

## A place in the local economy



## Annual Report

January-December **2015**



**UNLAD KABAYAN**

Migrant Services Foundation, Inc.

*A people who can build their own livelihood  
and a sustainable economy for society.*

### ***Millions on the move***

Armed conflicts and economic volatility in many parts of the globe are driving millions of people to move. Fleeing from the strife of home and dangers on the way, they are able to reach safer havens in other countries. Still many lives were lost along the way, including children whose frail bodies are occasionally found washed ashore. But the journey to safety is far from over as policies and attitudes against foreigners stand as invisible walls.

The other picture is that of migrants moving back home because the economy of host countries can no longer absorb them. This year, the organization helped returning migrant workers from various countries but mostly from Cyprus reintegrate into the mainstream of their communities. As the Greek economy faced financial debacle in recent years, the impact was felt in Cyprus, whose economy is closely linked with that of Greece.

More worrisome is the continuing drop in oil prices worldwide. Some companies in the Middle East threatened to close down which could put tens of thousands of workers out of jobs, majority and most vulnerable of whom would be the migrant workers. A few hundred of migrants whose contracts had been prematurely terminated and were reported stranded in various desert work camps in Saudi Arabia subsisted on meagre rations from employers.

The Philippine economy has long been dependent on Overseas Filipino Workers' (OFW) remittances, which comprise 8-10% of annual GDP. The economy must wake up from its stupor. Recent studies by Dr. Alvin Ang showed that while there is an increase in absolute amount of remittances, per capita remittance is dropping. This means simply that there are more Filipinos working overseas who are earning or remitting less and less.

It is time to look at the domestic scene. Can the Philippines be prepared to welcome its OFWs with decent jobs and secure future? Unlad Kabayan has achieved a major milestone in its advocacy on "Migrant Savings for Alternative Investments-MSAI" is now called by no less than the Overseas Workers Welfare Administration (OWWA). In the last three meetings of the Global Forum on Migration and Development (GFMD), various investment initiatives by migrants and diaspora from Europe and Africa were shared.

### **Milestones in Advocacy**

As Unlad Kabayan entered its twentieth year, an evaluative gathering of Board, staff and selected stakeholders, identified significant milestones in the life of the organization.

There were three major advocacy agenda carried out by the organization since its establishment in 1996.

First is advocacy on REINTEGRATION. In the migration cycle, government and the general public focused their attention and assistance only on, "Pre-Departure, Transit and On-Site". Little was said about return and reintegration. OFWs who had little or "nothing to show for" their work,

but who returned home prematurely and in disarray as a result of abuse, exploitation, or who were caught in armed conflict, there is only disdain and even rejection by family and community.

Coming from the “Desert Storm” and “Hong Kong 1997” experiences, OFWs were sent home in disarray, and uncertain of the future of migration.

The organization was relentless in pushing for the need to support and assist migrant workers to plan their return and reintegration. This was realized in 2000, with the “Philippine Comprehensive OFW Reintegration Program” (PhilCORP), an OWWA-NGO formation that became the precursor of the National Reintegration Center for OFWs (NRCO). Today, “*Pre-departure–Transit-On-site- Return & Reintegration*” is the migration cycle that guides a more holistic response by government to migrant workers’ problems.

“*Migrant Savings for Alternative Investment-MSAI*”, the other advocacy agenda is the reintegration strategy. It comes from an understanding of the tremendous potential of remittances and mobilizing it for development of hometown/local economy. The call for migrants to save and invest is now part of the reintegration strategy of OWWA, of other migrant support NGOs. International agencies, e.g. UNDP-JMDI, ILO, IOM, etc. Save & invest, Save and invest is now their language.

### **A Toolkit to Support Migrants to Save and Invest**

A new toolkit to help migrants learn about investment opportunities and how to cut costs when they send remittances home is being launched by the International Organization for Migration (IOM) today, on the second International Day of Family

A thornier advocacy road is promoting and seeking support for *Social Entrepreneurship and Social Enterprise (SE)*, by OFWs in the first instance, and by the social sector. Although social entrepreneurship is now widely accepted as a pathway to poverty reduction, it has to be demonstrated that SEs are indeed economically empowering to the social sector and is a sustainable concern.

In light of the assessment, advocacy for social entrepreneurship and call for a supportive policy environment for social enterprises must be made more vigorous.

Next year, Unlad Kabayan will put into documentation its experiences and lessons over the past 20 years and to determine the future engagements in a changed terrain for NGOs. Its vision and mission and its advocacy for social enterprise remain valid today and in the years to come. This was affirmed by the recently completed study on poverty reduction through microfinance.

