

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

COMMITTEE REPORT NO. 879

Submitted by the Committee on Overseas Workers Affairs on 13 APR 2011

RE : HOUSE BILL NO. 4539

Recommending its approval in substitution of House Bill Nos. 450, 973, 1278 and 2082

Sponsor : Representatives Walden F. Bello and Juan Edgardo M. Angara

Mr. Speaker:

The Committee on Overseas Workers Affairs to which were referred House Bill No. 450 introduced by Rep. Juan Edgardo M. Angara, entitled:

AN ACT ESTABLISHING CREDIT ASSISTANCE PROGRAM  
FOR OVERSEAS WORKERS

House Bill No. 973 introduced by Rep. Augusto Syjuco, Jr., entitled:

AN ACT ESTABLISHING CREDIT ASSISTANCE PROGRAM  
FOR OVERSEAS WORKERS

House Bill No. 1278 introduced by Rep. Augusto Syjuco, Jr., entitled:

AN ACT ESTABLISHING CREDIT ASSISTANCE PROGRAM  
FOR OVERSEAS WORKERS

and House Bill No. 2082 introduced by Rep. Ignacio T. Arroyo, Jr., entitled:

AN ACT ESTABLISHING CREDIT ASSISTANCE PROGRAM  
FOR OVERSEAS WORKERS

has considered the same and recommends that the attached House Bill No. 4539,  
entitled:

AN ACT ESTABLISHING CREDIT ASSISTANCE PROGRAM  
FOR OVERSEAS WORKERS

be approved in substitution of House Bill Nos. 450, 973, 1278 and 2082 with Reps. Juan Edgardo M. Angara, Augusto Syjuco Jr., Ignacio T. Arroyo Jr., Walden F. Bello, Maria Carmen Zamora-Apsay, Neil Benedict A. Montejo, Emmeline Y. Aglipay, Cresente C. Paez, Luzviminda C. Ilagan, Maximo B. Rodriguez, Manuel S. Agyao, Maria Milagros H. Magsaysay, Lani M. Revilla, Tobias Reynald M. Tiangco, Mark A. Villar, Emmanuel D. Pacquaio, Maria Valentina G. Plaza, Imelda Q. Dimaporo, Fatima Aliah Q. Dimaporo, Isidro Q. Lico, Lorenzo R. Tañada III, Raymond DC. Mendoza, Carlos M. Padilla, Leopoldo N. Bataoil, Joseph F. Violago and Rodel Batocabe as authors thereof.

Respectfully submitted:



WALDEN F. BELLO

Chairman

Committee on Overseas Workers Affairs

THE HONORABLE SPEAKER  
HOUSE OF REPRESENTATIVES  
QUEZON CITY

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 4539

(In substitution of House Bill Nos. 450, 973, 1278 and 2082)

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Introduced by

Reps. Juan Edgardo M. Angara, Augusto Syjuco Jr., Ignacio T. Arroyo Jr., Walden F. Bello, Maria Carmen Zamora-Apsay, Neil Benedict A. Montejo, Emmeline Y. Aglipay, Cresente C. Paez, Luzviminda C. Ilagan, Maximo B. Rodriguez, Manuel S. Agyao, Maria Milagros H. Magsaysay, Lani M. Revilla, Tobias Reynald M. Tiangco, Mark A. Villar, Emmanuel D. Pacquaio, Maria Valentina G. Plaza, Imelda Q. Dimaporo, Fatima Aliah Q. Dimaporo, Isidro Q. Lico, Lorenzo R. Tañada III, Raymond DC. Mendoza, Carlos M. Padilla, Leopoldo N. Bataoil, Joseph F. Violago and Rodel Batocabe

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**AN ACT**  
**ESTABLISHING A CREDIT ASSISTANCE PROGRAM**  
**FOR OVERSEAS WORKERS**

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

1       SECTION 1. *Title.* – This Act shall be known as the “Overseas Workers  
2       Credit Assistance Act of 2011”.

3  
4       SEC. 2. *Declaration of Policy.* – It is hereby declared a policy of the State to  
5       protect the interest of the overseas workers by providing them access to credit  
6       facilities even before their departure.

7  
8       SEC. 3. *Loans.* – An overseas Filipino worker (OFW) with a valid  
9       employment contract processed through a licensed recruitment and manning agency  
10      accredited by the Philippine Overseas Employment Administration (POEA) may avail  
11      of a loan of not more than Fifty Thousand Pesos (P50,000.00) from the Overseas  
12      Workers Welfare Administration (OWWA) for any of the following purposes: (a) to  
13      defray the living expenses of one’s family during the first months of absence; and/or  
14      (b) to pay for recruitment expenses including placement fees, documentation costs  
15      and plane tickets: *Provided,* That any member of the OFW’s family not otherwise  
16      disqualified by law shall be a co-borrower and shall execute the necessary  
17      documentation to that effect: *Provided, Further,* That the loan shall be granted and  
18      released by OWWA upon proper evaluation and submission of the employment  
19      contract and plane ticket, duly certified to in writing by the recruitment agency or  
20      direct hirer as to their authenticity and properly verified by the POEA.  
21

1 The loan shall be entered into by and between the overseas worker-borrower  
2 and OWWA, with the next-of-kin as a co-borrower. The loan shall be covered with a  
3 loan redemption insurance from any private insurance provider duly registered with  
4 and accredited by the Insurance Commission, the premium of which shall be paid by  
5 the applicant overseas worker-borrower.  
6

7 SEC. 4. *Accreditation of Banks as Payment Conduits.* – The OWWA shall  
8 accredit as many domestic or foreign banking institutions as possible which are duly  
9 authorized to do business in the Philippines in order to serve the loan  
10 payment/amortization needs of overseas workers-borrowers. It shall be the obligation  
11 of the overseas worker-borrower to remit the loan payment/amortization regularly to  
12 OWWA through the banking institutions. The OWWA shall likewise establish,  
13 within one (1) year after the effectivity of this Act, an on-line payment system  
14 wherein the overseas worker-borrower may pay the loan amortization through the  
15 internet.  
16

17 SEC. 5. *Payment of Loan.* – The loan shall be paid in twelve (12) equal  
18 monthly installments at a preferred interest rate not to exceed six percent (6%) per  
19 annum.  
20

21 SEC. 6. *Loan Payment Assurance Mechanisms.* – Failure to pay the loan  
22 and/or any violation of the terms imposed upon the loan shall be sufficient ground for  
23 the POEA and all its offices, including its deputized/accredited private entities and  
24 the Philippine Overseas Labor Offices (POLOs), to withhold the issuance of the  
25 Overseas Employment Certificate (OEC) and any other exit permit/clearance to work  
26 abroad to the overseas worker-borrower concerned unless: (a) he/she agrees to the  
27 restructuring of the loan, and thereupon pays the first installment on the said  
28 restructuring, as duly certified by OWWA, and, together with this restructuring,  
29 he/she justifies in writing the cause/reason for his/her failure to pay the balance due in  
30 connection with the loan; or, (b) he/she is able to pay in full, as duly certified by  
31 OWWA, whatever balance is due in connection with the loan.  
32

