

CHAPTER 21

Protecting the Rights, Promoting the Welfare, and Expanding Opportunities for Overseas Filipinos

At least 10 million Filipinos, or about 10 percent of the population, reside or work overseas, making the Philippines one of the largest diasporas worldwide. Before the pandemic, two million Filipinos leave every year for temporary overseas work.

As the world continues to recover from the pandemic, changes in the global environment continue. The resurgence of COVID-19 cases, re-imposition of border closures, shifts in global supply chains, and a looming energy crisis may cause disruptions. Thus, the government will continue to ensure that returning OFs have available opportunities for their socioeconomic reintegration in the Philippines. This will be done synchronously with programs to enable their safe return to destination countries should they choose to. Changes in the global environment pose additional challenges in protecting the rights and promoting the welfare of OFs. As such, assistance to nationals and social protection services should be agile and fully adaptable to the needs of migrant workers and their families in the Philippines.

ASSESSMENT

OFs have been heavily affected by the economic downturn and border closures during the height of the pandemic. In 2020, efforts were focused on the repatriation and reintegration of affected OFs. In 2021, aside from continuing repatriation and reintegration efforts, the Philippine Government also prioritized the vaccination of outbound Overseas Filipino Workers (OFW) to strengthen their protection against COVID-19. As of end-2021, the Department of Foreign Affairs (DFA) facilitated the repatriation of 454,796 OFs. Demand for OFs, especially in the health sector, remains strong and remittances have started to exceed pre-pandemic levels. Given the volatility of overseas employment, migrant-serving agencies have focused on establishing strong bilateral ties, developing common and unified frameworks, and building capacities for greater agility.

During the pandemic, efforts were focused on ensuring that OFs are safely repatriated and reintegrated into the labor force. The Department of Foreign Affairs assists in providing repatriation assistance to returning OFs. In 2021,¹ at least 117 *Bayanihan* Flights (Special Commercial Flights) were chartered to facilitate the return of OFs affected by the pandemic. The Overseas Workers Welfare Administration (OWWA), Department of Labor and Employment (DOLE), Technical Education and Skills Development Authority (TESDA), Department of Trade and Industry (DTI), and other migrant-serving agencies provided training, livelihood assistance, and seed capital, among others, to assist and reintegrate OFWs and provide employment opportunities. Several programs were introduced as a result of the influx of repatriated OFWs, including the COVID-19 Adjustment Measures Program-*Abot Kamay ang Pagtulong sa OFWs* (CAMP-AKAP), Educational Assistance Scholarship in Emergencies (Project EASE), *Tabang* OFW Project, and TESDA *Abot Lahat ang OFWs*, among others. In 2021, there were around 540,876 OFWs provided with financial aid² and 26,989 Filipino migrant workers enrolled in TESDA online courses.³

Remittances rebounded as economies reopened and demand for health workers remained strong. At the height of the border closures due to the pandemic, remittances dipped from a monthly average of USD 2.5 billion in 2019 to its lowest during the pandemic at USD 2.0 billion in April 2020. For 2021, average cash remittances recovered to USD 2.6 billion.⁴ This was driven by economic recovery in host countries and increased deployment of OFWs.

Demand for OFWs rebounded from the pandemic in the Americas (from 71 percent decrease in 2020 to 54 percent increase in 2021) and Europe (from 65 percent decrease in 2020 to 27 percent increase in 2021). The pandemic has even strengthened the demand for human resources for health (deployment for newly hired health professionals from 66 percent decrease in 2020 to 84 percent increase in 2021), amid a decreasing trend for newly licensed nurses in the Philippines (from 11,269 in 2017 to 5,031 in 2021).

After declining to 3.8 percent in 2020, remittance costs reverted to 4.1 percent of the amount remitted in 2021 (same as 2019) but still remained below the global average of 6.0 percent.

