



2020

HIGHLIGHTS



2020 HIGHLIGHTS

Adapting our work to the changing normal

The lost year. The fallow year. The chaotic year. These descriptions and many more are what many defined 2020 to be because of the coronavirus disease 2019 (COVID-19) pandemic that has gripped the world.

This unprecedented challenge has taken a harsh toll on the lives and livelihoods of the Filipinos, with the poor and marginalized communities being hit the hardest. As the global crisis unfolded, the Peace and Equity Foundation (PEF) retrofitted its work to maintain critical support for partner social enterprises, deploy relief assistance, assess impact to partners and communities, comply with government directives, while ensuring a safe work environment for its staff.

The COVID-19 pandemic created significant economic volatility, but sharp investment decisions and prudent management of our portfolio ensured that funds were sufficient to implement programs and deliver services to our partners. Funds disbursed for programs and operations totaled P143.6 million for the year.

As challenges remain and new obstacles emerge, PEF will continue to champion economic opportunities for target households in priority areas, recalibrate support systems and stimulate learning toward building resilient communities.



Grow

PEF provides support to projects specifically those that address the problem of socio-economic deprivation. It works closely with cooperatives, people's organizations, non-government organizations, and other such groups involving livelihood and employment, agricultural development, basic social services, and capacity development.

In 2020, PEF continued to invest in 16 social enterprises totaling P59.55 M to support and engage more than 3,800 households. Almost 50% of the social enterprise partners were cooperatives engaged in cane sugar and coffee production and trading, and microfinance.

Significant support for COVID 19-related initiatives took up 15% of project approvals totaling P13 M, targeting about 56,000 households in 12 provinces and Metro Manila. Of particular focus was in identifying the needed resources and developing potential enterprises that can help communities recover and revive their economic activities. Meanwhile, relief efforts included distribution of relief packs, working capital to local entrepreneurs, market linkaging, and research and monitoring that assisted civil society organizations and local governments in allocating resources where they are needed most.

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| <p>SE APPROVALS</p> <p>P 59.55M</p> | <p>3,800 TARGET HOUSEHOLDS</p> |
| <p>COVID-19 INITIATIVES</p> <p>P 13M</p> | <p>56,000 TARGET HOUSEHOLDS</p> |

Kalsada Coffee: Making inroads despite the pandemic

According to the International Coffee Organization, the consumption of coffee around the world is expected to decrease by 0.5% because of the effects of COVID-19 pandemic. With closures of many businesses and restrictions in transporting goods, it is no wonder that the coffee industry is reeling from the effects of the lockdowns implemented around the world.



Despite this, Kalsada Coffee Company, who sells coffee to local and international markets found a way to market their products by exploring the rise of homebrewing and exporting to US coffee shops and roasters like Mostra coffee in San Diego and Andytown in San Francisco.

"Since marami nang work-from-home at nag-aaral na mga estudyante online, tumaas ang demand namin doon sa retail. Lumalaki na din ang demand for Philippine coffee abroad. Aside from the United States, we have a market in Australia. May mga inquiries na kami from middle eastern countries like Qatar and Turkey," Kalsada Country Director Tere Domine said.

Kalsada Coffee is currently supporting 85 farmers in Barangay Kaliking, Atok by buying their coffee at P 47 - P 50 per kilo. Some farmers are getting P 50,000 - P 60,000 per season and other farmers with one to two hectares of farm are earning almost P 200,000.



Going nuts against COVID

With the recent studies being conducted by the government to test virgin coconut oil (VCO) as an alternative supplement against COVID-19, producers like GreenLife in Tayabas, Quezon, are reaping the benefits from the increasing demand.



"VCO is being perceived as a miracle food. A food that prevents viruses. It is considered an antibiotic, antiviral, anti-fungal. *Noong idineklara ang ECQ nung March, on and off kami ang trabaho namin. Ngayon, tuloy-tuloy kami at nagdagdag na kami ng tao sa processing,*" GreenLife Chief Executive Officer Francisco Rubio said.

Rubio encourages consumers to support local coconut products, as it will also help many coconut farmers increase their income.