33 The certification of the OWWA account officer concerned indicating therein  
34 the just cause/reason for the failure to pay, duly attested to by the said account  
35 officer's immediate supervisor, shall serve as proof of the just cause/reason. This  
36 certification and all other certifications mentioned in this section may be issued  
37 electronically, through the internet, with the electronic signatures of the persons  
38 executing and/or attesting to the said certifications and other authenticating  
39 safeguards.  
40

41 SEC. 7. *Loan Verification.* – For purposes of faster loan verification and/or  
42 authentication and to facilitate OWWA's administration of this credit assistance  
43 program, the Balik-Manggagawa Processing Center, Regional Offices and Labor  
44 Assistance Centers (LACs) of the POEA, all Philippine Overseas Labor Offices  
45 (POLOS) abroad, all OWWA Offices in the Philippines and abroad, all other  
46 concerned government agencies/offices and all licensed recruitment and manning  
47 agencies deputized/accredited by the POEA to issue OECs and other exit  
48 permits/clearances to work abroad, shall coordinate closely and regularly with  
49 OWWA using all available means of verifiable and properly protected  
50 communications including, but not limited to, at least one (1) dedicated, real-time and

1 interactive website to be maintained and regularly updated on a twenty-four-hour-a-  
2 day, seven-day-a-week (24/7) basis by the OWWA.

3  
4 SEC. 8. *Prohibited Acts and Penalties.* – Any government official and/or  
5 employee who issues an Overseas Employment Certificate (OEC) and/or an exit  
6 permit/clearance to any overseas worker-borrower in violation of any provision of this  
7 Act shall suffer the penalty of sixty (60) day suspension without pay for the first  
8 offense and dismissal from the service with a five (5) year disqualification to hold any  
9 public office for the second offense.

10  
11 Any private entity which issues an Overseas Employment Certificate (OEC)  
12 and/or an exit permit/clearance to any overseas worker-borrower in violation of any  
13 provision of this Act shall suffer the penalty of sixty (60) day suspension of its license  
14 or accreditation for the first offense and permanent cancellation of license or  
15 accreditation for the second offense.

16  
17 SEC. 9. *Additional Personnel for OWWA.* – To ensure the proper  
18 implementation of this Act, OWWA is hereby authorized to hire additional personnel  
19 who possess the necessary skills, qualification and experience in bookkeeping,  
20 accounting, information technology, and credit administration, including but not  
21 limited to, the areas of evaluation of loan applications, credit investigation,  
22 verification, authentication, and collection.

23  
24 SEC. 10. *Implementing Rules and Regulations.* – The OWWA, in  
25 consultation with the Senate Committee on Labor and Employment and the House  
26 Committee on Overseas Workers Affairs, shall, within sixty (60) days after the  
27 effectivity of this Act, issue the necessary rules and regulations for its effective  
28 implementation.

29  
30 SEC. 11. *Appropriations.* – The amount needed for the release of loans as  
31 mandated under this Act shall be appropriated out of the Overseas Welfare Trust  
32 Fund. The departments, agencies, bureaus, and offices charged with carrying out the  
33 provisions of this act shall include in their respective programs the implementation of  
34 this act, the funding of which shall be included in the Annual General Appropriations  
35 Act.

36  
37 SEC. 12. *Repealing Clause.* – Any other provisions of law or rules and  
38 regulations inconsistent with the provisions of this Act are hereby repealed, amended  
39 or modified accordingly.

40  
41 SEC. 13. *Separability Clause.* – If, for any reason, any section or provision of  
42 this Act is held unconstitutional or invalid, the other sections or provisions hereof  
43 shall not be affected thereby.

44  
45 SEC. 14. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
46 publication in the *Official Gazette* and in at least two (2) newspapers of general  
47 circulation.

48  
49 Approved,

## FACT SHEET

House Bill No. 4539

in substitution of House Bill Nos. 450, 973, 1278 and 2082

(As approved on March 23, 2011)

### **AN ACT ESTABLISHING A CREDIT ASSISTANCE PROGRAM FOR OVERSEAS WORKERS**

*Introduced by: REPRESENTATIVES JUAN EDGARDO "SONNY" M. ANGARA, AUGUSTO SYJUCO, JR. and IGNACIO T. ARROYO*

*Committee Referral: COMMITTEE ON OVERSEAS WORKERS AFFAIRS*

*Committee Chairperson: REPRESENTATIVE WALDEN F. BELLO*

#### **OBJECTIVE:**

- To alleviate the financial plight of the overseas workers and their families during the first few months of the former's absence

#### **KEY PROVISIONS:**

- Provides that an overseas Filipino worker (OFW) with a valid employment contract processed through a licensed recruitment agency accredited by the Philippine Overseas Employment Administration (POEA) may avail of a loan of not more than Fifty Thousand Pesos (P50,000.00) from the Overseas Worker and Welfare Administration (OWWA) to defray the living expenses of his family during the first months of absence or to pay for recruitment expenses including placement fees, documentation costs and plane tickets
- Requires OWWA to establish, within one (1) year after the effectivity of the Act, an on-line payment system wherein the OFW-borrower may pay the loan amortization through the internet
- Obliges the OFW-borrower to regularly remit the loan payment or amortization through the OWWA accredited banking institutions. The loan shall be paid in twelve (12) equal monthly installments at a preferred interest rate of not more than six (6%) per annum
- Prohibits the issuance of the Overseas Employment Certificate (OEC) and any other exit permit/clearance to work abroad to an OFW-borrower that has been unable to comply with the terms of the loan
- Authorizes OWWA to hire additional personnel to respond to requirements of the loan program

#### **RELATED LAWS:**

- Labor Code of the Philippines;
- Republic Act No. 8042, as amended; and
- Civil Code of the Philippines;

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

H. B. No. 450

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Introduced by HONORABLE JUAN EDGARDO "SONNY" M. ANGARA

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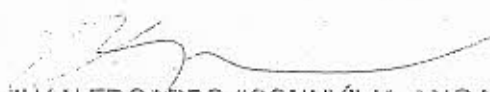
EXPLANATORY NOTE

The Overseas Filipino Workers have time and again been referred to as the heroes of our generation. This is primarily due to the million and one sacrifices that they have to endure in the search for social and economic redemption they have failed to achieve at home.

It is but fitting to extend to the Pinoy OCW all the assistance that the government can give. This should include an exclusive credit assistance program as proposed under this measure.

The credit facilities under this bill starts even before the departure of the OFW. One who has a valid contract as certified by the POEA, may avail of a Fifty Thousand Pesos loan from the OWWA to defray the living expenses of his family during the first few months of his absence as well as other expenses incurred in his pre-employment. The payment shall be through bank transactions with simple and easy loan terms.

