recruitment and placement facilities under the supervision or regulation by the POEA. Although the terms of employment vary by government or by project, governments hiring through a government-to-government arrangement must contribute to the Guarantee Trust Fund, which covers monetary claims by workers arising from non-compliance with contractual obligations, to hire Filipino workers.

### Employment Standards

The POEA prescribes country-specific and skill-specific employment contracts in the hiring of Filipino workers. Although many of the provisions are negotiated with host countries in the bilateral agreement or arrangement concluded with them, the POEA adopts minimum provisions of employment contracts, especially for land-based workers (Table 3). Provisions in the standard

employment contract of seafarers are in accordance with international maritime practices and standards.

The POEA does not prescribe a strict minimum wage for Filipino overseas workers. Instead the POEA establishes benchmarks to determine the minimum wage, which should not be lower than any of the following, whichever is highest: minimum wage in the host country; minimum wage-standards set in the bilateral agreement or arrangement; or minimum wage in the Philippines.

Other minimum provisions in employment contracts for land-based workers include free transportation to and from the worksite, and free food and accommodation, or offsetting benefits, for workers. The POEA likewise guarantees just/authorized causes of termination of workers through the use of standard employment contracts.

Although earlier rules and regulations by the POEA prescribe more minimum provisions for inclusion in standard employment contracts, standard employment contracts for workers under specific categories of workers include the same provisions. Seafarers, for instance, are covered by their employer for work-related sickness or injuries, and are entitled to sickness allowance equivalent to his/her basic wage. Household service workers (HSWs) deployed in the United Arab Emirates (UAE) are likewise provided with health care treatment by their employers. In addition, HSWs are expected to be helped by their employer in remitting part or whole of their salary to their beneficiaries.

**Table 3: Minimum Provisions in Standard Employment Contracts Prescribed by the POEA**

Provision	1985	1991	2002 <i>Land-based Workers</i>
Guaranteed wages and overtime pay, as necessary	X	X	X
Free transportation to and from worksite	X	X	X
Free emergency medical and dental treatment/facilities	X	X	
Just/authorized causes for termination	X	X	X
Workmen's compensation and war hazard protection	X	X	***
Repatriation of workers' remains/properties in cases of death to the point of hire	X	X	*
(Assistance in the) Remittance of worker's salaries, allowances or allotments to his/her beneficiaries	X	X	
Adequate board and lodging facilities	X	X**	X**
Grievance machinery for workers	X	***	***

Source: POEA Rules and Regulations governing Overseas Employment, various years

\* Included in the verified undertaking of recruitment and manning agencies

\*\* Free; Or compensatory benefits

\*\*\* Guaranteed by the POEA through other mechanisms set by the administration even if not specified in the employment contract

The POEA allows parties in the employment contract to stipulate additional provisions, provided that the total employment package will be more beneficial to the worker and that it is not contrary to existing laws, public policy or morals.

### Monitoring and Redress

The POEA provides mechanisms to ensure that actors in the international employment program adhere to the set rules and regulations by the administration. For instance, the government employs more than 200 labour attachés and welfare officers overseas that monitors the employment conditions of Filipino workers outside the country (Sto. Tomas, 2005). A system of reporting by foreign principals, especially those who employ workers in the low/semi-skilled category, is likewise established by the POEA. Foreign principals, employers or projects that are complained to be in breach of contractual obligations may be suspended from hiring Filipino workers, and, upon final judgment in disciplinary action, may be excluded from the overseas employment program.

The POEA conducts inspections to monitor the compliance of local recruitment and manning agencies to the overseas employment rules and regulations. Before agencies are issued a license, the POEA conducts inspection of the premises and facilities, as well as of the documents, of recruitment agencies to ensure conformity with the standards set by the administration. In addition to regular inspections, spot inspections are conducted when the POEA receives a complaint or report of violation by agencies of existing rules and regulations. The POEA maintains a system of classification and ranking of agencies to inform the public of recruitment and manning agencies that are in good standing and those that are delinquent.

For workers, the possession of an Overseas Employment Certificate (OEC) from the POEA ensures that the worker is properly documented before leaving for employment abroad. The OEC serves as travel exit pass of overseas Filipino workers at airports and immigration counters, as well as proof of exemption from payment of travel tax and airport terminal fees.

The POEA has original and exclusive jurisdiction over all cases, excluding money claims<sup>11</sup>, arising out of violations of contractual obligations, as well as of recruitment rules and similar cases. Cases may be filed against any of the parties involved in the overseas employment of a worker, i.e. workers, foreign principals or employers, or local recruitment agency. Offenses are classified depending on the gravity of the offense, i.e. serious, less serious, light, and are meted with a schedule of penalties, ranging from suspension to permanent disqualification from the overseas employment program, depending on the number of times the offense has been committed.

Conciliation services are offered on a voluntary basis at Philippine embassies and consulates and at the POEA to parties in a dispute who wish to settle the dispute amicably. Instead of an

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<sup>11</sup> Which is under the jurisdiction of the National Labor Relations Commission (NLRC)

adjudicator deciding on a case, parties agree to resolve the dispute among themselves with the help of a conciliation officer/arbitrator. Cases that are not settled through conciliation are settled at the Adjudication Office of the POEA.

## **C. Overseas Workers Welfare Administration**

### **1. Legal Mandate**

A Welfare and Training Fund for Overseas Workers (WTFOW) was created under the DOLE in 1977 through Letter of Instruction (LOI) No. 537. LOI 537 provides for social and welfare services, which includes insurance coverage, placement assistance and remittance services, among others, to Filipino migrant workers. The LOI likewise provides for skills training and career development services for them. The WTFOW was funded through earnings and welfare fund collections from the OEDB, the BES, the NSB and other donations and contributions.