Towards the end of the year, the election campaign for presidency and major national posts was becoming more frenetic. Election issues dealt with poverty, migration and issues on illegal drugs and crime. The concern on drugs is rather far from the radar screen of the organizations we work with. But it was soon discovered that almost all communities were facing the problem of drug use and users were getting younger. A number of the organizations have openly stood for

eradication of illegal drugs. For this seemingly innocuous issue, we suddenly found ourselves harassed and threatened.

### Summary of accomplishments

A total of 570 individuals directly participated in the various programs undertaken during the year. Almost 90% (88.5%) were women and girls. Another 293 individuals indirectly benefited from the projects/programs, e.g.: (a) employment in assisted enterprises/livelihood; (b) OFW on-site mobilized by participants; (c) returned OFWs organized by beneficiaries; (d) part of the supply-value chain, etc.

Through training and mentoring in entrepreneurial literacy program, 80% of Assisted Voluntary Return (AVR) migrants in Cyprus who became undocumented were able to re-build livelihoods and micro-enterprises.

More emphasis was given to organizing and strengthening organizational capacity. Learning the advantage of organized efforts and pooled resources and the ability to leverage collective strength, **Bekigan FOWA** and **Balatoc Pagbiagan Association** were organized, registered and received support from government and private companies. Officers/leaders of **AEWA** and **SFWA** in Leyte made significant progress in economic work and advocacy campaigns. For its principled stance in the elections, AEWA leaders continued to experience harassment by drug-related political personalities in the community.

A commissioned study to assess the performance of the **People's Development Trust Fund (PDTF)**, a fund for poverty alleviation through microfinance, was completed in October this year. Two important findings: (a) Microfinance had minimal impact in reducing poverty; (b) Less known pathways to poverty reduction showed better performance than microfinance, such as Social Enterprise (SE), Corporate Shared Value (CSV); Solidarity Economic (SolE).

Finally, preparation for a series of training next year is underway. This will focus on rights – migrants and gender; organizational strengthening – leadership, advocacy and sustainability.

### Total beneficiaries (2014-2015)

<b>Operations - Community</b>	<b>2014 Indiv+HH</b>	<b>2015 Direct</b>	<b>Women Girls</b>	<b>In direct</b>
Davao City	53	55	47	58
Davao Oriental	262	20	12	15
Lanao del Norte	43	26	23	12
Leyte (Haiyan Projects)	640	105	98	48
Surigao	-	12	12	10
Metro Manila	7	5	5	5
CSI-CAP At large	22	11	8	65
Migrants-Overseas	18	38	33	66
Research/At large	--	298	267	14
<b>Total</b>	<b>1,045</b>	<b>570</b>	<b>505/89%</b>	<b>293</b>

## Programs and Projects

### A. Migration and Development

#### 1. Assisted Voluntary Return and Reintegration (AVRR) - Cyprus

In partnership with Caritas International-Belgium, thirty (30) migrant workers from Cyprus were assisted in their return and reintegration. The program is part of a Europe wide AVR project supported by the European Union. All Filipino migrant workers, except for 3, were women.

##### *AVR Beneficiaries' Profile*

*2/3 of returnees came from communities in north Luzon – 19; Metro Manila – 3; Bicol -1; Visayas – 3; and Mindanao – 4. Majority (90%) was in 30-45 years old while 10% were more than 60 years old. Two women came home with one child, one had 4; another had 3, one woman was 7 months pregnant upon arrival while another left her infant child in Cyprus for adoption.*

*Three were employed in resort hotels/restaurants and the rest were domestic workers. They all started with regular work status. The financial crisis in Europe and particularly in Greece impacted even those in Cyprus. Unable to get new employment contracts, they continued to work without proper work permits. Soon immigration police started to crack down on undocumented workers. For fear of being caught and jailed, they chose to voluntarily return with some assistance from local consortium: AVR Cyprus, CARDET, University of Nicosia and Caritas International. The first arrivals came in March 2015 while the last AVR returnee came in December 2015. Most of them arrived in June-July.*

*Three returnees had absolutely no asset/resource and were deep in debt. The rest has some properties they managed to acquire while working overseas.*

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AVR-OFWs were referred to the NRCO for the standard package of assistance for non-OWWA members (those who have not paid/updated membership dues) which is a 'Starter Kit' relevant to the chosen enterprise/livelihood equivalent to PhP10,000.00. By the end of 2015, only 2 received their Starter Kits: the Bicol AVR received sacks of rice and a weighing scale for her rice retailing business; another got cooking utensils and a food cart.