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

  
JUAN EDGARDO "SONNY" M. ANGARA  
Representative  
Lone District, Province of Aurora

H. B. No. 450

introduced by Honorable JUAN EDGARDO "SONNY" M. ANGARA

AN ACT  
ESTABLISHING A CREDIT ASSISTANCE PROGRAM  
FOR OVERSEAS WORKERS

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

SECTION 1. *Title.* This Act shall be known as the "*Overseas Workers Credit Assistance Act of 2010*".

SEC. 2. *Declaration of Policies.* It is hereby declared a policy of the state to protect the interest of the overseas workers by providing them access to credit facilities even before their departure.

SEC. 3. *Loans.* An overseas contract worker with a valid contract through/from an accredited employment agency of the POEA may avail of a loan of not more than Fifty Thousand pesos (P50,000.00) from the Overseas Worker and Welfare Administration (OWWA) to defray the living expenses of his family during the first months of absence as well as recruitment expenses including placement fees, documentation costs and plane tickets; Provided, That any one of the member of his family not otherwise disqualified by law shall participate in the loan as co-borrower, and execute necessary documentation to that effect; Provided further, That the loan shall be granted and released by the OWWA upon proper submission of the following documents, duly certified to in writing by the recruitment agency or direct hirer as to their authenticity and properly certified/verified by the POEA.

(a) Employment contract

(b) Plane ticket; and

(c) Bank Account

The loan shall be entered into by and between the overseas workers and OWWA, with the next of kin as the guarantor. The loan shall be covered with loan redemption insurance from the Government Service Insurance system (GSIS), the premium of which shall be paid by the applicant overseas worker.

SEC. 4. *Establishment of Bank Account.* Overseas workers availing of the loan mentioned in the preceding section shall establish a bank account with any domestic or foreign banking institution duly authorized to do business in the Philippines, in the name of the overseas

worker himself/herself and/or member of his immediate family designated as co-borrower to the loan wherein the proceeds of the loan shall be released and credited, and where monthly remittances of salaries and wages abroad and payments on the loan shall be made. It shall be the obligation of the overseas worker-borrower to remit his earnings abroad only through the said bank account.

SEC. 5. *Payment of Loan.* The loan shall be paid in twelve (12) equal monthly instalments at a preferred interest rate not to exceed six percent (6%) per annum through the bank account to be established under the immediately preceding section. For this purpose, applicant shall execute the necessary authority for the bank to withhold the monthly loan amortizations from his remittances.

SEC. 6. *Sanctions.* Failure to pay the loan and/or violations of the terms imposed herein shall be sufficient ground to bar the defaulting overseas worker-borrower from future overseas employment.

SEC. 7. *Implementing Rules.* The OWWA shall issue rules and regulations for the effective implementation of this Act.

SEC. 8. *Appropriation.* The amount needed to implement the provisions of this Act shall be appropriated out of the Overseas Welfare Fund.

SEC. 9. *Repealing Clause.* Any other provisions of law or rules and regulations inconsistent to the provisions of this Act are hereby repealed, amended or modified accordingly.

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

Approved,

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS

First Regular Session

House Bill No. **973**

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Introduced by REP. AUGUSTO BOBOY SYJUCO

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EXPLANATORY NOTE

Our Overseas Filipino Workers (OFW) are dubbed as the "Bagong Bayani" for their unspoken heroic deeds in nation – building and their relentless hard works to cater the needs of their families left in the country. The State shall promote the welfare and interests of the migrant workers and their families. It is hereby declared a policy of the State to protect the interest of the overseas workers by providing them access to credit facilities even before their departure.

This bill seeks to establish and credit assistance program for the Overseas Filipino Workers (OFW) to be administered by the Overseas Workers and Welfare Administration (OWWA). An amount of a maximum of Fifty Thousand Pesos (P50,000.00) may be availed by the qualified overseas contract worker to defray the living expenses of his family during the first months of absence as well as recruitment expenses including placement fees, documentation costs and plane ticket.

With the foregoing, approval of this bill is earnestly requested.

  
AUGUSTO BOBOY SYJUCO  
2<sup>nd</sup> District, Province of Iloilo

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS

First Regular Session

House Bill No. **973**

Introduced by REP. AUGUSTO BOBOY SYJUCO

AN ACT ESTABLISHING A CREDIT ASSISTANCE PROGRAM FOR  
OVERSEAS WORKERS

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

SECTION 1. *Title.* – This Act shall be known as the "Overseas Workers  
Credit Assistance Act of 2010".

SEC. 2. *Declaration of Policy.* – It is hereby declared a policy of the State to  
protect the interest of the overseas workers by providing them access to credit  
facilities even before their departure.

SEC. 3. *Loans.* – An overseas contract worker with a valid contract  
through/from an accredited employment of the Philippine Overseas Employment  
Administration (POEA) may avail of a loan of not more than Fifty thousand pesos  
(P50,000.00) from the Overseas Workers and Welfare Administration (OWWA) to  
defray the living expenses of his family during the first months of absence as well  
as recruitment expenses including placement fees, documentation costs and plane  
tickets: *Provided,* That any one of the members of his family not otherwise  
disqualified by law shall participate in the loan as co-borrower and execute  
necessary documentation to that effect: *Provided, further,* That the loan shall be  
granted and released by the OWWA upon proper submission of the following  
documents, duly certified to in writing by the recruitment agency or direct hirer as  
to their authenticity and properly certified/verified by the POEA:

- (a) Employment contract;
- (b) Plane ticket; and
- (c) Bank Account.

The loan shall be entered into by and between the overseas workers and  
OWWA, with the next-of-kin as the guarantor. The loan shall be covered with loan  
redemption insurance from the Government Service Insurance System (GSIS), the  
premium of which shall be paid by the applicant overseas worker.

SEC. 4. *Establishment of Bank Account.* – Overseas workers availing of the  
loan mentioned in the preceding section shall establish a bank account with any  
domestic or foreign banking institution duly authorized to do business in the  
Philippines, in the name of the overseas worker himself/herself and/or member of  
his/her immediate family designated as co-borrower to the loan wherein the  
proceeds of the loan shall be released and credited, and where monthly

remittances of salaries and wages abroad and payments on the loan shall be made. It shall be the obligation of the overseas worker-borrower to remit his earnings abroad only through the said bank account.

SEC. 5. *Payment of Loan.* – The loan shall be paid in twelve (12) equal monthly installments at a preferred interest rate not to exceed six percent (6%) per annum through the bank account to be established under the immediately preceding section. For this purpose, the applicant shall execute the necessary authority for the bank to withhold the monthly loan amortizations from his remittances.

SEC. 6. *Sanctions.* – Failure to pay the loan and/or violations of the terms imposed herein shall be sufficient ground to bar the defaulting overseas worker-borrower from future overseas employment.

SEC. 7. *Implementing Rules and Regulations.* – The OWWA shall issue rules and regulations for the effective implementation of this Act.

SEC. 8. *Appropriations.* – The amount needed to implement the provisions of this Act shall be appropriated out of the Overseas Welfare Fund.