In 1980, LOI 537 was formalized by the issuance of PD 1649, creating the Welfare Fund for Overseas Workers (Welfund). The Welfund was mandated to provide social and welfare services to Filipino migrant workers, including insurance coverage, legal assistance, placement assistance and remittance services. All contributions to the WTFOW were transferred to the Welfund.

In 1981, PD 1809 was issued amending certain provisions of PD 1649. Amendments include expanding the number of Welfund Board of Trustees from seven (7) to eleven (11); the administration of the Welfund by the Board of Trustees through a Secretariat; and the use of government banks as depository banks for the Welfund.

With the re-organization of the DOLE by EO 126 in 1987, the Welfund was renamed Overseas Workers Welfare Administration (OWWA).

Prior to Executive Order (EO) 195 (1994), only members of the Social Security System (SSS) who were employed within the Philippines were covered by the Philippine Medical Care (Medicare) Program. By virtue of EO 195, however, Filipino overseas workers who are not members of SSS, as well as their dependents, are compulsorily covered by the Medicare without them having to enrol themselves as SSS members.

The passage of RA 8042 or the “Migrant Workers and Overseas Filipinos Act of 1995” clarified and enhanced the mandate of OWWA to include:

1. Repatriation of workers in cases of war, epidemic, natural or man-made disaster or calamities, and other similar events without prejudice to reimbursement by the employer or the recruitment agency. In cases where the employer or the recruitment agency cannot be identified OWWA shall bear all costs of repatriation. An Emergency Repatriation Fund is created under the administration, control and supervision of OWWA for this purpose (Section 15).
2. Establishment of a Re-placement and Monitoring Center for returning migrant workers, wherein OWWA, together with the DOLE and the POEA, are tasked to formulate a program that will motivate migrant workers to plan for productive options, such as entry into highly technical jobs and investment of savings, among others (Section 17).
3. Creation of a Migrant Workers Loan Guarantee Fund to prevent illegal recruiters from taking advantage of workers seeking employment abroad. The OWWA, in coordination with government financial institutions, is mandated to institute financial schemes expanding the grant of pre-departure and family assistance loans (Section 21).

The OWWA is composed of the Board of Trustees as the policy making body and the Secretariat as its implementing arm. The OWWA Board of Trustees is a tripartite body with twelve members representing government (7 members), management (1 member), labour (1 member), OFW (1 sea-based, 1 land-based), and women (1 member). The OWWA Board issued in 2003 the Omnibus Policies to provide guidelines on membership and its coverage, collection of contributions and availment of benefits. The document likewise sets forth the policies on fund management, programs and services administration, and corporate governance. Since OWWA has no charter, it allows the board to exercise blanket and unregulated authority.

## 2. Programs and Services

OWWA's mandate may be summarized into two: firstly, the delivery of welfare services and benefits to temporary migrant workers, and, secondly, ensuring sustainability and fund viability for the continuous protection of Filipino migrant workers. OWWA's operations and programs and services are funded by the US\$25 contribution mandated to be paid by the hiring foreign principal or employer for each departing documented contract worker, which OWWA pools and invests on high-yielding financial instruments (Sto. Tomas, 2009).

Consistent with its mandate focusing on the welfare of the OFW and their families, the main programmes of OWWA include (a) insurance and health care program; (b) education and training programs; (c) family welfare and assistance programs; (d) and workers' assistance and on-site services.

*Insurance and Health Care Program.* A member of OWWA is covered with life insurance for the duration of his/her employment contract. Members receive the following benefits:

**Table 4: OWWA Life Insurance Benefits**

Type	Benefit	
Life/Accident Insurance	Natural Death	Php100,000 (US\$ 2,249)
	Accidental Death	Php200,000 (US\$ 4,497)
Disability and Dismemberment	Php2,000 - 50,000 (US\$50 – 1,124)	
Total Disability	Php100,000 (US\$ 2,249)	

In 2006, insurance and health care claims amounted to Php163.7 million (US\$3.7 million) availed by 1,517 OFW-members (COA, 2008) (Table 5).

**Table 5: Insurance and health care claims, 2005-2006**

Type of Insurance/ Benefit	Total Claims			
	2005		2006	
	Amount	Number of Beneficiaries	Amount	Number of Beneficiaries
Life Insurance	Php151,445,000 (US\$3,405,554)	1113	Php154,600,000 (US\$3,476,501)	1122
Disability/ Dismemberment	Php5,863,500 (US\$131,853)	256	Php9,053,500 (US\$203,586)	395
Total Disability	Php100,000 (US\$2,249)	1	0	0
<b>TOTAL</b>	<b>Php157,408,500 (US\$3,539,656)</b>	<b>1370</b>	<b>Php163,653,500 (US\$3,680,088)</b>	<b>1517</b>



*Education and Training Programs.* OWWA members may avail for him/herself or his/her duly designated beneficiary the following scholarship programs, subject to the selection process and accreditation of participating institutions. In 2005 and 2006, the total amount spent for various Education and Training Programs totalled Php17.8 million (US\$0.4 million) and Php30.1 million (US\$0.7 million), respectively (COA, 2008).