Enhance

With the COVID-19 pandemic disrupting planned capacity building interventions in 2020, PEF shifted to remote learning and mentoring methods primarily using web and mobile-based platforms.

- Nine organizations took part in online learning events and one-on-one remote mentoring on performance audit and basic accounting to enhance financial literacy of 38 key enterprise officers.
- Board members and management staff of five social enterprises participated in leadership and financial management workshops organized by PEF and Mahintana Foundation, Inc. under the Strengthening Off-grid Lighting with Appropriate Renewable Energy Solutions or SOLARES project.
- Three Islamic Microfinance partners in Mindanao have appointed members of their Islamic Microfinance/ Shariah Supervisory Board. Future efforts will be focused on setting up the Islamic Microfinance Council at the BARM regional level, which will govern all local microfinance councils.
- In partnership with Dompot Dhuafa of Indonesia and Ramon Magsaysay Awards Foundation, a Zakat management webinar was attended by 12 PEF microfinance implementers in Mindanao.

Driving innovation and empowerment in coastal communities

PEF organized a learning exchange with the fisherfolks of Padre Burgos, Quezon on February 4-5, 2020 in Kabasalan, Zamboanga Sibugay.



During the tour, Kapunungan ng Gagmay Mangingisda ng Concepcion Chair Roberto "Ka Dodoy" Ballon said that convergence of the local government, civil society organizations, and a group of fisherfolks can turn an impoverished coastal community into a bustling center of development and environmental conservation.

"Sana kayo ay manguna sa Quezon Province ng bumuo ng mga programang makakatulong sa kalikasan para sa lahat ng mangingisda," he addressed the fisherfolks of Padre Burgos.

Padre Burgos Mayor Ruben Uy Diokno was also present in the learning exchange where he vowed to support the fisherfolks in their initiatives in the coastal communities.



Entrepreneurs meet the experts

Board members and key management staff of five social enterprises had the opportunity to learn how to improve leadership styles and financial management in a three-day workshop organized by the PEF and Mahintana Foundation, Inc. (MFI).



The workshop, held in General Santos City, was attended by enterprise partners in Soccksargen on 22-24 January 2020.

MFI training consultant Mary Luzviminda Herezo emphasized the importance of visioning and harmonizing the Filipino values on the organization's leadership roles. Different activities such as situational problems solving and pre- and post-tests for self-evaluation were conducted during the training.

Financial expert Phoebe Montefalcon, meanwhile, shared different ways and means to improve the overall financial management of the participating organizations.



Collaborate

Partnerships between civil society, the public and private sectors became vital in responding to the immediate needs of households during the COVID-19 pandemic, forging well-coordinated response.

- 'COVID-19 warriors,' a coalition of civil society organizations, banded together to create a coordinated response to ensure that the poorest and the most vulnerable communities in Metro Manila are given relief assistance.
- Help from Home and Urbanismo developed a community-based monitoring system to help in tracking distribution of COVID-19 relief goods and other efforts in 500 poorest barangays in seven priority cities in Metro Manila.
- A million worth of food and non-food items were given to an estimated 700 families in the National Capital Region through charity organizations Simbahang Lingkod Bayan, Urban Poor Associates and Arnold Janssen Kalinga Center.
- With the Philippine Disaster Resilience Foundation, PEF provided 660 personal protective equipment to Marikina Valley Medical Center, Inc.
- PEF contributed to Bayanihan Musikahan, an online concert series that raised funds for affected families in Metro Manila.

PEF also created or engaged in mutually reinforcing initiatives toward sharing of financial, technical and knowledge resources.