SEC. 9. *Repealing Clause.* – Any other provisions of law or rules and regulations inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

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

Approved,

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS

First Regular Session

House Bill No. 1278

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Introduced by REP. AUGUSTO BOBOY SYJUCO

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EXPLANATORY NOTE

Our Overseas Filipino Workers (OFW) are dubbed as the "Bagong Bayani" for their unspoken heroic deeds in nation – building and their relentless hard works to cater the needs of their families left in the country. The State shall promote the welfare and interests of the migrant workers and their families. It is hereby declared a policy of the State to protect the interest of the overseas workers by providing them access to credit facilities even before their departure.

This bill seeks to establish and credit assistance program for the Overseas Filipino Workers (OFW) to be administered by the Overseas Workers and Welfare Administration (OWWA). An amount of a maximum of Fifty Thousand Pesos (P50,000.00) may be availed by the qualified overseas contract worker to defray the living expenses of his family during the first months of absence as well as recruitment expenses including placement fees, documentation costs and plane ticket.

With the foregoing, approval of this bill is earnestly requested.

  
AUGUSTO BOBOY SYJUCO  
2<sup>nd</sup> District, Province of Iloilo

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS

First Regular Session

House Bill No. 1278

Introduced by REP. AUGUSTO BOBOY SYJUCO

AN ACT ESTABLISHING A CREDIT ASSISTANCE PROGRAM FOR  
OVERSEAS WORKERS

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

**SECTION 1. Title.** – This Act shall be known as the "Overseas Workers  
Credit Assistance Act of 2010".

**SEC. 2. Declaration of Policy.** – It is hereby declared a policy of the State to  
protect the interest of the overseas workers by providing them access to credit  
facilities even before their departure.

**SEC. 3. Loans.** – An overseas contract worker with a valid contract  
through/from an accredited employment of the Philippine Overseas Employment  
Administration (POEA) may avail of a loan of not more than Fifty thousand pesos  
(P50,000.00) from the Overseas Workers and Welfare Administration (OWWA) to  
defray the living expenses of his family during the first months of absence as well  
as recruitment expenses including placement fees, documentation costs and plane  
tickets: *Provided*, That any one of the members of his family not otherwise  
disqualified by law shall participate in the loan as co-borrower and execute  
necessary documentation to that effect: *Provided, further*, That the loan shall be  
granted and released by the OWWA upon proper submission of the following  
documents, duly certified to in writing by the recruitment agency or direct hirer as  
to their authenticity and properly certified/verified by the POEA:

- (a) Employment contract;
- (b) Plane ticket; and
- (c) Bank Account.

The loan shall be entered into by and between the overseas workers and  
OWWA, with the next-of-kin as the guarantor. The loan shall be covered with loan  
redemption insurance from the Government Service Insurance System (GSIS), the  
premium of which shall be paid by the applicant overseas worker.

**SEC. 4. Establishment of Bank Account.** – Overseas workers availing of the  
loan mentioned in the preceding section shall establish a bank account with any  
domestic or foreign banking institution duly authorized to do business in the  
Philippines, in the name of the overseas worker himself/herself and/or member of  
his/her immediate family designated as co-borrower to the loan wherein the  
proceeds of the loan shall be released and credited, and where monthly

remittances of salaries and wages abroad and payments on the loan shall be made. It shall be the obligation of the overseas worker-borrower to remit his earnings abroad only through the said bank account.

SEC. 5. *Payment of Loan.* – The loan shall be paid in twelve (12) equal monthly installments at a preferred interest rate not to exceed six percent (6%) per annum through the bank account to be established under the immediately preceding section. For this purpose, the applicant shall execute the necessary authority for the bank to withhold the monthly loan amortizations from his remittances.

SEC. 6. *Sanctions.* – Failure to pay the loan and/or violations of the terms imposed herein shall be sufficient ground to bar the defaulting overseas worker-borrower from future overseas employment.

SEC. 7. *Implementing Rules and Regulations.* – The OWWA shall issue rules and regulations for the effective implementation of this Act.

SEC. 8. *Appropriations.* – The amount needed to implement the provisions of this Act shall be appropriated out of the Overseas Welfare Fund.

SEC. 9. *Repealing Clause.* – Any other provisions of law or rules and regulations inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

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

Approved,

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL No. 2082

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Introduced by HON. IGNACIO T. ARROYO

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EXPLANATORY NOTE

The Overseas Filipino Workers have time and again been referred to as the heroes of our generation. This is primarily due to the million and one sacrifice that they have to endure in the search for social economic redemption they have failed to achieve at home.

It is but fitting to extend to the Pinoy OCW all the assistance that the government can give. This should include an exclusive credit assistance program as proposed under this measure.

The credit facilities under this bills starts even before the departure of the OFW. One who has a valid contract as certified by the POEA may avail of a Fifty Thousand Pesos loan from the OWWA to defray the living expenses of his family during the first few months of his absence as well as other expenses incurred in his pre-employment. The payment shall be through bank transactions with simple and easy loan terms.

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

  
IGNACIO T. ARROYO  
Representative  
5<sup>th</sup> District, Negros Occidental

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL No. 2082

---

Introduced by HON. IGNACIO T. ARROYO

---

AN ACT ESTABLISHING A CREDIT ASSISTANCE PROGRAM FOR OVERSEAS WORKERS

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

SECTION 1. This act shall be known as the "Overseas Workers Credit Assistance Act of 2010".

Sec. 2- Declaration of Policies- It is hereby declared a policy of the state to protect the interest of the overseas workers by providing them access to credit facilities even before their departure.

Sec. 3- Loans- An overseas contract worker with a valid contract through/ form an accredited employment of the POEA may avail of a loan of not more than FIFTY THOUSAND PESOS (50,000.00) from the Overseas Workers and Welfare Administration (OWWA) to defray the living expenses of his family during the first month of his absence as well as recruitment expenses including placement fees, documentation costs and plane tickets; Provided that any one of the member of his family not otherwise disqualified by law shall participate in the loan as co-borrower, and execute necessary documentation to that effect; Provided further, that the loan shall be granted and released by the OWWA upon proper submission of the following documents, duly certified to in writing by the recruitment agency or direct hirer as to the authenticity and proper certified/ verified by the POEA.

- a. Employment contract
- b. Plane ticket; and
- c. Bank Account

The loan shall be entered into by and between the overseas workers and OWWA, with the next of kin as the guarantor. The loan shall be covered with loan redemption insurance from the Government Service Insurance System (GSIS), the premium of which shall be paid by the applicant overseas worker.

Sec. 4. Establishment of Bank Account- Overseas workers availing of the loan mentioned in the preceding section shall establish a bank account with any domestic or foreign banking institution duly authorized to do business in the Philippines in the name of the overseas worker ~~himself/ herself and/ or member of his immediate family designated as co-borrower to the loan~~ wherein the proceeds of the loan shall be released and credited and where monthly remittances of salaries and wages abroad and payment on the loan shall be made. It shall be the obligation of the overseas worker-borrower to remit his earnings abroad only through the said bank account.

