PROVIDING FOR THE GUIDELINES FOR EFFECTIVE AND EFFICIENT IMPLEMENTATION OF THE RURAL WORKS PROGRAM OF THE DEPARTMENT OF LABOR AND EMPLOYMENT

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I
General Policies

A. LEGAL BASIS:

1. Article II of the 1987 Philippine Constitution stipulates that the State affirms the labor as primary social economic force and that it shall protect the rights of workers and promote their welfare.

2. Article 3 of the Labor Code of the Phils. (P.D. 442) provides that the State shall afford protection to labor and promote full employment.

3. Department Order No. 6, Series of 1998 (Prescribing the Guidelines in the Implementation of the Comprehensive Program Package for Displaced Workers) states that the program shall provide employment facilitation assistance to displaced workers.

4. Administrative Order No. 185, Series of 1998 stipulates the establishment of DOLE GATT-Assisted Rural Works program to provide wage employment to the displaced workers through placement in public works projects.

B. Definition of Terms:

1. Displaced Workers — are workers who suffered from diminution or loss of income as a result of their displacement from work and/or less working hours brought about by the impact of the economic crisis and/or El Niño/La Niña phenomena.

2. Local Government Units — refers to territorial and political subdivisions of the State exercising autonomy to enable their fullest development as self reliant communities and make them more effective partners in the attainment of national goals. The individual LGU can be a province, city, municipality, created by law based on the indicator of viability such as income, population and land area and projected capacity to provide services.

3. Non-Government Organizations — refers to non-stock, non-profit private voluntary organizations that are committed to the task of socio-economic development and established primarily for service.

4. Peoples Organizations — refers to self-help groups belonging to the basic sector and/or disadvantaged groups composed of members having a common bond of interest who voluntarily joined together to achieve a lawful common social or economic end. Cooperatives are considered as POs for purposes of this definition.

5. Socio-civic Organizations — refers to non-profit organizations which aim to develop the social and cultural aspect of the people in the community.

6. Proponents — refers to the prospective employers of the displaced workers that are to act as social partners of

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the DOLE in the implementation of the Program. The proponents under this Program shall include the local government units, non-government organizations, peoples' organizations, socio-civic organizations, organizations of producers, employers' organizations, trade unions, and other organizations of workers.

7. Public Employment Service Offices — refers to multi-service facilities that provide information and assistance to the clients. The PESOs are mechanisms that are designed to link skills with jobs.

8. Labor-Intensive projects — refers to rural works to be implemented by proponents employing more workers rather than the use of equipment usually in the agricultural setting.

9. Community-based works — refer to projects that the community had identified to be undertaken by the displaced workers found in the community.

10. Productive Infrastructure — refers to projects that are sustainable whereby the community can regularly collect tolls or fees after completion of the same.

11. Social Infrastructure — refers to projects that are meant to address the social needs of the community without pecuniary returns.

12. Project Cost — refers to the 60% DOLEs counterpart in the wages and salaries of displaced workers participating in labor-intensive projects.

C. Rationale of the Program

The Rural Works Program is an initial response to workers affected by the reforms being undertaken in connection with the country's commitment to the GATT-WTO, trade liberalization and globalization. It is a temporary work job placement in community-based projects that are labor intensive to ease the adverse effects of the economic crisis.

Furthermore, the program is a response to the need to generate productive infrastructures in the rural areas wherein community participation shall be encouraged in the program to enhance sustainability, and at the same time foster a sense of ownership among community members. Social infrastructures are also included in the program but shall be given less priority.

The Program is a joint undertaking of the Department of Labor and Employment (DOLE) and the proponents under this Program. Line agencies with rural works program can coordinate with proponents to implement their program.

The urgency to generate employment is a prime consideration of the program. The diminishing job opportunities and retrenchments being experienced in the urban areas would require the tapping of community works in the rural areas as employment generator. The potential of the program to accommodate displaced workers towards productive undertakings can be realized with the collaborative efforts of DOLE and its partner-proponents.

The sharing of the cost of labor on a 60%-40% arrangement is an innovative approach in minimizing cost while maximizing benefits for the targeted displaced workers.

It is envisioned that cost-effective labor based methods will increasingly be adopted in infrastructure projects both by government and the private sector through the expanded implementation of this program.

Towards making an impact on the unemployment problem, DOLE shall continually allocate funds for the program to cover ultimately all regions of the country.

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D. OBJECTIVES

The Program has the following objectives:

1. To provide temporary wage employment for displaced workers through placement in community-based works projects to enable them to meet their daily basic needs and cope up with the economic crisis until an alternative employment can be found;

2. To harness the skills of the displaced workers in community-based works; and

3. To collaborate and coordinate with the LGUs, NGOs, POs, socio-civic organizations, organizations of producers and/or trade unions in mitigating the effects of the unemployment problem.