Key reforms and programs were implemented to promote the welfare of OFs. Local legislation such as the Universal Health Care (UHC) Act, the Social Security Act of 2018, the Social Welfare Attaché Act, and the Handbook for OFWs contributed to protecting OFs' rights and improving their well-being.

¹ As of December 9, 2021

² CAMP-AKAP program

³ Abot Lahat ang OFWs program

⁴ In 2021, cash remittances totaled USD 31.4 billion for the year, from USD29.90 billion in 2020.

IN FOCUS: KENNETH, REPATRIATED OVERSEAS FILIPINO WORKER



Kenneth is a 28-year-old high school graduate from Sta. Maria, Laguna. He previously worked at a packaging company in Japan as a factory worker but was repatriated due to the pandemic. He is married with four kids, and his wife takes care of their children in the Philippines. He is also the second of five siblings.

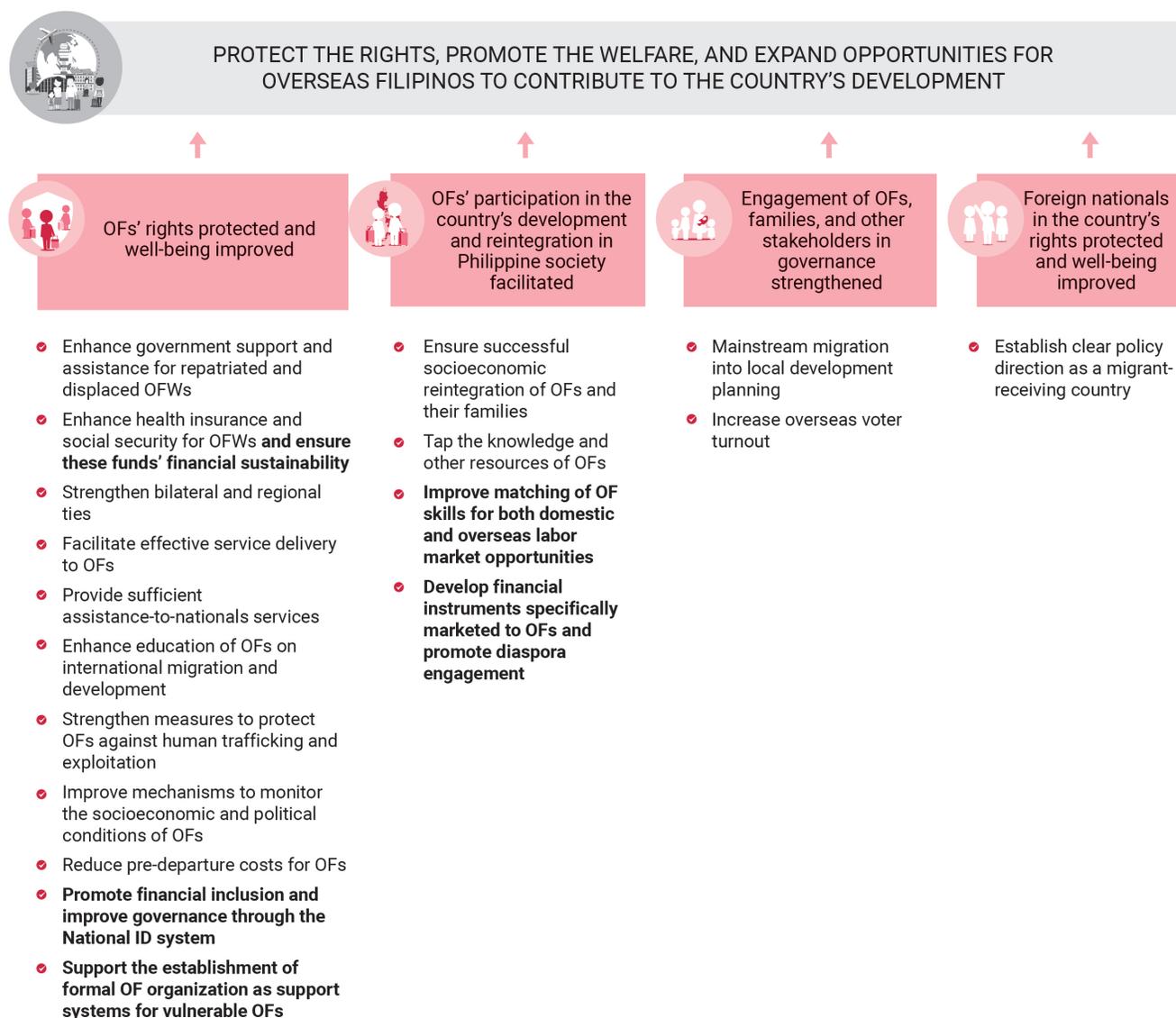
Kenneth has been looking for work in a factory in Manila, but he finds himself competing against local workers who have also been laid off. He is currently residing with his cousin's family at Isla Puting Bato in Tondo. He wants to return to his job abroad to be able to send all his children to school and have them finish college. Furthermore, he wants to save up for his own business in the future and to buy their own house.