Sec. 5 Payment of Loan- The loan shall be paid in twelve (12) equal monthly installments at a preferred interest rate not to exceed six percent (6%) per annum through bank account to be established under the immediate preceding section. For this purpose, applicant shall execute the necessary authority for the bank to withhold the monthly loan amortizations from his remittance...

Sec. 6 Sanctions- Failure to pay the loan and/or violations of the terms imposed herein shall be sufficient ground to bat the defaulting overseas worker-borrower from future overseas employment.

Sec. 7. Implementing Rules- The OWWA shall issue rules and regulation for the effective implementation of this act.

Sec. 8 Appropriation- The amount needed to implement the provision of this act shall be appropriated out of the Overseas Welfare Fund.

Sec. 9. Repealing clause- Any other provisions of law or rules and regulation inconsistent to the provision of this act are hereby repealed, amended or modified accordingly.

Sec 10. Effectivity- This act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspaper of general circulation.

Approved,

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

15<sup>th</sup> Congress  
First Regular Session

**COMMITTEE ON OVERSEAS WORKERS AFFAIRS**

**MINUTES OF THE TWELFTH (12<sup>TH</sup>) MEETING OF THE COMMITTEE ON OVERSEAS WORKERS AFFAIRS HELD ON WEDNESDAY, MARCH 23, 2011; 9:30 A.M., CONF. RM. 3 & 4, RVM BUILDING, HOUSE OF REPRESENTATIVES, Q.C.**

**CALL TO ORDER / ROLL CALL**

The Chairman, Rep. Walden F. Bello, called the meeting to order at 9:35 a.m. Upon motion duly seconded and without any objection, the calling of the Roll was dispensed with.

**APPROVAL OF MINUTES OF THE PREVIOUS MEETING**

Upon motion, the reading of the Minutes of the previous Committee Meeting held on March 9, 2011 was dispensed with and the same was approved. There being no objection, the motion was approved.

**ACKNOWLEDGMENT OF MEMBERS / GUESTS**

The Chair then acknowledged the presence of the Members of the Committee to the meeting. Present in the meeting were:

1. Deputy Speaker Lorenzo Tanada III;
2. Rep. Maximo Rodriguez Jr.;
3. Rep. Luzviminda Ilagan;
4. Rep. Isidro Lico;
5. Rep. Carlos Padilla;
6. Rep. Raymond Mendoza;
7. Rep. Manuel Agyao;
8. Rep. Leopoldo Bataoil;
9. Rep. Rodel Batocabe;
10. Rep. Joseph Violago; and
11. Rep. Ma. Carmen Zamora-Apsay.

The Chair also acknowledged the presence of the following guests and resource persons from the government agencies and non-government organizations:

1. Assistant Secretary Virgilio Reyes, Department of Foreign Affairs (DFA);
2. Atty. Enrico Fos, DFA;
3. Mr. Maynard Maleon, DFA;
4. Mr. Michael Macaraig, DFA;
5. Administrator Carmelita Dimzon, Overseas Workers Welfare Administration (OWWA);
6. Ms. Celeste Valderama, Department of Labor and Employment (DOLE);
7. Deputy Administrator Stella Banawis, Philippine Overseas Employment Administration (POEA);
8. Director Carlos Gadapan, Philippine Drug Enforcement Agency (PDEA);
9. Ms. Flordeliza Pascual, Department of Budget and Management (DBM);
10. Mr. Loreto Soriano of LBS Recruitment Solutions Corp.;
11. Mr. Manny Geslani, recruitment consultant;
12. Ms. Ellene Sana of Center for Migrant Advocacy (CMA);
13. Mr. Garry Martinez of Migrante;
14. Ms. Rosanna Tapiru, an OFW from Japan;
15. Mr. Jonathan Gisala, an OFW from Madagascar; and
16. Ms. Marilou Jabagat, relative of an OFW-victim of human trafficking.

## **APPROVAL OF COMMITTEE REPORT ON THE CREDIT ASSISTANCE PROGRAM FOR OFWs**

The Chair informed the body that the Technical Working Group (TWG) formed by the Committee to consolidate House Bills 450 (Rep. Juan Edgardo M. Angara); 973 and 1278 (Rep. Augusto Syjuco Jr.); and 2082 (Rep. Ignacio T. Arroyo) has conducted a series of TWG meetings and has come up with a Substitute Bill on the establishment of a Credit Assistance Program for OFWs. Thereupon, Rep. Luzviminda Ilagan moved for the approval of the Committee Report. The motion, having been duly seconded and without any objection, was approved with all Members present to be made as additional co-authors of the Substitute Bill.

## **DELIBERATION OF PROPOSED MEASURES**

### **A. PRIVILEGE SPEECH ON HUMAN TRAFFICKING CASES INVOLVING FILIPINOS IN THE UNITED STATES, DELIVERED ON NOVEMBER 30, 2010 BY REP. LORENZO TANADA III**

Deputy Speaker Lorenzo Tanada III stated that human trafficking in the US is a growing industry. He asked where the fault lies – is it here in the Philippines or in the United States with connivance by some individuals there? He said we are on Tier 2-Watchlist of the US State Department. He revealed that in a visit to the US, he met 11 OFWs (the "Los Angeles 11") who, he said, are victims of human trafficking. He then narrated the experiences of these OFWs, to wit:

- The 11 OFWs were given working visas by the US, but when they arrived in the US, there was no one to meet them, prompting them to call up their local recruitment agency (Adman Human Resources Placement and Promotions Inc.).
- The 11 OFWs were then told by Adman in the Philippines to call up a certain telephone number in the US. When they called up this telephone number, they were told to go to Mississippi to work in an establishment there.
- In Mississippi, they were given wages lower than what was agreed upon in the Philippines and endured unbearable and harsh working conditions.
- The 11 OFWs are now in Los Angeles and are being investigated by the US Homeland Security and the Federal Bureau of Investigation (FBI).

Deputy Administrator Stella Banawis of POEA said Adman's operation was ordered to be cancelled on October, 2010. She said she has no idea who are the people behind Adman.

Rep. Tanada expressed the fear that Adman may merely change its name and that it may operate or may in fact be still operating under another name. He lamented that when agencies are suspended, many actually continue to operate, hiding under different names. He then stated that the US is asking for quick action on the case of Adman.

Marilou Jabagat, wife of one of the 11 OFWs, revealed that the placement fee of her husband has reached US\$ 7,000. She bewailed the action of Ms. Luzviminda Padilla, Labor Attaché in the US, who, instead of helping our OFWs in pursuing the case of human trafficking against their employer, wanted the OFWs to be repatriated to the Philippines. She said that Ms. Padilla is sowing feelings of discouragement among our OFWs in the US. Finally, she said that her family is currently burdened with a huge debt.

Mr. Garry Martinez of Migrante seconded the allegations raised against Ms. Padilla and her lack of interest in fully probing the case. He said that the work given to the Los Angeles 11 in Mississippi, which is cleaning a certain number of rooms every day, is physically impossible. He then asked why the government failed to monitor such incidents of human trafficking.