E. COVERAGE:

The Program shall be implemented nationwide. Initially, however, the implementation shall be in selected provinces in Regions IX, X, XI, XII and CARAGA.

F. TARGET CLIENTELE:

The target clientele of the program are those workers who suffered from diminution or loss of income as a result of their being displaced from work and/or less working hours available. Furthermore, these workers are desirous of immediate employment as sources of income and livelihood and have shown willingness to participate in the program and have the capacity to handle manual labor.

G. ELIGIBLE PROJECTS:

The eligible projects for funding under the Program are the following:

1. Economic/productive infrastructure projects — rehabilitation of farm to market roads, irrigation canals, and construction or reconstruction of wooden bridges and post harvest facilities, and water pumps;

2. Social infrastructure projects — repair and maintenance of common public facilities, cleanliness, beautification and eco-tourism projects; and

3. Agro-forestry projects — communal planting, replanting, including reforestation and seeding undertakings.

Economic/productive infrastructure projects shall be given priority emphasis over other rural works projects under this Program.

I
Procedural Guidelines

A. PROGRAM IMPLEMENTATION

1. Promotion of the Program

The DOLE-RO shall undertake promotional activities through the selected PESOs in the promotion of the program. Promotion strategies may include but not limited to:

a. Meetings with the prospective proponents;
b. Assisting communities develop project ideas; and
c. Media campaigns.

2. Selection of Provincial Site

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The DOLE-RO shall identify and select the provincial site based on the following criteria:

a. High incidence of unemployment caused by the current economic crisis;

b. Willingness of the community and proponents to participate in the program; and

c. Presence of PESO.

3. Creation of the DOLE-RO Project Management Team

A DOLE-RO Project Management Team (DOLE-RO PMT) shall be created to be composed of representatives from the different Divisions of DOLE. The DOLE-RO PMT shall have the following responsibilities:

a. Evaluate project proposals emanating from the LGUs, NGOs and POs;

b. Extend technical assistance to the proponent as the need arises;

c. Endorse the project proposals to the DOLE-RO Regional Director for approval;

d. Inform the proponent on the status of the submitted project proposals; and

e. Monitor the implementation of the project based on the approval project proposals.

4. Preparation, Evaluation and Approval of the Project Proposal

The proponent shall prepare the project proposal on rural works projects and submit the same to the DOLE-RO PMT for evaluation.

The DOLE-RO PMT shall evaluate the feasibility of the project proposal and shall inform the proponent of the result of the evaluation. If the project proposal is found feasible, the DOLE-RO PMT shall endorse the same to the DOLE-RO Regional Director for approval.

Once approved, the DOLE-RO PMT shall notify the proponent about the approval of the proposal.

5. Approving Authorities

The authority to approve or disapprove project proposals shall depend on the project cost range, which are as follows:

Project Proposals less than 1M-DOLE Regional Director

Project Proposals more than 1M-Subject to deliberation of the DOLE-GATT Task Force and the approval by the Secretary

6. Execution of the Memorandum of Agreement (MOA)

Upon approval of the project proposal, a Memorandum of Agreement (MOA) shall be executed by and between the DOLE-RO and the proponent which shall be the basis for the release of the program fund to the proponent and monitoring of the program implementation. The MOA shall contain the following terms and conditions in project implementation:

a. That the program shall shoulder 60% of the wage and the remaining 40% shall be the counterpart of the proponent;

b. That the workers absorbed by the program shall be paid based on the mandated (RTWPB) daily minimum wage; and

c. That the displaced workers shall be given first priority in terms of placement.

7. Registration, Recruitment and Selection

The LGU through its Public Employment Service Office (PESO) shall be responsible for the registration, recruitment and selection of displaced workers. The workers listed in the DOLE roster of displaced workers shall be the priority beneficiaries of the program.

The proponent shall coordinate with the Provincial PESO for the job vacancies for the approved rural works project.

The displaced workers shall register with the PESO for employment facilitation and assistance.

The PESO manager shall screen the displaced workers and match the skills with the job requirements. Based on the available skills of the workers, the PESO manager shall issue job referrals, duly certified by the Provincial Labor Employment Officer, to the displaced workers for the latter to forward the same to the proponent for employment. Likewise, the PESO manager shall orient the displaced workers on the terms and conditions of his/her employment.

8. Execution of the Job Contract

To formalize the employment of the displaced workers, a job contract shall be executed by and between the proponent (employer) and the displaced workers. The job contract shall stipulate the specific tasks to be performed by the workers, the duration of employment, and the corresponding minimum wage as mandated by the Regional Tripartite Wages and Productivity Board (RTWPB) to be received by the workers. The said contract shall form part of the basis for monitoring of the project implementation.

B. ROLES AND RESPONSIBILITIES

1. The PESO

a. Register and screen displaced workers based on the present skills;

b. Issue job referrals to displaced workers; and

c. Orient the displaced workers on the terms and conditions of his/her employment.

