

**[OWWA MEMORANDUM OF INSTRUCTIONS NO.
003 S. 1992, February 05, 1992]**

**IMPLEMENTING GUIDELINES ON THE EXTENSION OF SPECIAL
CREDIT ASSISTANCE TO DISPLACED WORKERS AFFECTED BY
THE ERUPTION OF MT. PINATUBO**

In pursuance with OWWA's commitment to co-implement the credit assistance project of the National Government for the benefit of displaced workers in Region III who were affected by the eruptions of Mt. Pinatubo, the following guidelines are hereby promulgated for the information of all concerned:

**I
Objective**

The credit assistance program is aimed at providing financial assistance to displaced workers in Region III who were affected by the eruptions of Mt. Pinatubo desiring to work overseas. The financial assistance is primarily intended to defray the workers placement fee, pre-qualification and documentary expenses prior to deployment for work abroad.

**II
Description of the Scheme**

The scheme provides for a financial tie-up between OWWA and the participating recruitment agency through a Memorandum of Agreement wherein the recruitment, pre-qualification, and documentary expenses of qualified workers pre-selected or hired on the spot by the recruitment agency shall be charged against the proceeds of pre-departure loans availed of by the OCW. To expedite processing of the loan, the recruitment agency shall sponsor its own OCW in the latter's application for financial assistance. The recruitment agency shall act as solidary co-maker of the loan and as such, shall guarantee the collection and repayment of the loan on due date.

**III
General Provisions**

1. All pre-departure loans granted under this scheme shall be processed according to the terms and conditions of the existing Pre-departure Loan package except that the loanable amount for the Pinatubo victims shall be in the amount of P5,000.00 per worker regardless of their contracted salary.

Claims of pre-selected workers/participating agency for re-imbusement of pre-qualification expenses not exceeding P2,000.00 shall be allowed only upon prior approval of DOLE-Task Force Mt. Pinatubo and provided said expense shall be repaid from the proceeds of the loan that may be approved for the OCW.