Rep. Tanada said he is certain there are syndicates in both the Philippines and the US. Our problem, he averred, is how to stop the syndicates here in the Philippines, as the syndicates in the US is a problem of the American authorities. He added that OWWA Welfare Officer Alberto Adonis Duero, who was sincerely helping the OFWs, began receiving death threats in his cellphone via a Philippine mobile number.

Rep. Tanada said that his House Resolution on human trafficking in the US may be deferred so that the other items in the Agenda may be taken up, considering the limited time and that this is just a preliminary inquiry on the case.

Rep. Tanada revealed that he was informed that one or two months ago, Adman, despite the suspension, was still operating, until Manila Mayor Alfredo Lim had its operations closed down. Thus, he asked POEA to cooperate and coordinate with Mayor Lim on this matter.

Rep. Luzviminda Ilagan said that in the past Meetings, the Committee tackled the same kind of problems. She asked the POEA if they have a list of recruitment agencies that have been suspended. She wished to know if these recruitment agencies have resumed operations. She said some of these suspended agencies merely change names, and thus wishes that POEA monitor these agencies to prevent name change.

Rep. Carlos Padilla recalled the problem of the 27 OFWs who were encouraged to work in Trinidad and Tobago a few years ago, similar to the problem of the Los Angeles 11. The papers of the 27 were processed by the Labor Attache in Washington DC but it turned out there were no jobs available in Trinidad and Tobago. He suggested that, perhaps, DOLE should ask the said Labor Attache to come home to answer these serious allegations against her and why mistakes like these were committed. He said the POEA should be more specific with regards to the status of these 11 OFWs in US. He then expressed the fear that there probably exists a syndicate among the Labor Attaches.

Responding to the query of whether there is a list of licensed recruitment agencies in good standing, the POEA Representative, Ms Stella Banawis, said that there is such a list in the POEA website, including a list of suspended or cancelled agencies.

The Chair said that POEA should upgrade its identification system, which should be able to readily identify officers, members, and even dummies, of all agencies. He said that, perhaps, a Special Task Force in DOLE should be able to do this, and thus prevent a suspended agency from starting operations again, under a new name.

Michael Macaraig of DFA suggested that, with regards to contracts, the documents should also be authenticated by the DFA. He said that there will be two agencies checking on the authenticity or legality of the documents, especially the contracts, and the DFA Consuls in the Foreign Service will not sign the document without investigating whether the contract is proper or not.

The Chair commended Mr. Macaraig's suggestion, saying that perhaps it would be a good idea if both the DOLE and the DFA would authenticate the documents.

On a different matter, the Chair stated that he was informed that Mr. Ferdinand Aquino, a seafarer who escaped from the Somalian pirates and who appeared before the Committee in the previous hearings, was not attended to when he went to the OWWA office – contrary to the pronouncement made by Labor officials before that his concerns would be attended to once he goes to OWWA.

OWWA Administrator Carmelita Dimzon said she will ask the officer-in-charge to look into the case of Mr. Aquino. She said that if Mr. Aquino is present in the Committee meeting, she apologizes, and that she invites Mr. Aquino to personally see her. Rep. Carlos Padilla said that to contact Mr. Aquino, the OWWA can get in touch with his office, since his office has been helping Mr. Aquino.

## **B. REPROCESSING OF OFW'S EMPLOYMENT CONTRACT**

Going to another matter, Rep. Padilla stressed that many of the problems of OFWs is with the reprocessing of their employment contracts. He said that we should come up with solutions which are doable without involving other countries or governments. He added that reprocessing or "repro" may include job orders which pertain to non-existent work, or actual work in the job area which is different from the supposed job provided in the contract, OFWs getting salaries different from what is provided in the contract, or an employer different from what is provided in the contract. He said some Filipinos may be in cahoots with syndicates in other countries. He noted that in the Report of the Fact Finding Mission, it is mentioned that in one shelter, all 136 women received much lesser pay than what is provided in their contracts. He said they are victims of reprocessing.

Mr. Loreto Soriano of LBS Recruitment Solutions commented that the reprocessing happens because of fictitious or bloated job orders and the unrealistic policies and requirements of POEA. He said that POEA should have an integrated alert system using real time SMS and e-mail messages, indicating, among others, the name, position, salary and address of an OFW; name and address of employer, and name

and address of recruitment agency. With this, he said, the OFW will now be informed as to what exactly is waiting for him abroad and he can see if the data/ personal information for him is correct. He proposed that we should disallow the registration of foreign placement agencies which are now accredited as principals and the review of the Household Service Workers Policy of 2006.

Ellene Sana of CMA agreed with the proposals of Mr. Soriano. She said there should be close coordination between Philippine Overseas Labor Office (POLO) and POEA.

Noting that there are other items in the Agenda that are still up for deliberation, Rep. Padilla suggested that the issue of reprocessing can be taken up again in a future Committee meeting for a more thorough discussion.

Hearing this, the Chair announced that the Committee will devote one meeting to discuss this issue and that all relevant agencies will be invited to serve as resource persons, including the Bureau of Immigration and the Task force Against Illegal Recruitment which is said to be under the Office of the Vice-President.

**C. HOUSE RESOLUTION NO. 818 – INQUIRY INTO THE CONDITIONS OF OFWS IN MADAGASCAR WHO WENT ON STRIKE AGAINST KENTZ ENGINEERING BECAUSE OF UNFAIR WORKING CONDITIONS, BY REP. RUFUS RODRIGUEZ AND MAXIMO RODRIGUEZ;**

In the initial deliberation of the above House Resolution, the Chair informed the body that there's another Resolution (HR 1013) on the same subject matter filed by Reps. Luzviminda Ilagan and Emerenciana De Jesus. He said that this resolution may be taken up together with HR 818.

Rep. Maximo Rodriguez explained that HR 818 seeks to inquire on the situation of about 500 Filipinos working in Madagascar who went on strike against Kentz corporation because of late payment of salaries, poor sanitation, overcrowded accommodations and other labor violations.

Ms. Banawis of POEA revealed that more than 2000 Filipinos were processed for Kentz in Madagascar, over 700 workers were repatriated already. She added that of those repatriated, about 54 came to POEA for money claims and/ or non-payment of salaries and were referred to the National Labor Relations Commission. Those still in Madagascar, she said, had opted to stay there. She also told the body that of those who were repatriated, the licensed agencies said that their claims had already been settled by Kentz before they were repatriated, but some OFWs still go to POEA.

Rep. Ilagan said her Resolution 1013 is similar to Resolution No. 818. She added, however, that the issue is not only about labor problems such as poor working conditions or non-payment of salaries but also human rights problem because there was a threat to the life of one of the leaders of the OFWs. Rep. Ilagan said the management even tried to abduct this OFW leader. She also said POEA should not take the words of Kentz management alone, and that they should investigate on their own.