However, at the core of the organization's program on reintegration is training in the principles, and practices of entrepreneurship. The Asset-Based-Community-Development (ABCD) approach has proven once again to work among those with basic entrepreneurial potential. The standard module on "entrepreneurship and enterprise development" was used by the organization in coaching and mentoring those who were too isolated to attend formal training sessions. Two important components are: asset identification and mobilization and business plan making.



For those in Region I and Cordillera Autonomous Region (CAR) a 2-day orientation-training on “Social Entrepreneurship and Enterprise Management” in Baguio City was attended by 8 AVR-OFWs and two spouses. They learned the basics of enterprise management, organizing and advocacy. They also encouraged and inspired one another as they shared experiences and problems in Cyprus and struggles upon return. Outcomes by the end of the year:

- ✚ **Bekigan FOWA** – an organization initiated by Marilyn Bendillo and Joseph Ottao in the tribal village of Sadanga, Mt. Province. It has 34 members all returned OFWs. Marilyn and Joseph come from the Sadanga tribe of Bontoc. They went home and conducted their own training in Bekigan where many more OFWs have returned home. BFOWA is registered with the Department of Labor and Employment (DOLE) and assisting in starting the eco-tourism business.
- ✚ **Balatoc Pagbiagan Association** – Balatoc is the town where the Balatoc Mines is located and where Margarita Paat’s husband works as a miner. With meagre wage and children in school, Margarita had to work overseas. Upon return she went back to selling local snack items to miners in the neighborhood. She shared with her neighbors what she learned in the training and together they decided to organize themselves into the Balatoc Pagbiagan Association/Livelihood Association in Balatoc. It has 32 members, all women OFW returnees.

*Irma’s Fish & Rice Farm*



- ✚ **Integrated Farm & Farmers Coop** is still being organized, initiated by Irma D. It is inspired by her integrated farm with rice and fish production, livestock and poultry. Her latest project was planting cacao and coffee on the higher elevation of the farm. The local Municipal Agriculture Office (MAO) and the extension office of a state university in the provincial capital continue to provide technical assistance and monitor her progress. (Her life story is in the stories section.)

- More than half of AVR returnees (24) had their livelihoods/micro-business established and running: making aprons & gloves for industrial use, integrated farm, livestock and poultry, rice trading, beauty shop, printing shop, etc....



*Above left: Marilyn with her Certificate, Right: Milagros Mercader's sari-sari store; Below left: Entrepreneurship Training in Baguio; Right: Susan Tagod receives her "Starter Kit" from NRCO.*



Azela Luna, was the first to receive her starter kit and opened rice retailing in Bicol. With support from her sister who is still in Cyprus, she enrolled in a local college to finish her Teacher's training. She will take the Licensure Examination for Teachers (LET) in 2016.

- MJ Gomez would leave for Pakistan with her four sons to join her husband who was also repatriated from Cyprus.
- Four (4) AVR returnees with absolutely no assets, no savings and with debts to pay, were able to find new overseas jobs. This time, however, they will do their best to save and build assets.

Excerpts from: Bekigan FOWA Business Plan

“Bekigan FOWA will engage in eco-tourism because of its natural attraction and resources like: rice terraces, beautiful falls, hot spring, lakes, caves, rivers and very clean source of water. Foods are all organic like rice and vegetables, they have also wild animals like deer to entertain all ages of tourists.

Our community can be reached by bus, Baguio to Bontoc jeep from Bontoc to Sadanga.

- ✓ when in Sadanga you can start your tour, 2hrs mountain climbing passing through rice terraces before you reach Bekigan, accommodation will be constructed made up stones and logs. 1 is a stone house and 2 are log houses located in a strategic location near river pools. Hikers can start stone climbing until they reach the falls but for picnicker they will walk through pathways.



**Our plan includes:**

1. Identify other tourist spots in the community.
2. Improvements of the pathway going to the sites;
3. constructing of river pool and cottages;
4. conservation of wildlife animals (a) collection of deer and tagging; (b) construction of 16'x32' deer rescue house at least 250 square meter area to become a pen.
5. water supply to all households for safe drinking and garden watering;
6. landscaping and backyard gardening;
7. Livelihood e.g. (a)-employment to the community; (b) change from hunter to wildlife conservation worker; (c) organic farming/hog, goat, chicken production; (d) tourist guide; (e) tourist franchise.”