1. The *Education for Development Scholarship Program* (EDSP) is a scholarship grant given to qualified candidates who intend to pursue any 4 to 5-year baccalaureate course. The amount of the scholarship is Php30,000 (US\$675) per semester. There were 192 EDSP beneficiaries in 2005 (DOLE, 2005).
2. The *Skills-for-Employment Scholarship Program* (SESP) is a scholarship program tie-up between OWWA and TESDA. A qualified candidate may avail of either a one-year technical or a six-month vocational TESDA-registered course offered during the regular school year calendar. Financial assistance for a one-year program is Php14,500 (US\$326) while that for a six-month program is Php7,250 (US\$163). There were 774 SESP beneficiaries in 2005 (DOLE, 2005).
3. The *Seafarer's Upgrading Program* (SUP) is intended to provide sea-based OWWA members job-related training to upgrade their skills and develop their expertise in priority maritime courses identified by the Maritime Training Council. The total scholarship grant ranges from Php1,200 to Php7,500 (US\$27 – US\$169), inclusive of meal and transportation allowances in the case of trainees referred to the National Maritime Polytechnic. There were 2,133 SUP beneficiaries in 2005 (DOLE, 2005).
4. The *DOLE-OWWA Tulay Microsoft Project* is a tie-up among Microsoft Philippines, DOLE and OWWA, which provides OFWs IT training in basic computer applications (word processing, spreadsheet, e-mail), thereby increasing their value in the workplace and enabling them and their family to communicate through the internet. Trainings are given at the OWWA Community Technology Learning Centers.
5. The *Tuloy-Aral Project* is a child education sponsorship program. Financially needy elementary and high school students are identified with the assistance of the DSWD. The POLOs are tasked to promote the program and to identify successful OFWs (and OFW organizations) who may act as foster parent-sponsors who shall provide US\$100 a year to help cover educational expenses of each beneficiary. OWWA Family Welfare Officers monitor each child's progress in school. As of April 30, 2007, there are 151 donors for the project (OWWA, 2007).

*Family Welfare and Assistance Programs.* The OWWA provides various family welfare and assistance programs to its members.

1. *Repatriation Program.* OWWA provides services to facilitate immediate repatriation of needing OFWS like airport assistance, domestic transport, temporary accommodations, etc. In 2005 and 2006, OWWA advanced a total of Php8,932,666 (US\$200,869) and Php14,359,091 (US\$322,894), respectively for the Emergency Repatriation Program, although only Php2,591,046 (US\$58,265) and Php372,183 (US\$8,369), respectively, were collected from concerned principals/employers and/or recruitment agencies for the same period (COA, 2008).
2. *Reintegration Program.* The Reintegration Program is composed of two components. The psycho-social component includes organizing OFW family circles (OFC) for services like social and family counselling, stress debriefing, and trainings. As of 2006, there were 3,043 OFW family circles/organizations (COA, 2008) (Table 6). The economic component includes social preparations for community-based livelihood projects, skills training, and credit facilitation and lending. The economic component has two (2) loan programs at present.

**Table 6: OWWA Reintegration Beneficiaries and Trainings, 2005-2006**

	2005	2006
OFW Organization formation: total number of organizations	4,889	3,043
Organization capability building: total trainings conducted	662	556
Community-based skills Entrepreneurship Development Training: total trainings conducted	534	431

Source: COA, 2008

3. The *OWWA-NLSF LDPO Project* is a joint undertaking with the National Livelihood Support Fund (NLSF), which aims to improve access to entrepreneurial development opportunities and credit facilities to OFWs, their families, and organizations. Possible enterprises include: (1) trading, (2) services, (3) manufacturing, and (4) agri-business. The total loan amount released for this project was Php9.5 million (US\$0.2 million) in 2005 and Php34.1 million (US\$0.8 million) in 2006 (COA, 2008).
4. The *OFW Groceria Project* provides interest-free loan assistance packages in the form of merchandise goods amounting to Php50,000 (US\$1,124) per qualified OFC beneficiary. The total fund for the Groceria and Botika Project is P53 million (US\$1.2 million). Of the total amount released as of 31 December 2007, Php42.4 million (US\$1 million) was loaned out to 848 OFW Family Circles/ association beneficiaries, of which 62 were fully paid including 10 loans paid before their maturity. However, of the outstanding balance of Php28.5 million (US\$0.6 million), 55 percent or Php15.7 million (US\$0.4 million) was already past due. As a whole, the Groceria and Botika Project has a collection rate of 46.83 percent (OWWA, 2007).

*Workers' Assistance and On-site Services.* OWWA provides on-site assistance to all its members in all its regional and overseas offices to include: locating missing OFWs; providing information and guidance; developing materials for, and conducting Pre-Departure Orientation Seminars (PDOS); conducting psycho-social counselling and conciliation services; medical and legal assistance, outreach missions, and training, among others. The OWWA may also provide appropriate representation with employers, agents and host authorities on behalf of the OFW. In 2005 and 2006, a total of 19,505 and 30,548 individuals, respectively, participated in the PDOS (COA, 2008) (Table 7). OWWA also provided the following on-site services in the same years:

**Table 7: OWWA Onsite Service Beneficiaries, 2005-2006**

	2005	2006
No. of workers assisted	8,089	11,219
No. of workers repatriated	6,893	10,185
No. of workers reached	31,933	35,395
No. of new cases handled	83,619	104,849
No. of cases resolved	81,671	95,683

Source: COA, 2008

## **D. Commission on Filipinos Overseas (CFO)**

### **1. Legal Mandate.**

The Commission on Filipinos Overseas was established in 1980 through Batas Pambansa (RA) 79. It replaced the Office of Emigrant Affairs (OEA) created in 1978 by PD 1412. CFO's main functions are to:

1. Provide advice and assistance to the President and the Congress of the Philippines in the formulation of policies concerning or affecting Filipinos overseas;
2. Formulate, in coordination with agencies concerned, an integrated program for the promotion of the welfare of Filipinos overseas for implementation by suitable existing agencies;
3. Serve as a forum for preserving and enhancing the social, economic, and cultural ties of Filipinos overseas with the Philippines; and
4. Provide liaison services to Filipinos overseas with appropriate government and private agencies in the transaction of business and similar ventures in the Philippines.