Mr. Jonathan Gisala, representative of Kentz employees (about 976 OFWs) who went home, said they endured unpaid salary and overtime, and poor working conditions. He said that they were kicked, cursed and treated like animals. He added that malaria is rampant in Madagascar but Kentz has not issued any anti-malaria protection, medicine or equipment for workers. He revealed that there were two OFWs who died of Malaria. He also complained that when they went to the OWWA to seek financial assistance, OWWA informed them that the Madagascar OFWs are not priority, and that OWWA's priority are the OFWs from Libya.

OWWA Administrator Dimzon said that the OFWs from Madagascar indeed requested for the P10,000 financial assistance per person, but the program approved by the OWWA Board of Trustees is only for those from Libya. She said OWWA asked the Madagascar OFWs to write a formal letter to OWWA so that the Board of Trustees can approve a similar program for them.

Rep. Maximo Rodriguez said that there should be no distinction between OFWs from Madagascar and those from Libya. The Chair agreed with Rep. Rodriguez and formally asked OWWA to provide similar assistance to the OFWs from Madagascar.

On another point, Mr. Terry Ridon, a law Intern of UP College of Law representing the OFWs from Madagascar, inquired why POEA has not issued an order of preventive suspension against Kentz

despite overwhelming evidence of irregularities. Ms. Banawis replied that the Kentz case is already with them and they will look into its status immediately.

Mr. Garry Martinez of Migrante informed the body that as of last week, about 1,000 to 2,000 OFW applicants are lined up for Kentz in Madagascar. He cautioned that if the preventive suspension is not issued immediately, more people will be victimized.

The Chair expressed that the order of preventive suspension against Kentz should be rushed and that POEA should inform the Committee when this order has been approved. He then declared that there will be another meeting on this issue.

**D. HOUSE RESOLUTION NO. 858 – INVESTIGATION ON THE PROLIFERATION OF OFWS IMPRISONED IN DIFFERENT COUNTRIES FOR ALLEGEDLY BEING “DRUG MULES” OR ILLEGAL DRUG TRAFFICKERS”, BY REP. NERI COLMENARES**

Director Carlos Gadapan of the Philippine Drug Enforcement Agency (PDEA) said that there are 691 Filipinos currently in prison in foreign countries due to drug trafficking, the most number being in China. He explained that those who are likely to become Filipino drug mules are usually:

1. displaced OFWs;
2. those looking for a job abroad,
3. the poor who are easily lured by the drug syndicates,
4. OFWs who are not really poor but are looking for easy money, and
5. Filipinos lured by the idea of foreign travel.

Dir. Gadapan further said that this is not just a PDEA problem or drug problem but a problem of educating our OFWs. A drug mule, he said, is easily tempted by money because the pay is as much as 4,000 to 5,000 US Dollars for the transport of drugs. He added that people should be wary of strangers or anybody asking them to carry luggage if they do not know the content inside. He warned ordinary Filipinos of the syndicates, especially the dangerous West African syndicates.

Due to lack of time, the Chair announced that the Committee will discuss this issue in future meetings. It was then proposed that on the next Committee meeting on this issue, PDEA should again be invited to update the Committee on the latest statistics/ data on drug trafficking, including breakdown of Filipinos in jail in each country for drug trafficking.

**DISCUSSION ON THE SITUATION OF OFWs IN THE MIDDLE EAST AND JAPAN**

Asst. Secretary Virgilio Reyes of DFA made a Powerpoint presentation which summarized the current political developments affecting our OFWs in various countries in the Middle East and North Africa. He assured the Committee that DFA is extending all efforts to help OFWs who wish to go back to the Philippines. He said that most of those remaining in Libya are those who chose to stay behind. Embassy personnel in Tripoli, he said, were instructed to remain to help our OFWs who may wish to be repatriated as well as those who wish to remain. He added that DFA has ongoing operations in Libya, Egypt and Tunisia; considered as “immediate cause for concern” are Bahrain and Yemen; considered as “cause for concern” are Syria, Saudi Arabia and Cote d’Ivoire; considered “for careful monitoring” are Oman, Algeria, Iran, Lebanon, Morocco, Jordan, Qatar, Kuwait and United Arab Emirates. In his presentation, he highlighted the following:

On the situation of OFWs in Libya

- On Libya, there were limited military operations commenced over the weekend, pursuant to UN Security Council Resolution No. 1973 which authorizes “all necessary measures to protect civilians and civilian-populated areas”.
- Close to 15,000 Filipinos have been repatriated from Libya. Most Filipinos remaining in Libya are those who preferred to stay for personal reasons, including 2,000 nurses in Tripoli. Filipino Embassy officials have remained and continue to monitor the situation for the remaining Filipinos there.

On the situation of OFWs in Bahrain

- A contingency plan is already in place. The Alert Level has been raised to Alert Level 2 where Voluntary repatriation is encouraged.
- Foreign Affairs Secretary Del Rosario met with the Bahraini Prime Minister and received assurances from the Bahraini Government that Filipinos in Bahrain are safe.
- There is constant communication with the Filipino community.
- The contingency plan had been updated to fit the requirements of the current situation. Exit points have been identified and logistical requirements have been arranged. The Post has made representations with possible transit countries. Logistical requirements (i.e., air, land, sea routes) are finalized.

On the situation of OFWs in Yemen

- Foreign Affairs Secretary Del Rosario had been in Yemen recently for assurances of safety for Filipinos.
- President Ali Abdullah Saleh has been in power since 1978. The authority of the government has been challenged by southern separatists, northern rebels and Al-Qaeda militants.
- Yemen is the poorest country in the Middle East. Economic difficulties have sparked unrest.
- Riyadh PE, which has jurisdiction over Yemen, has updated its contingency plan and has been mapping OFWs in the area to facilitate easier evacuation if the need arises. Exit points have been identified and logistical requirements have been finalized.
- The number of Filipinos in Yemen is 1500 to 2000 Filipinos concentrated in Sana'a and Aden.

On the situation of OFWs in Saudi Arabia

- The Saudi Ministry of Interior reiterated the ban on protests on March 6 and that the planned day of rage on March 11 proceeded peacefully with only small protests held in the Eastern Region of Qatif and Al-lhsa.
- On March 19, protesters again gathered outside the Saudi Ministry of Interior demanding the release of jailed relatives. The Saudi King went on television to announce new benefits, like increase in the wages of civil servants and new housing to preserve stability.
- The DFA continues to closely monitor developments in Saudi Arabia.

After the presentation by Asec. Reyes, Mr. Michael Macaraig of DFA said the primordial role of DFA is to assist Filipino nationals, regardless of whether they are right or wrong. He said repatriation or any plan would actually depend on the available budget. He said that the Philippines could go bankrupt if we repatriate all our OFWs in the Middle East and North Africa whose number are in the millions. He asserted that we need to think of ideas to repatriate OFWs within the limited budget of the government.