## 2. Empowering Women Migrant Workers (EWMW)

Thirty (30) representatives of Women's Organizations in Mindanao were selected to be part of a project for *"Strengthening Women Migrant Workers (WMW) organizations and/or their Support Groups and Networks to Effectively Promote and Protect WMW Rights."* It is a series of activities/events that would strengthen leadership skills and capacity to advocate for migrants and women rights. The project is national in scope and carried by a consortium of migrant support NGOs with support from a UN Women project of the EU. Unlad Kabayan will focus in Mindanao.

Participants are women migrants and/or member of the immediate family of a migrant woman on-site. Participating organizations were Lizada Women's Council, Toril Organic Farmers and Mindanao Migrants – Davao City; Mainit Migrant Women – Surigao del Norte; Iligan Entrepreneurs and two AVR clients.

## B. Social Entrepreneurship/Enterprise Development

### 1. 108 Livelihood/Micro-enterprises – Post ERRP Leyte

Three micro-businesses were built while 105 livelihoods continued to grow from the initial livelihood package of the Haiyan- Emergency Relief and Recovery Project (ERRP) in Leyte. Four training events were conducted during the year. Participants were members of AEWA, SFWA and ACTWO (Anahaway, Castilla and Teraza Women's Association-barangays in Palo, Leyte).



The *tinapa* smoked fish processing center, cooking utensils and other equipment (freezer, refrigerator) were turned over to the Association of Empowered Women of Albueria (AEWA) by the local government and the private donor, Rotary Club of Ormoc.

Earlier in the year, 10 women were trained in Calbayog, Western Samar on the process of making smoked fish. In turn, they trained 10 more upon returning to Albueria. Together 20 women participated in production test-run, testing at least 4 varieties of fish abundant in the Albueria part of Ormoc Bay.

SFWA used its sub-grant of Php20,000.00 to operate a revolving credit - Emergency Fund. Members and non-members could avail of emergency loan for a maximum of Php1,000 (US\$21). The amount may be small but the impact had been significant. It is because people in the community earn very little income and irregularly that there is nothing kept for emergencies. On one occasion, the loan was used to pay transportation of a very ill child to the hospital, saving his life. On another instance, the loan was used to buy petrol for a *banca* that rescued fishermen at sea.

Non-members pay higher interest than members, 3% and 2% monthly, respectively. Because of the emergency nature of the credit service, repayment rate was excellent. Some paid before the due date.

More than 50 individuals have taken loans and the fund has been increasing. The Business Committee decided to raise the limit to Php2,000.00 (US\$43.00) and expanded the use beyond emergencies.



SFWA quarterly meeting reviews progress of work.

Livelihood Monitoring Teams of AEWA and SFWA continued to visit beneficiaries to mark progress, assist/advice in case of problems, and to collect the “gift” to the next woman in line. The 3<sup>rd</sup> batch received their “gifts” in December 2015 – bringing to 107 the total of “gift” recipients, 71 in Albueria and 36 in Isabel. Both organizations kept the carpentry kit but sold the chainsaws to commercial operators and used the sales to augment capital for their respective businesses.

Palo, Leyte, among the most devastated towns by TS Haiyan was the relief service area of Ranao Women and Children Resource Center (RWCRC), another GFW grantee. RWCRC reached out to barangays Anahaway, Castilla and Teraza and the women established the ACTWO. Unlad Kabayan assisted RWCRC and ACTWO plan for the livelihood recovery through training and monitoring. ACTWO decided to (a) purchase a hand tractor as common facility for members-Php32,000; and (b) establish a micro-credit fund-Php34,000. Systems in management and use of hand tractor and microfinance were designed and applied immediately to the credit program. The use of hand tractor started in June when the rainy season set in.

## C. Research & advocacy

### 1. Study on Poverty Reduction

A study in aid of policy review was carried out for the National Anti-Poverty Commission (NAPC). The inquiry “How effectively was the **People’s Development Trust Fund (PDTF)** in reducing poverty incidence” was highly relevant to the organization’s search for effective models-pathways in poverty reduction. PDTF is one of the fund components of the 1997 Social Reform Agenda (SRA) that created the NAPC.

Many studies had claimed that a major reason why people were poor was their lack of access to financial capital. This is because they are high risk and considered as unbankable. However, with the performance of microfinance by Grameen Bank in Bangladesh, microfinance became an anti-poverty strategy which was also adopted by the SRA. PDTF was established as the resource institution that would build capability of the microfinance industry (MFI), increase its reach and become self-sustaining.

The findings of the study revealed that:

PDTF had some significant contribution in bolstering the institutional capacity and growth of its MFI grantees. Four grantees were in the top 10 high performers. In fact, MFI in the Philippines has shown remarkable growth; one of the most robust in the world. According to CGAP, it has the best poverty-reducing programs. Secondly, MFIs do reach the poor. Majority (96%) of clientele are poor farmers, fisher folks, women, indigenous people. But only 9.9% of all borrowers' access MFI while 10.2% borrowed from cooperatives (BSP).