When he was working abroad, his siblings constantly asked for money and financial assistance from him. Despite giving his family all of his income, it was still insufficient for their needs. Because of this, he has no savings at all. He prefers to work abroad because he fears there are no employment opportunities in the Philippines. Kenneth also believes that even if he finds a job, the income will not be enough for the daily expenses of his family.

STRATEGIC FRAMEWORK

The COVID-19 crisis brought socioeconomic uncertainties in the life of Kenneth as well as of other OFWs. In order to help them recover and still achieve their aspirations, immediate socioeconomic and development responses must be provided in line with strengthening efforts to protect their rights, promote their welfare, and expand opportunities for them to continually contribute to the country's development.

Figure 21.1. Strategic Framework to Protect the Rights, Promote the Welfare, and Expand Opportunities for Overseas Filipinos to Contribute to the Country's Development



Note: Text in bold are revised/new strategies to address the challenges identified in the sector.

STRATEGIES

PROTECT OFs' RIGHTS AND IMPROVE THEIR WELL-BEING

Ensure financial sustainability of health and social insurance programs through information dissemination and provision of e-payment schemes. The OWWA's reintegration assistance does not discriminate between OWWA members and non-members. Expenditures for health care services must be accompanied by greater contributions from eligible members of PhilHealth; while OWWA would need continuous membership payments to be able to provide their services. To ensure the financial sustainability of health and social insurance, payment schemes must be made more accessible. Electronic payment systems would facilitate premium payments here and abroad.

Promote financial inclusion and improve governance through the National ID system. The National ID System will provide all Filipinos a digital identity which can facilitate financial inclusion by providing access to vital services that require a valid proof of identity, which many Filipinos lack. At the height of the global pandemic, the lack of a digital identity has delayed the distribution of assistance to many Filipinos. Should global shocks take place, services and assistance can easily be facilitated and delivered to OFs and their families through the distribution channels enabled by the PhilSys.

Support the establishment of formal OF organizations as support systems for vulnerable OFs. Irregular or undocumented migrants increasingly face barriers to access essential services and assistance from host countries due to fears of possible arrest, detention, and deportation.⁵ The OF organizations can facilitate better bridging for both registered and unregistered OFs with their respective embassies and consulates for better assistance-to-nationals services.

FACILITATE OFs' PARTICIPATION IN THE COUNTRY'S DEVELOPMENT AND REINTEGRATION IN THE PHILIPPINE SOCIETY

Improve matching of OF skills for both domestic and overseas labor market opportunities. Initiatives for the successful reintegration of OFs will be strengthened through DOLE's Assist WELL Program. The Assist WELL Program is a package of assistance/services to address the welfare, employment, legal, and livelihood needs of repatriated workers. The employment assistance covers job placement or referral for local and overseas employment, and competency assessment and certification for repatriated workers who wish to confirm if they possess the competencies required in their preferred workplace. Job classifications in the PhilJobNet will also be aligned with the International Standards Classification of Occupations to provide repatriated job seekers more information on the alignment of their work abroad and potential work in the Philippines.