Its primary clientele include: (i) Filipino emigrants and permanent residents abroad; (ii) Filipino nationals who leave the country as spouses or other partners of foreign nations; (iii) descendants of Filipino overseas; (iv) Filipino youths abroad; and (v) exchange visitors program participants.

The policy making body of the CFO is composed of an 8-person board consisting of the Secretaries of Foreign Affairs, Trade and Industry, Labor and Employment, Education, Justice, Tourism, Press and the Executive Director of the CFO.

### **2. Programs and Services**

The commission has four (4) programme areas, namely: (i) Migrant Social and Economic Integration, (ii) Filipino Education and Heritage, (iii) All-Filipino Unity and National Development, and (iv) Policy Development and Data Banking. The first programme aims to prepare migrating Filipinos in facing migration-related problems by (a) giving them information and guidance about their countries of destination and helping them in adjusting to their new environments; (b) linking them with fellow Filipino migrants; and (c) helping them to reintegrate with the local community upon their return to the country. The Filipino Education and Heritage programme seeks to promote learning among Filipino migrants and awareness of Philippine history, culture and institutions by facilitating the establishment of Philippine schools overseas, organizing study-trips to the Philippines, and promoting the learning of the Filipino language to overseas Filipinos. The All-Filipino Unity and National Development programme is aimed at promoting greater solidarity and harmony in and among different Filipino organizations abroad by encouraging leadership initiatives among overseas Filipinos, recognizing overseas Filipinos with important contributions to the development of the Philippines or their countries of residence, and encouraging overseas Filipino expertise and resources to be used in the Philippine economy. The Policy Development and Data Banking programme is intended to enable the analysis of the environment surrounding the conditions of Filipinos abroad and to provide guidance for policy-making and program development by maintaining a database and information system and exchanging information with other organizations.

## **E. National Reintegration Center for Overseas Filipino Workers (NRCO)<sup>12</sup>**

### **1. Legal Mandate**

The National Reintegration Center for OFWs is the newest addition to the institutions serving migrant workers even if the need for it has long been recognized and explicitly mentioned in RA 8042 which was enacted in 1995. The Center was established in 2007 as one of the units under the DOLE. Its establishment is consistent with Section 17 of RA 8042 which prescribed the establishment of a re-placement and monitoring centre for OFWs, and EO 446 which authorized the Secretary of Labour to coordinate the implementation of initiatives to enable OFWs to rejoin, and contribute to the development of the Philippine society.<sup>13</sup>

The Center is tasked “to optimize the benefits of overseas employment for OFWs, their families, communities and country.” It aims to help OFWs effectively use their resources, expertise and concern for development. It acts as a hub of services for the reintegration of OFWs.

### **2. Programs and Services**

The Center has five programs for OFWs, namely: (i) counselling services, (ii) capability-building, (iii) networking and linking, (iv) assistance desk, and (v) the “Classroom Galing sa Mamamayang Pilipino Abroad” (CGMA) project. Counselling services provide options for returning OFWs including employment and investment opportunities, and community development. Capability-building services include providing OFWs and their families knowledge and skills on “financial literacy; financial planning and management, savings and special remittance schemes; investment options/opportunities”, which they may use in their desired re-entry options towards their reintegration in the community. These two programs are subsumed under the Center’s *P+ Program Framework* which consists of the following services: (i) *Pagpapayo* (Reintegration Advocacy), (ii) *Pagsasanay* (Basic Skills Training, Upgrading and Retooling), (iii) *Paghahanapbuhay* (Job Search Assistance), and (iv) *Pagnenegosyo* (Economic, Social Enterprise Development). As of January 2009, the P+ Reintegration Services has benefitted a total of 667,252 OFWs and their families (Table 8).

Networking and linking services include assistance in business development, credit access, technology and product development, and marketing. An assistance desk is also set up to answer questions of OFWs relating to the foregoing concerns. Finally, in line with providing community development opportunities to OFWs, the CGMA project aims to solicit donations from OFWs and other stakeholders for the construction of classrooms in public schools to address classroom shortage. Figure 1 shows the number of classrooms donated by OFWs by region in 2008.

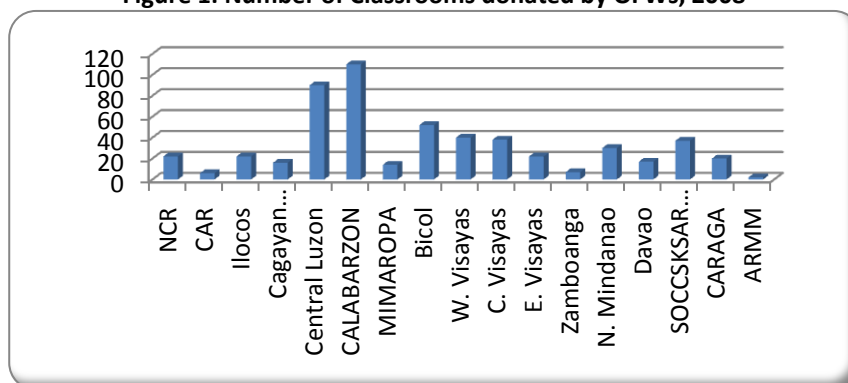
<sup>12</sup> We thank the officers of NRCO, particularly Dr. Alicia Santos, for inputs provided to this section.