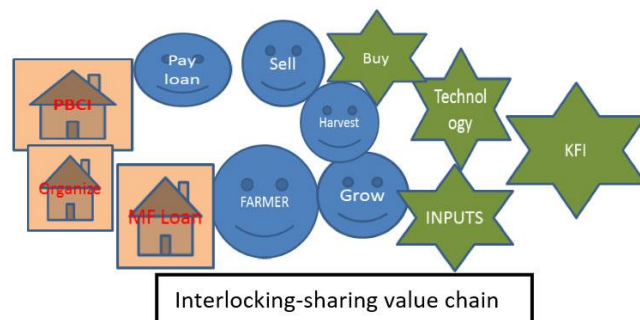
The study concluded that MFI had only very minimal impact in reducing poverty even in their areas of operation. Nationally, since PDTF was set-up in 2004, poverty rate remained at 25%. Of the MFI clients (respondents), 52.6% of households were found to have a monthly income of PhP7,000.00 (US\$150.5 - poverty line) and below, had meagre assets and hardly any surplus. Of this, 30.9% households were subsistence poor earning less than PhP5,000.00 (US\$107.5) per month. It was interesting to note that those with significantly higher incomes, PhP20,000.00 and above were recipients of remittances from children or parents working overseas.

Respondents offered the following poverty-reducing actions: (1) To economically uplift the poor, they should have access to assets that bring out the full benefit of their economic activity. In specific terms it is ownership of home lots and farmlands with appropriate production tools and equipment, access to fairly priced capital that is adequate or commensurate to their production requirement. Thirdly, water, farm-to-market road and other infrastructure support. (2) Calamities and pestilence that destroy crops and other assets are more frequent and they mostly wipe out whatever had been built over many years, some form of insurance-protection and preparedness must be in place. (3) For a growing population, there should be provision for decent wage employment.

#### **Case studies on alternative practices to reduce poverty:**

1. **Corporate Shared Value (CSV)** where the People's Bank of Caraga, Inc. (PBCI) in San Francisco, Agusan del Sur in partnership with Kennemer Foods, Inc. (KFI) share in the cacao value chain each taking the parts where it has competence. PBCI invests in organizing and monitoring and provide the loans to farmers who own the land. KFI provides tools and technology to farmers and buys their produce. CSV is defined as "policies & operating practices that enhance the competitiveness of a company while advancing economic and social conditions in the communities in which it operates."

***"It does not matter which of the wealth-creating sector creates value as long as it benefits the people and uplift them from poverty." [HBS]***



## 2. **Alter Trade Foundation, Inc. (ATFI) as Social Enterprise (SE)**

Can poverty be addressed when the sugar industry itself is in crisis? A question that organizers of sugarcane workers in Negros island tried to answer. They had no choice.

*In 1974, the world price of sugar increased dramatically to around US\$0.67 per pound. Then it fell to less than US\$0.10 and in the 1980's it went to its lowest at US\$0.03 per pound. Negros suffered the most with the industry losing PhP11 billion in 1974 and PhP14 billion in 1983. It was quite late when the government admitted that there was a crisis in the sugar industry. Starting in 1984, almost all haciendas stopped production. Farmers and farm workers lost their jobs.*

*Twenty-five per cent (25%) of all farm workers in Negros were employed in the sugar industry. Haciendas employed 350,000 farm workers and another 20,000 were workers in sugar mills. Farm workers were paid PhP71.00 (US\$1.40) average daily wage. Women were paid half the men's wages. Child labor was a common practice in plantations-haciendas.*

*The hunger that stalked the families of farmers and farm worker in Negros was severe and widespread. Children, especially, suffered from severe malnutrition as a result of a diet excessively high in carbohydrates and low in protein. Images of the situation drew attention from local and international organizations prompting the launch of fund-raising campaigns.*

The framework was straight-forward, down-to-earth conventional knowledge and common sense solutions, devoid of technocratic jargon. The challenge was for farm workers and tenants who had been patron-dependent all their lives to transform themselves into independent decision-making, risk taking entrepreneurs. The ATC had few illusions and anticipated a long and arduous struggle of changing mindsets.



To effectively alleviate rural poverty, ATFI matched each major problem of ARBs with a corresponding support service:



Vision: a system that is economically just and ecologically sustainable rooted in self-reliance and self-determining communities.