- The Ramon Magsaysay Award Foundation (RMAF), through the Ramon Magsaysay Transformative Leadership Institute, SELCO Foundation and PEF worked together in creating a coordination hub in Mindanao to push for renewable energy in the region.
- The coffee industry in Kalamansig, Sultan Kudarat got a boost through PEF's partnership with the Agricultural Cooperative Development International-Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) to increase production and improve the quality of coffee beans.
- The partnership between PEF, United States Agency for International Development, Philippine Fiber Industry Development Industry, United Maligang Farmers Multi-Purpose Cooperative, Joscual Trading and the T'boli local government provided livelihood opportunities and markets to 200 coffee and abaca farmers in the upland communities in South Cotabato.
- The second phase of PEF and the Coca-Cola Foundation Philippines' Scaling Up Program for Social Enterprises on Water Services or SCALE UP Water will guarantee residents of Kalamansig and Lebak in Sultan Kudarat, and Bansalan, Davao del Sur potable water.
- PEF maintains an active role in other convergence initiatives acting as the livelihood cluster leader in the Zero Extreme Poverty 2030 Coalition and as convener for the development of Shari'a financing in Mindanao.





Farmers and fisherfolks: Ensuring food security in the time of pandemic

While the country grapples with the COVID-19 pandemic, a sector in the rural frontlines are silently working to ensure that food will always be on every Filipino family's table: our farmers and fisherfolks.

In Guimba, Nueva Ecija, the Cooperative Enterprise for True Economic Reform Multi-Purpose Cooperative supported rice farmer communities in their town by buying the farmers' produce while providing services such as hauling and drying and use of combine harvester.

Saradit ng Kristiyanong Komunidad Farmers' Cooperative in Camarines Sur, on the other hand, delivered 600 sacks of rice to Manila for the relief efforts of Bayanihan Musikahan, an online concert series that raised almost P 123 million to help vulnerable communities in Metro Manila.



PEF joins efforts to help urban poor affected by lockdown

Amidst the COVID-19 pandemic, PEF, together with non-government organizations (NGOs), provided a million worth of food and non-food items to an estimated 700 families in the National Capital Region. The relief packs consisted of rice and canned goods, plus bottles of alcohols and face masks.

"PEF is focused on rural development, but it has a wide NGO network, some are working with the urban poor sector. Through them, we were able to extend support to vulnerable families affected by the pandemic," PEF Senior Area Officer Bong Soto said.

PEF supported charity organizations, Simbahang Lingkod Bayan, Urban Poor Associates and Arnold Janssen Kalinga Center, in helping hundreds of homeless people and slum dwellers in Tondo and Sta. Cruz, Manila.

Quezon City residents also received relief packs through partner organizations, Disaster Preparedness and Response Interventions for Victim Empowerment, Partnership of Philippine Support Service Agencies, and Aksyon sa Kahandaan sa Kalamidad at Klima.



Promote

One of the most effective ways to combat the spread of COVID-19 and limit its impact on fragile health systems is building people's knowledge and awareness. From posters to the web, PEF used a range of channels to reach people with the information they need to stay safe and healthy.

- An information hub, was created to get the latest updates on PEF's response to COVID-19: <https://pef.ph/coronavirus-disease-covid-19-information-hub/>
- Marketing campaigns generated media mileage valued at P 5.38 million from online and print media, featuring two focus areas: Quezon and Sultan Kudarat.
- A crisis communication plan was prepared to manage and coordinate communication channels and guidelines in relation to COVID-19 to ensure that PEF provided relevant, accurate, and consistent information to its critical stakeholders and the public.

Knowledge sharing through online events such as #PEFtalks brought fresh perspectives, expert advice and innovative solutions on real-time issues and events that helped PEF and its stakeholders in charting directions and designing interventions on the ground.

PEF Talks 1: Health, economic experts open first #PEFtalks

Former Department of Health Secretary Dr. Esperanza Cabral and Ateneo School of Government Dean, Dr. Ronald Mendoza talked about the trends and implications of COVID-19 to the country's public health and economy.

// *To reduce the impact of COVID-19 pandemic, we need to know the enemy, treat the sick, protect the health care workers, and keep the citizenry safe.*



// *Instead of blaming people as 'pasaway' for the continued spread of the pandemic, leaders must find ways to support them. Many Filipinos do want to comply with the mobility restrictions. It's just that they are not able to because of their need to keep earning income and to prevent their families from going hungry.*



Photos by
www.up.edu.ph
Ateneo De Manila University

PEF Talks 2: #PEFtalks 2 features CSOs' COVID-19 response

Zuellig Family Foundation Executive Director Austere Panadero, Synergia Foundation CEO and President Milwida Guevara and KASAGANA-KA Credit and Savings Cooperative General Manager Maria Anna De Rosas-Ignacio discussed their organizations' efforts to assist local governments, teachers, parents and entrepreneurs on health, education, and livelihood.