<sup>13</sup> “DOLE to launch National Reintegration Center for OFWs” available in <http://www.dole.gov.ph/news/details.asp?id=N000002029>

**Table 8. Number of Beneficiaries of NCRO P+ Reintegration Services as of June 2009**

Programs/Services	Number of Beneficiaries
Pagpapayo (Reintegration Advocacy)	547,389
a. Advocacy Campaign on Reintegration	455,893
b. Counselling Services	91,496
Pagsasanay (Training, Retooling and Upgrading)	16,670
a. Onsite	5,084
b. For OFW Returnees and Dependents	11,586
Paghahanapbuhay (Wage Employment)	25,082
a. Local Wage Employment	1,264
b. Overseas Employment	23,818
Pagnenegosyo (Livelihood)	78,111
a. Entrepreneurial Training	41,116
b. Business Counselling	33,377
c. Financial Assistance	3,618
<b>TOTAL</b>	<b>667,252</b>

*Source: NRCO Accomplishment Report, March 2007 to June 2009*

**Figure 1: Number of Classrooms donated by OFWs, 2008**

Source: NCRO, 2009

## **F. Other Public Offices for Migrant Workers**

### **1. Department of Foreign Affairs - Office of the Undersecretary for Migrant Affairs**

The Department of Foreign Affairs (DFA) was created in 1898, and is the oldest department established within the government. The DFA is the primary agency in pursuing the country's foreign policies. The DFA enters into bilateral, regional and multilateral agreements or arrangements with other countries, in coordination with other government agencies, to promote the interest of the Philippines and Filipinos overseas.

The passage of RA 8042 in 1995 provided the framework for greater protection of Filipino migrant workers, by the establishment of the Legal Assistant Fund and the Assistance-to-Nationals Fund. A Legal Assistant for Migrant Workers Affairs was likewise designated under the DFA with the rank of Undersecretary (DFA, 2008).

In 2003, the Office of the Legal Assistant for Migrant Workers Affairs (OLAMWA) was renamed Office of the Undersecretary for Migrant Workers Affairs (OUMWA). The mandate of OUMWA covers not only the provision of legal assistance to and the coordination of all legal services for Filipino migrant workers and overseas Filipinos in distress, which is stipulated in RA 8042 for OLAMWA, but all other concerns on the protection and the promotion of the rights of migrant workers and overseas Filipinos (CMA-Philippines, 2009). Since 2003, the DFA-OUMWA has provided 68,500 assistance-to-nationals cases and 5,000 legal assistance cases for Filipino migrant workers and overseas Filipinos in distress (DFA, 2008).

The OUMWA provides legal and consular assistance and services such as:

1. Rendering legal assistance to OFWs in distress;
2. Assisting migrant workers and overseas Filipinos in cases such as detention, unpaid salaries, financial support for next-of-kin and location of whereabouts of missing relatives;
3. Facilitating claims and benefits (death benefits/ money claims, shipment of personal effects of deceased);
4. Repatriating illegal or overstaying Filipinos, Filipinos covered by amnesty and regularization programs, deported Filipinos; and
5. Pursuing the negotiation of bilateral, regional and multi-lateral agreements to provide protection for Filipino migrant workers.

## **2. Philippine Overseas Labor Offices (POLOs)**

The primary functions of Philippine Overseas Labor Offices (POLOs) are:<sup>14</sup>

1. To ensure adequate protection for Filipino workers through verification of employment documents and job orders, and policy recommendations;
2. To provide on-site assistance to OFWs with labour and welfare cases;
3. To seek new employment opportunities for Filipino job seekers by regularly gathering information and conducting labour market research on overseas manpower requirements; and
4. To promote the over-all welfare of Filipino workers through socio-cultural activities and programs that will help them re-integrate to Philippine society.

Effectively, the POLOs are the on-site extension of the POEA. These offices are manned by Philippine Labour Attachés. There are thirty-seven (37) Philippine Overseas Labor Offices (POLOs) in various countries in Asia, Middle East, the Americas and Europe, acting as the operating arm to administer and enforce the adopted policies and programs of the DOLE on international labour affairs.

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<sup>14</sup> Taken from the Philippine Overseas Labor Office – Seoul, Republic of Korea (<http://www.philembassy-seoul.com/polo.asp>)

### 3. Overseas Absentee Voting Secretariat<sup>15</sup>

The Overseas Absentee Voting Secretariat (OAVS) was established by the DFA to direct, coordinate and oversee the participation of the Department in assisting the Commission on Elections (COMELEC) in the implementation of RA 9189 or the "Overseas Absentee Voting (OAV) Act of 2003" (DFA, 2009). Section 22 of the Act mandates all government agencies, especially the DFA, to assist the COMELEC in carrying out the provisions of the Law. The 2003 OAV Act provides Filipino citizens abroad not otherwise disqualified by law to exercise their right of suffrage on-site and vote for president, vice-president, senators and party-list representatives of the Philippines.

The OAVS coordinates all election activities in all 88 Voting Posts around the world, including the training of DFA and Foreign Service Posts personnel on the mechanics of the implementation of the OAV Law. The Secretariat likewise coordinates with other government agencies to ensure a coherent and integrated approach in the implementation of the said legislation.

## III. Non-Government Organizations

The government has long recognized the role of non-state participants in protecting the rights and promoting the welfare of migrant workers. As a state policy<sup>16</sup>, the government considers non-governmental organizations as partners in pursuing migrant concerns.