2. PROPONENT (LGUs/NGOs/POs, Socio-Civic Organizations, Organizations of Producers, Employers' Organizations, Trade Unions, and other Organizations of Workers)

a. Prepare and submit the project proposal to the DOLE-RO PMT for evaluation;

b. Coordinate with the Provincial PESO for job vacancies for rural work projects;

c. Facilitate the execution of the job contract;

d. Monitor the implementation of the project;

e. Prepare a project completion report;

f. Prepare monthly progress reports, as required by the DOLE-RO; and

g. Pay for the 40% of the share of wages of the displaced workers.

3. The DOLE-ROs

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a. Ensure the placement of displaced workers in approved projects;

b. Select the target sites for the program;

c. Facilitate the MOA signing;

d. Prepare the administrative and financial requirements for program implementation;

e. Monitor program implementation, and submit monthly progress report to the BRW; and

f. Pay for the 60% of the share of wages of the displaced workers.

4. The BRW

a. Oversee the overall implementation of the Program.

C. OTHER REQUIREMENTS FROM PROPONENTS

a. Except for LGUs they must be registered or accredited by any government agency.

b. They must show proof that they are capable of paying the 40% of the share of wages as determined/evaluated by the DOLE-RO.

D. MONITORING

The DOLE-RO PMT in coordination with the proponent shall monitor the implementation of the project. Field visits to the project site shall be conducted on a monthly basis to determine and ensure; a) that the activities being undertaken are in accordance with the approved proposal, b) that the displaced workers are absorbed in the program; and c) the compliance of the proponent to the terms and conditions stipulated in the MOA and the job contract.

A monthly progress report shall be submitted by the DOLE-RO to the BRW every 7th day of the succeeding reporting period.

The proponent shall submit a project completion report to the DOLE-RO within a month after project completion. The DOLE-RO shall then consolidate all project completion records submitted by proponents and shall be responsible in submitting said consolidated report to the Central Office.

E. PROGRAM EVALUATION

Upon completion of the project, the DOLE-RO PMT shall assess the impact of the assistance rendered in terms of the achievement of the project objectives, effect on beneficiary's socio-economic way of life, and the efficiency of the service delivery system.

II
Provisions Related to Financial Management

A. FUND RELEASES

1. The DOLE-BRW through the FMS shall transfer the grant funds to the DOLE-ROs based on the allocation schedule.

2. The RO-IMSD shall release the grant to the proponent based on the approved project proposal and duly notarized Memorandum of Agreement. A resolution from the Sangguniang Bayan of the participating LGU shall

form part of the attachment to the MOA.

3. The release of funds to the proponent shall be effected not later than ten (10) working days after the signing of the MOA.

4. Pursuant to COA Circular 96-003, assistance in an amount of P 300,000.00 or less for each project may be released in full. For projects with funding requirements exceeding P 300,000.00, the assistance may be released in tranches, with the schedule of releases being dependent on the nature or phases of the project and its activities.

B. FINANCIAL CONTROL

1. The funds shall be used exclusively for the purpose intended as reflected in the approved project proposal. No deviations shall be allowed except upon prior written application by the proponent and approval of the DOLE-RO. Any unauthorized deviation shall be a ground for termination of the MOA, without prejudice to the right of the DOLE to pursue any legal action to protect the interests of the government.

2. For projects that have not been implemented within 2 months, from the date of release of funds to the proponent, the DOLE-RO may deem the MOA as revoked or rescinded without need for judicial action, pursuant to Article 1191 of the Civil Code of the Philippines. Immediate withdrawal of the funds shall be done by the DOLE-RO. For unreasonable delay, the proponent may be charged a penalty of 1/10% of the total project cost per day.

3. In cases where the unused funds for a particular portion or phase of the project exceed 15% of the amount released to the proponent, revision of the project schedule may be allowed upon prior written application and approval of the DOLE-RO. In such case, the MOA shall be amended accordingly. If the unused funds do not exceed 15% of the total amount released, no revision of the MOA shall be needed but the proponent shall submit a written justification for the delay, otherwise withdrawal of the unused funds may be done by the DOLE-RO with the corresponding penalty charges.

4. The proponent shall keep a separate book of accounts for the project. Said book of accounts shall be open for inspection or audit by the authorized DOLE officer.

5. Upon project completion, the proponent shall submit a Report of Disbursement with the appropriate receipts and other supporting documents. This shall be validated by the authorized DOLE officer. Any unused or unliquidated amount shall be returned to the DOLE-RO.

III
Other Provisions

A. PENALTY CLAUSE

All concerned are required to strictly comply with the provision of this Order. Otherwise disciplinary action shall be imposed under existing laws, rules and regulations.

B. EFFECTIVITY

This order shall take effect immediately.

Adopted: 29 Oct. 1998

(SGD.) BIENVENIDO E. LAGUESMA
Secretary

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