The Chair expressed concern with the finances involved in the repatriation. He wonders what will happen if the situation in the Gulf countries explodes. He said that about three weeks ago, he delivered a privilege speech on the floor, promising to introduce a Resolution seeking a supplemental budget of Two (2) Billion Pesos for repatriation of distressed OFWs. He reiterated the need for the executive department to think ahead, as the Gulf area is in a volatile situation.

For his part, Rep. Rodel Batocabe said he is concerned with the contingency plans of the DFA to repatriate OFWs. He informed the body that in a meeting of the House Committee on Foreign Affairs, Mr. Michael Macaraig of DFA said that there was a failure in coordination between the different agencies involved in the repatriation of workers. He reiterated before the body what Mr. Macaraig revealed in the Committee on Foreign Affairs meeting – that when Mr. Macaraig was not fully briefed when he was sent to Libya by the DFA home office. He then stressed that there is a need for a comprehensive contingency plan for repatriation of OFWs, not just in the Middle East and North Africa but in all countries.

DFA Asec. Reyes belied Mr. Macaraig's assertions and said that if only Mr. Macaraig had come to his office for a briefing or to ask for any information, even if he had just called by phone, he would have been briefed or given all necessary information he needed.

Atty. Fos of DFA emphasized that every embassy is required to have a contingency plan. He said that they have contingency plans for all the countries which are now experiencing problems. He averred that

they have a command structure and command control, both in the host country and in Manila. Hearing this, Rep. Batocabe requested that copies of the said contingency plans be submitted to the Committee.

Mr. Michael Macaraig, a Foreign Service Staff Officer from DFA informed the body that he was recently deployed in the field and that he merely wanted to tell the truth as to what exactly is happening in the field. In reply to the statements of Asec. Reyes, he said that the fact that they are debating on various issues in the committee meeting proves that DFA is not really ready – that there is a problem in coordination within the DFA.

The Chair expressed appreciations to the honest comments and dissenting views of Mr. Macaraig, who also belongs to DFA. The Chair said that Mr. Macaraig was invited so that the Committee could see a well-rounded picture of what is happening on the ground.

Rep. Maria Carmen Zamora-Apsay said that she is alarmed that even DFA personnel/ offices cannot get their act together.

Mr. Macaraig replied that irregardless of personal differences among the DFA personnel, when it comes to the job which needs to be done, the DFA is united.

Rep. Batocabe said that he understands the situation of the DFA personnel, and that they are working hard. He asserted, however, that as Congressmen, they are doing their duty and merely want to inform DFA about the perception of the people. Asec. Reyes asserted that problems arise when DFA does not acquire the funds immediately and, thus, DFA is seeking the assistance of the Congressmen to facilitate the release of funds.

The Chair informed the body that the Committee is trying to get the representatives of DBM, DOLE and DFA together so that they can discuss a rational estimate on the needed budget in case the worst case scenario happens. He said that they cannot seem to get a clear answer from DBM if we can get a supplemental budget. He stressed that we need to have a "pre-emptive" budget as things are moving very fast.

For her part, OWWA Administrator Carmelita Dimzon said that they were asked to advance the expenses first and they will be reimbursed later. She said they are seeking the help of DBM and requested DBM to release to them some of the funds, and to reimburse already some of the expenses, especially for the non-OWWA members.

The DBM representative, Flordeliza Pascual, said that OWWA would be reimbursed for expenses later. She said the DBM Secretary identified one source as the Contingency Fund.

Asec. Reyes admitted that if trouble erupts in Saudi Arabia, it would be a "megaproblem". He alleged that the number of Filipinos in Saudi Arabia took twenty years or more to reach such a high level of 1.8 million OFWs. He informed the body that they have been instructed by the Office of the President to create, within the next three weeks, a Regional Contingency Plan which will need cooperation and coordination with various agencies, including the Department of National Defense (DND) because this would almost be like a military operation. He added that we must explore other solutions and not just evacuation, as there could be safe areas within the host country or even neighboring countries. He said that we need to coordinate with international agencies, such as the International Organization for Migrants (IOM), and other Southeast Asian countries like Thailand.

Rep. Isidro Lico noted that in the past committee meetings, we hear the same problems, such as lack of budget and lack of coordination. He said that in the absence of a budget, the whole plan — no matter how good — will not work. This is the reason, he continued, that the Committee has always invited the DBM. He asserted that it is not right to require OWWA to advance the expenses first and it would just be reimbursed later. He then asked how much is really needed so that Congress can help to have this expense facilitated.

Asec. Reyes replied that in the worst possible scenario -- trouble erupting in Saudi Arabia -- they could make an estimate of the required budget by next week.

Rep. Maximo Rodriguez said that the principal agencies should look at their Charters, and re-engineer their mandates, especially with regards to repatriation. He averred that it is time to think out of the box,

and engage in "long term" thinking. The main goal, he stressed, is to bring back our overseas workers to the country.

The Chair urged the Executive Department to finalize the Regional Contingency Plan. He laments that when another country suffers troubles, Filipinos there are affected.

On the situation of OFWs in Japan

Atty. Fos of DFA stated that the disaster in Japan happened in the north eastern part. He said that most of the 4,600 Filipinos in Japan are long time residents, many of whom have married Japanese, while some are students and some are OFWs. He said that we are on Alert Level 2, and that Filipinos in Japan who want to be repatriated are first brought to one of the four (4) shelters in Tokyo -- two (2) churches and (2) centers. He opined that many Filipinos who want to return to the Philippines are expected to go back to Japan in the future when the problems are over because their family and jobs are there. He added that they are closely monitoring the situation in Japan.

Ms. Rosanna Tapiru, an OFW from Japan, said that she and others are dismayed by the slow action of the Philippine Embassy in Japan. She averred that they established Sagip-Migrante Center to assist and monitor Filipinos in affected areas in Japan. She alleged that the number of affected Filipinos being mentioned by our Philippine Embassy is erroneous. She also lamented the very impolite manner by which our Embassy officials in Japan respond to their calls. Atty. Fos replied that the impolite answers from the Embassy staff will be acted upon accordingly.

Mr. Butch Pongos, Migrante coordinator for Japan, said that the performance of our Embassy personnel should be given a failing mark. He alleged that our Embassy officials went to Fukushima three days after the earthquake, a very slow action unlike that of other Embassies who sent teams to their compatriots at the very first hour.

Reacting to the aforesaid comments, Atty. Fos of DFA said that our Embassy personnel might have their limitations, but they are not lacking in the desire to help or assist our fellow Filipinos.

For lack of time, the Chair declared that the Committee will discuss further the situation of our OFWs in Madagascar and in Japan in the next Committee meetings.

**ADJOURNMENT**

With no other matters to discuss, the meeting was adjourned at 12:45 noon.

I certify to the correctness of the foregoing minutes of the meeting.

  
**JOSEPH RICHARDSON I. TANA**  
Supervising Legislative Staff Officer I

Attested by:

  
**ATTY. CHRISTOPHER S. LOMIBAO**  
Committee Secretary

Noted by:

  
**HON. WALDEN F. BELLO**  
Chairman  
Committee on Overseas Workers Affairs