Non-state actors in the migrant sector may generally be classified into four types. Firstly, there are non-profit, non-stock non-governmental organizations (NGOs), funding of which are mostly from foreign and local social development organizations (Bagasao, 2008). Examples of these NGOs include Atikha Overseas Workers and Communities Initiative, Inc. (Atikha), Unlad Kabayan Migrant Services Foundation, Inc. (Unlad Kabayan) and Development Action for Women Network (DAWN), all established in 1996. Secondly, there are membership-based organizations and networks of current and former migrants, and their families, such as the International Union of Overseas Workers, Inc., established in 1992, and the Seamen's Wives Association of the Philippines, established in 1978. These likewise include sector-specific organizations, such as the Associate Marine Officers' and Seamen's Union of the Philippines (AMOSUP) established in 1961. Church-based organizations, notably those within the Catholic Church, comprise the third type of non-state actors in the migrant sector. The Center for Overseas Workers (COW), founded by a congregation of Catholic nuns in 1982, and the Scalabrini Migration Center, a research institution dedicated to human mobility from and within Asia that was organized by Scalabrini brothers in 1987, are two of such organizations. Lastly, there are alliances and networks among various organizations within the migrant sector and outside, e.g. women, human rights, and labour. Some of these alliances and networks include the Network Opposed to Violence against Women Migrants (NOVA), a network of migrant and feminist organizations; the Philippine Migrants Rights Watch (PMRW), composed largely

<sup>15</sup> We appreciate the inputs provided to this section by the officers at OAVS, particularly, Usec. Rafael Seguis.

<sup>16</sup> Section 2(h). Migrant Workers and Overseas Filipinos Act of 1995

of Church-based migrant organizations; the Alliance for Migrant Workers and Advocates to Amend R.A. 8042 (AMEND), a network of migrant sector organizations calling for the repeal of the deregulation provisions of RA 8042 among others; and the Migrant Forum in Asia Network (MFA), a regional network of migrant rights NGO, trade unions and migrant organizations in Asia (Alcid, 2006).

Prior to 1975, when the overseas employment program was first introduced, there were already existing membership-based and church-based organizations geared specifically to promote the concerns of migrant workers. NGOs began organizing in the early 1980s as a response to increasing cases of reported illegal recruitment, contract violations, and other abuses committed against Filipino overseas contract workers. Pioneer migrant sector NGOs promoted the interests of migrant workers by “seeking redress for grievances, engaging the national government to put in place pro-OFW policies and protective mechanisms, providing direct support (e.g. legal aid, counselling, crisis intervention, welfare assistance), consciousness raising on the structural bases of overseas employment, educating migrants about their rights and entitlements, organizing OFW families, research and publications, and international networking” (Alcid, 2006).

NGOs respond not only to migrant labour-related problems, but also to economic, psycho-social, and even health, issues brought about by the migration experience. Broadly speaking, services to migrant workers, their families, and to communities where they belong may include any of the following: legal and paralegal services, economic services, psycho-social services, and other auxiliary services. In practice, many programs for migrant workers and their dependents combine these different types of services.

*Legal and Paralegal Services.* Migrant NGOs complement the services provided by government agencies by providing legal advice to victims of illegal recruitment violations and human trafficking, contract violations, and other kinds of abuse in the workplace, as well as the facilitation of filing of cases against violators.

Kanlungan Centre Foundation, Inc. (Kanlungan), one of the pioneer migrant NGOs<sup>17</sup> in the country, has a pool of volunteer lawyers to assist victims of illegal recruitment and trafficking, contract violations and workplace abuse (Kanlungan, s.n.). DAWN, a women-children-migrants NGO organized to assist Filipino women migrants in Japan and their Filipino-Japanese children, provides such legal and paralegal assistance not only for work-related cases, but also on civil cases, such as financial support/documentation and divorce (DAWN, 2009).

*Economic Services.* Economic services for migrants and their dependents include activities relating to the management of migrant workers’ resources, i.e. remittance, for the productive use not only of immediate dependents and the migrants themselves, but of the community, often in view of future reintegration of migrants to the community. The MFA, through its member Unlad Kabayan, and the Economic Resource Center for Overseas Filipinos (ERCOF) Philippines, Inc. are some of these networks and NGOs which provide such services.

MFA, a network of 290 migrant sector organizations in 14 Asian countries, pioneered the Migrant Savings for Alternative Investment (MSAI) in 1995, through the Asian Migrant Center in Hong Kong and subsequently Unlad Kabayan in the Philippines. MSAI pools resources from migrant

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<sup>17</sup> Established in 1981



reintegration and savings groups (RSGs) to provide capital for micro-finance and micro-enterprise initiatives, providing not only added income for members of RSGs but also employment to members of the community where the projects are.

In 1996, Unlad Kabayan was established to pioneer MSAI in the Philippines (MFA, 2006). With MSAI and Social Entrepreneurship and Enterprise Development Services (SEED), Unlad Kabayan's community-based training and resource centres, RSGs supported micro-enterprises in various parts of the country. In 2007, for instance, the organization supported the following enterprises: coco coir processing plant in Davao Oriental, food processing in Davao City, virgin coconut oil processing in Lanao del Norte, and bio-resource farm in Bukidnon. In Taiwan, one of Unlad Kabayan's target migrant centres, there are 14 RSGs with 168 members in the same year (Unlad Kabayan, 2008).