The Negros ARB has to be transformed



From a farmworker



Into a farmer



To a farm entrepreneur

According to ATFI, 69% of member-households have increased incomes and are no longer among the "poorest of the poor" while 100% are already food sufficient. Most of them have replaced their nipa huts with houses made of concrete. They are able to send children to school. Assets acquired during the SPO period include farmlands, house appliances, e.g. television, and refrigerator. Fairtrade premiums were used for community and enterprise needs such as electricity, training centers, and in acquiring hauling trucks.



## 2. Championing social enterprise

Network meetings and dialogues with government agencies were opportunities that the organization took advantage of bringing its various advocacy agenda. Foremost this year was social enterprise. Social enterprises need strong organizations, aggressive members and visionary leaders. But more than these, social enterprises can thrive only when the economic soil is fertile and friendly.

Working with other groups/networks on policy and/or legislative action for social enterprise continues with prospects getting better. Some features of policy include lower corporate taxes including reasonable tax holidays; creative and innovative capital support, *venture capital* tailor-fit for social enterprise of the poor sector.

### D. Capital-Savings-Insurance

Following the Board decision, only two loan applications were approved. DOCHSEI and Safepac Corporation (fruit processing) are assisted social enterprises. Three past due accounts were settled this year increasing the amount of collections and income from interest and penalties.

#### Capital-Savings-Insurance (CSI)

<i>Financial</i>	<i>2015</i>	<i>2014</i>
Total loan released	300,000.00	345,000.00
Collections	2,389,000.00	1,607,716.50
Principal	1,099,242.85	1,214,757.64
Interest & other income	1,289,757.15	392,598.86
Expenses	912,863.79	755,928.73
Net income (loss)	1,023,278.65	(397,413.89)

## Epilogue-January to August 2016

### New political landscape

Unlad Kabayan decided that 2016 would be an opportune time to do a major assessment/evaluation of two decades of work/service, revisit of the VMG and draw up a 3-year strategic plan. This was planned for June 2016 after results of the national elections would be quite definite. At most there would be a change of people in government whose election platforms and promises were known during the campaign.

A new president and a set of cabinet officials took many by surprise, to put it mildly. Personalities aligned with the *Makabayan* (nationalist) Bloc closely identified with the Left - the CPP, National Democratic Front (NDF) and its armed wing New People's Army (NPA), resumed peace negotiations with the government. The new government will pursue the Bangsamoro Basic Law (BBL) an agreement that resulted from the peace negotiations with the Moro Islamic Liberation Front (MILF) which did not make it in the previous Congress. Personalities in the Left were given key posts in the social development cluster, Department of Labor and Employment (DOLE), Department of Social Welfare and Development (DSWD), Department of Agrarian Reform (DAR), National Anti-Poverty Commission (NAPC).

Other major shifts in policy based on pronouncements from the president himself kept people on their toes trying to read between the lines and how these policies are translated into actions. He waged a campaign against illegal drugs and to reduce criminality that soon saw a spate of killings of those suspected of involvement in the trade but also ordinary drug users. In less than 100 days, more than 700,000 drug users and traders surrendered to police, 17,000 were arrested and more than 1,500 drug suspects killed by police for resisting arrest. His pledge to respect international treaties and agreements in his inaugural speech assured allies of a smoother road of cooperation ahead. But his pursuit of an independent foreign policy and refusal to be "lectured" on human rights by allies and the UN expressed in "colourful" language is putting his pledge to the test and straining relations with some countries.

### Opportunities and challenges

Key issues close to the heart of the people and that earned a 90% approval rating have their downside.

1. Poverty reduction. It addresses labor issues that would put an end to labor contractualization commonly known as "endo" or end of contract in six months that skirts the labor code that provides for regularization of workers and entitles them mandatory benefits. It has weakened efforts to organized labor unions and strengthen the labor movement. "Endo" has kept many workers poor and insecure.

Putting an end to "endo", however, would strain the financial viability of micro, small and medium enterprises (mSME) which make up about 85% of businesses in the country and employs almost 1/3 of the labor force. It is also noted that this practice is widespread among huge retail business of malls, transport and shipping, tourism and related business in hotels, etc.

2. Job generation and industrialization. Corollary to poverty reduction is generating local jobs especially in the manufacturing sector. The pace of job creation is unable to cope with annual increase of labor entrants resulting to high unemployment and underemployment. Industrialization and upgrade of labor productivity are two measures that the people have long desired. The demand for low-skilled labor overseas with higher pay (and other labor policies and practices) are disincentives for workers to scale-up their knowledge and skills and productivity. Government's promise to revitalize local industries is high in the agenda. It also realizes and is addressing the high cost of doing business; reducing the 30% corporate tax, the highest in east Asia, ending corruption and seriously looking into alternative power source and more efficient telecommunications industry (which is the most expensive and inefficient in the ASEAN).