⁵ International Federation of Red Cross and Red Crescent Societies. 2018. New Walled Order: How barriers to basic services turn migration into a humanitarian crises

Develop financial instruments specifically marketed to OFs and promote diaspora engagement.

Given the rebound in remittances, BSP will provide more channels where OFs can invest their earnings by introducing financial instruments specifically designed for OFs such as diaspora bonds and remittance bonds. The bonds will augment government resources needed for pandemic response while also providing investment opportunities for expatriates. The challenge is to channel these remittances into productive investments and development financing. This will be done by localizing the BaLinkBayan Portal that provides a platform to re-engage OFs through diaspora philanthropy and doing business in the Philippines, among others. The replication of the Overseas Filipino Remittances for Development (OF-Red) will also be explored to channel overseas remittances for local development and livelihood projects.

RESULTS MATRIX

Table 21.1. Results Matrix

INDICATOR	BASELINE (YEAR)	TARGETS			ACTUAL		
		2020	2021	2022	2019	2020	2021
Sector Outcome: Protect the rights, promote the welfare, and expand opportunities for OFs to contribute to the country's development							
Percent of documented OFs to Total OFs increased ^a	92.2 (2019)	Increasing ^b	Increasing ^b	Increasing ^b	92.3	92.7	88.9
Sub-chapter Outcome 1.1. OFs' rights protected and well-being improved							
Philippine ranking on the US index on Trafficking in Persons maintained	Tier 1 (2019)	Tier 1	Tier 1	Tier 1	Tier 1	Tier 1	Tier 1
Percent share of active to total members of OWWA increased	28.9 (2016)	25.0 ^c	25.0 ^c	25.0 ^c	28.0	22.0	13.0
Sub-chapter Outcome 1.2. OFs' participation in the country's development and reintegration in Philippines society facilitated							
International remittance costs as a proportion of the amount remitted ^d	4.7 (2016)	<4.0	<3.5	<3.0	4.1	3.8	4.1
Percent of returnees successfully engaged in an income generating activity ^e	103.2 (2019)	100.0 ^f	100.0 ^f	100.0 ^f	103.2	83.8	92.6
Sub-chapter Outcome 1.3. Engagement of OFs families, and other stakeholders in governance strengthened							
Voter turnout increased (%)	18.4	N/A	N/A	40	18.4	N/A	N/A

Note: 2020 targets were set prior to onset of the COVID-19 pandemic and retained in the midterm update. The 2021, 2022, and end-of-plan targets were adjusted to take into consideration the effects of the COVID-19 pandemic.

^a Total OFs refer to the sum of documented, undocumented, and permanent; Documented refer to OFs with proper documentation as required by the host country; Undocumented are those with no document or with incomplete document, e.g., those with expired or inappropriate visas; Permanent means OFs with permanent residence status, including their descendants; also includes those with dual citizenship.

^b Increasing from previous year

^c Targets 2019 onwards are lower due to target reformulation based on realized assumptions and risks

^d The indicator uses the cost of sending USD 200 from the US to the Philippines as a proxy for the average cost of remittance.

^e Figures are computed as follows: number of returning OFs provided assistance by National Reintegration Center for OFWs (NRCO) who become successfully engaged in income generating activities divided by the number of NRCO target beneficiaries. The NRCO describes income generating activities (IGAs) as the initial stage of the entrepreneurship process, followed by self-employment as the second stage, and entrepreneurship as the final stage. IGAs determine how many OFW returnees became successful at generating profit or income for themselves and their family while progressing into entrepreneurship or formal employment.

^f Targets for 2020-2022 are based on a per beneficiary cash requirement and implementation of the programs.