ERCOF<sup>18</sup>, on the other hand, utilizes a different approach. Whereas MFA and Unlad Kabayan directly provide economic services to its members, ERCOF facilitates the creation of migrant worker-economic services provider linkages, at the same time providing initial business, legal and practical orientation, and subsequent monitoring and support to migrant workers. Since 2007, ERCOF has been one of the partners of the Bangko Sentral ng Pilipinas (BSP) in providing financial literacy education to promote a culture of savings among migrant workers and their families (ERCOF, 2009).

*Psycho-social Services.* Psychosocial services for migrant workers include activities geared towards the psychosocial health of migrants and their families, e.g., counselling and value formation. This may also include similar services for victims of abuse, as well as of migrant workers afflicted with HIV/AIDS.

Psycho-social intervention is at the heart of services available to migrants through NGOs. In fact, many programs and services for migrant workers and their families have integral psycho-social aspects. Atikha, for instance, combines their migrant worker and family orientation-seminar on common problems and ways to cope with the migration process, with financial planning, budgeting and goals setting. Atikha likewise provides family and peer counselling to help family members cope with the separation of another family member who are working abroad (Atikha, 2005). Kanlungan and DAWN, on the other hand, offer counselling services to women subjected to violence abroad.

*Other Auxiliary Services.* Other migrants support services include activities offered by NGOs which aid migrant workers in the course of the migration process itself. Examples of which are the temporary shelter provided by the Scalabrini Center for People on the Move<sup>19</sup> for migrants, refugees and returnees in transit or stranded in Manila; the airport/travel assistance provided by DAWN; and the repatriation assistance to on-site workers, and airport assistance to deceased migrants or returnees provided by the Kapisanan ng mga Kamag-anak ng Migranteng Manggagawang Pilipino, Inc. (KAKAMMPI)<sup>20</sup>.

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<sup>18</sup> Established in 2003

<sup>19</sup> Established in the Philippines in 1993

<sup>20</sup> Established in 1983

#### **IV. Summary, Assessment and Recommendations**

The paper has described the institutions that evolved to manage international migration in the country. These institutions have been hailed as a model for many developing countries to emulate. Figure 2 depicts the network of institutions serving OFWs. All aspects of migration have been covered from pre-deployment, deployment, on-site services, and eventual return.

The regulatory framework for deployment employed by the POEA can be summarized into three elements: (a) limiting entry to qualified actors; (b) rules and regulations on fees and standard contracts; and (c) ensuring compliance through monitoring and adjudication machinery (Agunias and Ruiz, 2008). The OWWA, for its part, created a welfare fund from the US\$25 contribution of OFWs to finance welfare services at home and abroad. Mughal and Padilla (2005) cited the establishment of this fund as a good practice worthy of emulation by countries sending workers abroad. The CFO has improved the relationships of government and diaspora communities abroad. Finally, the NRCO has been established to be the hub of services for re-integrating OFWs although it is too early to comment on its success.

Limiting the entry to qualified actors is expected to lower the probability of problems occurring. Actors in the deployment process include recruitment agencies, prospective employers, and workers. Qualified recruitment agencies are defined to be those that are least 75 percent Filipino-owned, has no derogatory record, with sufficient capital and able to post bonds. Qualified employers must be registered and accredited and have a model employment contract which should have special safeguards particularly for vulnerable employment. Qualified workers must be technically and medically fit and can also comply with additional requirement for vulnerable positions.

To avoid exploitation, rules on fees and standard contract, which specify the required minimum provisions, are also in place. It is a well-known dilemma that too complicated rules breed corruption and abuse. The enforcement of rules is important in instilling discipline and order (Mughal and Padilla, 2005). Finally, monitoring is done by spot checks, and rules on resolving conflict are specified.

Undoubtedly the regulatory framework for deployment of overseas workers has been honed through time. As mentioned earlier, the sophistication of the regulatory framework is worthy of emulation. But what is the performance? The Commission on Audit Sectoral Performance Audit report (COA, 2008) on the overseas workers program covering CY 2005-2006 gave a mixed rating. It praised some of the commendable performance such as those on the adjudication of cases but it has also identified several lapses. For instance, it pointed out that the fines may be too low that these do not compel agencies to comply with existing rules and regulations as indicated by the number of violations. In addition, there appears to be laxity in enforcement as agencies that had several violations and should have been suspended continue to operate. Surveillance operations have been noted to have declined and record on inspections is not maintained. Selective deployment to countries where rights are recognized and protected by law or by bilateral agreements as required by law (RA 8042) was not strictly observed. The coordination between the POEA and the POLOs was found insufficient. Finally, it was pointed out that there was no assurance that those who have gone

through the Pre-Departure Orientation Seminar (PDOS) are indeed ready for deployment because no monitoring and evaluation was done.

In the case of the OWWA, the audit report also pointed out similar lapses. These include delayed release of benefit claims as no prescribed processing time was specified. OWWA also did not maintain complete records on repatriation so it was difficult to collect receivables from recruitment agencies as well as subject non-complying firms to suspension. In fact, agencies that were reported to have outstanding obligations with OWWA continued to operate as reflected in the POEA records.