3. Combating criminality and illegal drugs. Since the war on drugs there had been significant reduction in criminality. People especially in poor crowded communities feel safer. On the other hand, the pronouncements about killing those who resist arrest has emboldened vigilantes that saw increasing number of deaths and paranoia of ordinary citizens getting caught in the crossfire.
4. Environmental protection. Immediate translation by the Department of Environment and Natural Resources (DENR) is the closure and suspension of more than half of mining companies that have not complied with standards for responsible mining. The export of metallic and non-metallic products is one of the biggest sources of revenues.
5. Inclusive growth. Putting a stop to land conversion is a policy from the Department of Agrarian Reform (DAR). In the past conversion of agricultural land area into higher yielding use – commercial and residential (subdivisions) continued unabated. It was also a strategy to skirt the agrarian reform law. Access/ownership to land is critical to poverty alleviation to farmers who compose majority of the poor. Another policy is assistance to balanced and environmentally sound development of ancestral land of indigenous people and encourages the participation in crafting the BBL which covers areas that overlap with ancestral domain claims. These policies would be in collision course with the mining operations which are more often in the ancestral land of indigenous peoples.

#### **Critical and constructive engagement**

Most of the policies are also close to the heart and part of Unlad Kabayan's advocacy agenda and would certainly impact on the work of Unlad Kabayan in no small way.

There is clearly the threat of lawlessness and constantly shifting positions. On the other hand, there are better spaces for conversation with government officials with significant influence on policy. It had been hard for us to swallow his devil may care language including those that disparage women.

The organization will engage with the new administration in a critical but constructive manner. From the organization's Board, there had been changes and have access to political spaces for conversation and advocacy. The Board secretary was elected as 4<sup>th</sup> councilor of Iligan City, a former Board chair is the current Undersecretary for Social Development, while the daughter of the vice-chair works closely with the Labor secretary. It would be wise for us to use these opportunities and spaces to learn more, analyze and influence policy and programs that advance the goals of the organization.

1. Labor migration and Overseas Filipino Workers. During the election, the president announced the creation of a department for migrant workers. The migrant workers and support community are divided on this. Migrant remittances is a pillar of the economy and has been a way out of poverty for many households. Studies, including that of the organization showed that overseas work and remittances enabled households to provide for basic needs of food, shelter, education, increased their purchasing power that fuel the consumer-led growth. On one hand, the creation of a department would de facto be a policy to export labor. This runs counter to our policy and advocacy that "economic development must be internally driven and not rest on the frail shoulders of our migrant workers."

We have submitted a position paper signed by many organizations to the Labor Secretary who promised to bring it to the attention of the President. Since June we have been engaged in a series of dialogues and conferences to discuss the issues and the new situation. A bill is pending in congress for the creation of a department which is sponsored by representatives of recruitment agencies. We have also put forward concrete recommendations for actions on addressing the 11,000 dismissed workers who were stranded in Saudi Arabia.

The recently passed OWWA Law has put reintegration as a core program of government. We are open to engaging OWWA and NRCO in crafting viable and sustainable approaches to production reintegration – from our experience of what worked and what did not.

2. Women. The President is a macho, there is no doubt as to his image and language. On the other hand, he has appointed more women in key positions than previous administrations. During his incumbency in Davao as mayor that he sponsored the Women's Code which has become a model for other local government units. It provides among others, that budgets of barangays (village) can be approved and released only if there is clear program and budget allocation for Gender and Development (GAD). We are currently working with women's councils in Davao whose work benefited greatly from the GAD program and budget.

There are those who appreciate him while others question the role model of woman in his daughter who currently mayor of Davao who is as tough if not tougher than him. While he was more tolerant of girl-prostitutes trying to find ways to help them, his daughter has been rounding them up and putting them into skills training for income generation.

3. Social enterprise (SE) and local job generation. While there is popular support for these, there are varying strategies/approaches by various quarters. The National Anti-Poverty Commission is taking a serious look at SE and this advocacy continues. The secretary claims she has read the PDTF research report and would comment on it soon. Lines are open with the Office of the Secretary on other approaches to creation or decent jobs.

