

**Republic of the Philippines**  
**Department of Labor and Employment**

**ADMINISTRATIVE ORDER No. 01-A**  
(Series of 2008)

**WORKERS INCOME AUGMENTATION PROGRAM**  
**(Dagdag – Kabuhayan Para sa mga Manggawa)**

In the interest of the service and pursuant to the DBM-DOLE TESDA Joint Memorandum Circular No. 1, series of 2007. In support of the Macapagal-Arroyo Administration's trust to alleviate poverty by enhancing the income-earning capacities of workers in the formal economy, the Workers Income Augmentation Program (WIAP) will be implemented nationwide.

To ensure the effective and efficient implementation of WIAP, the following set of guidelines is hereby issued to program implementers.

**PART I**  
**THE PROGRAM**

**A. Program Description**

The Workers Income Augmentation Program intends to assist the workers in the formal economy in engaging into business to augment their wages/salaries. Their business activity will provide them with additional sources of income from their share in the profit and employment of their family members.

The Program will provide services that will develop the capacity of the workers to collectively start and manage (through a Project Management Team) a business/livelihood undertaking. The workers will be developed to become effective stakeholders in their business.

The worker-beneficiaries will create and designate members of a Project Management Team, which will direct and supervise the daily operation of the business.

**B. Program Objectives**

1. To develop the capacity of the workers, who have limited sources of income, and their organizations to engage in other economic activities;

2. To enhance the income-earning potential of the existing economic activities of the workers and their organizations;
3. To develop the workers as effective stakeholders in their economic activities; and
4. To promote and enhance company-and-workers partnership to augment household income of the workers.

**C. Program Beneficiaries**

The Program beneficiaries are the wage workers (both organized and unorganized) with existing livelihood undertakings or wanting to establish livelihood projects to augment their existing income. Initially the target beneficiaries are the workers who are members of duly registered associations, independent unions, local affiliates of labor federations and cooperatives.

**D. Program Services**

1. Business Planning. Providing beneficiaries with skills through learning by doing in generating/screening business ideas, selecting the best business project and preparing the business plan;
2. Business Management Training. Building the capacity of the Project Management Team to be designated by the worker-beneficiaries to manage the daily operations of the project in the four areas of business operation, i.e., marketing, production, organization and finance;
3. Production Skills Training. Providing the workers to be hired for the project by the worker-beneficiaries with the necessary skills in producing quality products or services; and
4. Financial Assistance. Granting of financial assistance for initial working capital, training-cum-production, and acquisition of production equipment and tools.

## **PART II REQUIREMENTS FOR PROGRAM AVAILMENT**

For the organized wage workers to avail of the Program, their organizations must be duly accredited by the DOLE, based on the following qualifications:

1. Must be duly registered in appropriate government registering agency;
2. Must be the certified bargaining agent (for unions) of the company;
3. Must have filed its financial statement with the government registering agency for the last three (3) years reflecting stable financial condition;
4. For workers organizations with less than three (3) years of operation , a report of accomplishment that it had implemented similar projects must be submitted;
5. With no arrears in loan amortization payments from any credit institutions; and
6. Must be capable and willing to provide equity of at least 20% of the total project cost.

For the unorganized wage workers to avail of the Program, they will be assisted by the DOLE – accredited Co-Partners (ACPs).

## **PART III OPERATION GUIDELINES**

1. The workers' organization will file an application to the DOLE-Regional Offices for availment of program's services.
2. DOLE-RO will assess the accreditation eligibility of the applicant-workers organizations as program partner. If not qualified, the DOLE-RO will refer the workers organizations to eligible program partners.
3. The workers' organizations will be provided with the following interventions:

- a. Orientation on entrepreneurship and values redirection;
  - b. Business development workshop;
  - c. Business planning workshop; and
  - d. Business policy development workshop.
4. The workers organization will submit its business plan to the DOLE-RO for financial assistance.
5. Upon approval of the business plan, the workers organization will create the Project Management Team (PMT).
6. The PMT/workers organization members will be trained in Business Management Skills.
7. The DOLE-RO will release the approved fund assistance for the following:
  - a. Production skills training;
  - b. Initial working capital (raw materials, etc.) and
  - c. Production equipment/tools.
8. The workers organizations will submit quarterly report to the DOLE-RO on the status of its business operation.
9. The DOLE-RO will provide continuing technical assistance to the workers organizations and PMT until they are self-reliant.

#### **PART IV PROGRAM MANAGEMENT AND IMPLEMENTATION**

The **Bureau of Labor Relation (BLR)**, under the direct supervision of an Undersecretary who will be designated for the over all management and supervision of the program, will be the program manager and will specifically perform the following task:

1. Formulate policies and guidelines pertaining to the improved implementation of the program;
2. Conduct monitoring , evaluation and analysis of the status of the implementation of all projects funded out of the WIAP;
3. Submit regular progress reports, including status of funds, to the designated Undersecretary;

4. Conduct advocacy activities to promote the program to workers organization and other stakeholders; and
5. Develop and maintain a database of all WIAP project documents/records.

The **Bureau of rural worker (BRW)** will provide the necessary technical support services, particularly in screening and evaluating livelihood/enterprise based project proposals for funding and monitoring and evaluation of approved projects.

The **Regional Coordinating Council (RCC)** or regional program management team {RPMT} will oversee program implementing at the regional level. As such, it will be responsible for the following:

1. Screen, evaluate and deliberate all project proposals emanating from areas within their jurisdiction.
2. Endorse proposals for funding to the central office;
3. Ensure completeness of documentary requirements;
4. Monitor and evaluate project implementation at the regional level; and
5. Recommend policies and innovations to future improve the program.

The **DOLE Regional Directors and provincial Officer** will act as program Coordinator at the regional and provincial level, respectively.

## **PART V PROGRAM MONITORING AND REPORTING**

For purposes of a standard monitoring and reporting system, the workers income Augmentation program will use the monitoring and reporting system prescribed for in DO 85-07, DOLE Adjustment Measures Program.

## **PART VI FUNDING**

Initially, approved livelihood project will be funded through the p100 million fund released for the workers income Augmentation Program and realigned from the P200 Million Technical Vocational Scholarship Program Fund in accordance with the

DBM-DOLE-TESDA joint Memorandum Circular No. 2007-1 issued November 29, 2007.

The Fund will be released by the CO to the ROs through the issuance of ADLs and corresponding funding checks based on the approved WFP or project proposal.

The release and utilizations of program/funds will be in accordance with the provisions of COA Circular 2007-001, subject to existing accounting and auditing rules and regulations.

Other funding source(s) may be tapped as approved by the undersigned, the utilization of which will be subject to existing accounting and auditing rules and regulations.

This Order takes effect immediately.

(SGD)  
**ARTURO D. BRION**  
Secretary

January 2, 2008