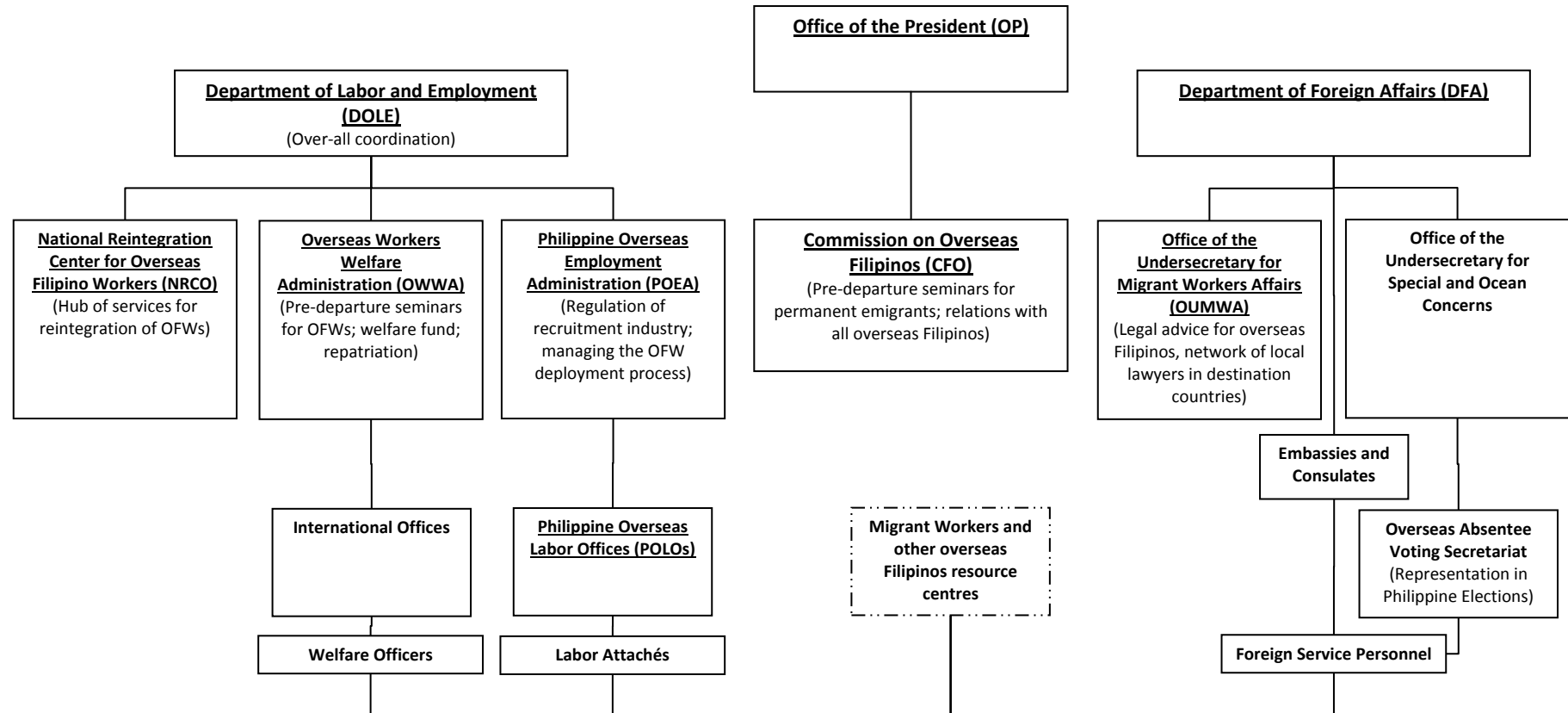
In fairness to POEA and OWWA, these lapses may not be entirely their fault. Agunias and Ruiz (2008) pointed out that regulations and programs are only as good as the capacities of institutions that implement them. They pointed out that government need to invest on improving capacities in these institutions. In 2007, for instance, there are only 6 full-time inspectors serving 1,422 active agencies and 479 agencies applying for new licenses or 1 inspector for every 317 agencies. Delays in the delivery of services have also been noted in the COA audit report. In addition, they have also pointed that financing should not be too much of a problem as these institutions are generating more than they are spending. In 2006 for instance, POEA generated Php330 million (US\$7 million) from service fees alone and its allotment from the national government is only Php242 million (US\$5 million). The invested assets of OWWA, on the other hand, have grown more than four times to Php8.4 billion (US\$189 million) as of 2006 from less than Php2 billion (US\$45 million) in 2000. Besides investing on existing capacity, there may be a need to expand capacity if one uses the length of time it takes to deliver services as an indicator.

It also needs to be recognized that the international nature of the migration also poses a natural barrier. With all the advances in globalization, countries are still determined to protect their sovereignty. Once a worker leaves the country to work abroad, he will be at the mercy of the laws, tradition, and custom of the host country. Thus, in managing global movement of workers one needs to recognize that one does not have complete control. Here lies the importance of bilateral agreements. It is easier to find common grounds two countries can agree to bind themselves into compared with multi-lateral negotiations. Cooperation between origin and destination countries particularly in supervising recruitment and employment is important in minimizing malpractice and in successful temporary migration programmes (Mughal and Padilla, 2005; Abella, 2006).

To curb exploitation in migration, increase in employment opportunities must be sought. Government needs to find new and better markets for overseas employment (Mughal and Padilla, 2005). Investing in education on the benefits of legal migration and the perils of illegal migration will go a long way in avoiding exploitation. Deployment of workers with more skills must be encouraged since skilled workers are less susceptible to exploitation.

Even though it is acknowledged that government has a large role to play in managing the deployment of workers, it is not the only institution that can deliver services. As shown in Section C, the country has seen the work of NGOs in providing services for OFWs. NGOs have provided legal and para-legal, economic and psycho-social services.

Figure 2. Philippine Government Institutions Managing Migration



Adopted from: Ruiz, N. G., "Managing Migration: Lessons from the Philippines", Migration and Development Brief 6 (Migration and Remittances Team - Development Prospects Group, The World Bank, August 2008). [www.worldbank.org/prospects/migrationandremittances](http://www.worldbank.org/prospects/migrationandremittances).

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