## Conclusion

At this moment, these are the areas and broad strokes of engagement. We are still looking into an opportune time for a (two-decade) evaluation and bring out in detail the achievements in advocacy, MSAI and SE in communities and their impact on job generation and poverty reduction. The premises for the evaluation and SWOT will consider the changed landscape. In this year 2016, there had been no changes in the way we operate. Two of our short-term projects will end in December. But given the changing political-economic situation, a review of our operations and operational strategies is compelling. The field of recruitment for us and the rest of the NGO community is getting narrower. NGOs are unable to compete with scaled-up salary grades/rates of public and private sectors. Millennial generation described by sociologists as technologically adept and technically competent are less engaged in social issues and causes and tend to avoid responsibility and independent decision-making is challenging recruitment of younger staff.

Staff is focused on two areas of work, advocacy and enterprise/livelihood development. This will not change in the coming period but the approaches will certainly adjust with new policies and ground implementation. It will remain lean and creative. Resource generation is a work area that we hope the Board will take more active role in solving.

Despite the turbulent road we now trod in the campaigns against drugs, criminality and corruption, we see more silver linings and will continue to pursue more active advocacy and constructive engagement. There will be more areas and refinements in the pursuit for critical constructive engagement.

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## Irma tells her story

*“My name is Irma. I grew up in the Cordillera highlands where my father and mother tended a small farm at the foot of the mountain. They grew rice, corn, vegetables, raised chicken and pigs. Their income from the farm supported the family including our education. I graduated from a local college in the capital town with a Bachelor in Elementary Education. But I failed the LET (Licensure Examination for Teachers) and could not practice my profession.*

*“In our village, a girl is marriageable when she reaches the age of 15 or 16, or when she stops going to school. I was 20 years old so it was just logical that I get married. My husband was a farmer like my father. But unlike my father, he believed that a woman’s place is in his farm, his kitchen and in his bed. I thought I would miscarry when I got pregnant because of the backbreaking work in the farm – but also because I got beaten up every time I came home late from trips to the town center. He had inferiority complex because he only finished high school and I was one of the few in the village who got to college. It was useless arguing with him to allow me to get a few courses and take the LET again. In December of 1998, my daughter was born, a lovely baby who looked so angelic and calm in the midst of a turbulent home life. She was to be another source of discord as my husband wanted a boy who would eventually be a help in the farm.*

*“When my daughter was three years old I finally decided to go away, leave my daughter with my parents and work abroad. I got a job as domestic worker in Saudi Arabia on a “fly now-work-pay later” arrangement. My monthly salary was US\$180.00. I had no plans about my future all I thought of was to get away from my husband, have my own income and provide for my family. I sent money regularly to my parents and daughter. It is no joke working as domestic in an Arab household. You are not unlike a slave. One day a friend told me it was much better in Cyprus. To make a long story short, I landed in Cyprus in 2007. Work condition was indeed better, wages was better and I was given two days off a month. I was hired as domestic worker but I worked as chambermaid in a small resort. I made friends with other foreign workers and enjoyed the view of sun and sea from where I worked.*

*But as they say, ‘all good things come to an end’, the idyllic overseas work soon turned into a nightmare. In 2009 fewer tourists came to the resort. There was little work to do and our pay was reduced. A fellow Filipino also working in same area lost his job. Finally, the resort stopped paying our wages and we would be lucky to have enough to eat. Several times, we went fishing. We were allowed to stay in the hotel. I tried to get a new employer but jobs were scarce even for local Cypriots. My visa expired and I became undocumented. I went to the city, and looked for part-time jobs house cleaning, day-care for elderly, gardening. My fear of getting caught by immigration police haunted my days and nights. Finally, I decided to end my ‘work-and-run’ kind of life like that of a fugitive. My friend brought me to the office of AVR Cyprus who assisted me in my return to the Philippines.*

*The crisis in Europe and particularly in Greece finally caught up with us without our knowledge. When I joined the entrepreneurship training in Baguio City we talked a lot about what happened to us in Cyprus. Unlad Kabayan explained about the global economic crisis and the economies of Cyprus and Greece and how it impacted on migrants like us. It was training, coaching, lecture-discussions in entrepreneurship that opened my eyes to options other than overseas work. There is life after Cyprus, not in another country but right here in my mountain village.*

*After mentoring and training sessions with Unlad Kabayan, I came to appreciate the assets in our farm, my experiences and skills learned abroad. I am determined to make my farm productive. Together with other farmers in the area, we tapped technical assistance from the agricultural college and the Municipal Agriculture Office. My integrated farm is growing coffee and livestock for cash income while rice is produced mainly for consumption. If my parents were able to support us and send us to school by just growing rice and a few livestock the old way, I am optimistic about being productive in my reintegration with the new ideas and technology I have acquired.*

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