"In our work, we found out that the leadership of our local chief executives are critical. In the local health systems, both the law and the realities on the ground call for integration so that the facilities and capacities are maximized.

"Distance education is not about getting tablets and getting access to technology. What is important is the content delivered to the children and how this content will be delivered into learning.

"Layunin ng Project Karinderya na matulungan ang aming mga miyembro na buhayin muli ang kanilang negosyo at matulungang maitawid ang mga nagugutom sa pamayanan.

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PEF Talks 3: Food security, agri-aqua enterprises amid COVID-19 crisis

Norberto De Guzman of Center for Agriculture and Rural Development - Mutually Reinforcing Institutions (CARD MRI), Nasrudin Buisan of TipidTanim Challenge, Therese Domine of Kalsada Coffee Roasters Inc., and Armel Amparo of Yakap of Halik Multi-Purpose Cooperative shared their work towards strengthening food security, bringing agricultural products to markets, and promoting cooperativism amid the pandemic.

"Sa panahon nang COVID-19, kailangang mag-innovate ang ating mga serbisyo at program upang ito ay makarating sa ating mga beneficiaries. At the end of the day, they are the very foundation of our social enterprises.

"Ang advocacy namin ay hikayatin ang mga mamamayan na magtanim. Bukod sa iba't ibang klase ng mga binhi, kami rin ay nagbibigay ng skills training para sa mga interesadong magtanim.

"Dahil sa pandemya, dumating ang mga bagong oportunidad. Binuhos namin ang aming efforts online. Tumaas din ang demand mula sa ating mga kababayan sa ibang bansa na nais kumita. Dahil dito, tumaas ang exports ng ating kape.

"Pinalakas natin ang value of cooperativism. Sa ating mga magsasaka at mangingisda, nakita natin na kailangan ng clustering dahil sa problema sa kompetisyon. Tiningnan din natin kung paano sila mag-innovate upang mabenta nila lahat ng kanilang produce locally.



Photos by
CARD SME Bank Facebook page
Tipid Tanim Challenge Facebook page

Upgrade



GOVERNANCE AND INTERNAL CONTROL

- To guide PEF's long-term action, the PEF Board completed its strategy review process. Insights from the learning sessions, together with the internal performance review, were used to define the strategic directions for 2021 onwards.
- Ms. Rory Tolentino was elected as Vice Chair of the PEF Board of Trustees. Two civil society organization leaders also joined the PEF Board -- Professor Emmanuel S. de Dios, PhD, Professor of Law and Economics at the University of the Philippines and Allan Robert Sicat, Executive Director of the Microfinance Council of the Philippines, Inc.
- To ensure security and confidentiality of data, PEF updated its data privacy and security policies for the new remote-working environment. Telecommuting guidelines and best practices were set out. PEF also continued to adopt risk-based project and process audits in monitoring compliance and risks consistent with the organization's goals.
- Business continuity (office operations): Since March, all staff are on work-from-home mode, except for a skeletal force in the main and Davao offices to ensure that critical support for operations and staff welfare are unhampered. Field work, internal meetings, and networking activities were cancelled, postponed, or transitioned to online platforms. Remote work is supported with teleconferencing platforms for meetings, an IT helpdesk, provision/upgrading of computer equipment and increased communication budget. To ensure continuity of essential functions and transition to the new normal, guidelines on work arrangement (office-based and work-from-home), ad hoc levels of authority/command, and personnel benefits were crafted/adjusted.



STAFF LEARNING AND COMPETENCY DEVELOPMENT

2020 was not all about COVID-19. Before the lockdown in March, the Operations team visited the Lamac Multi-Purpose Cooperative-managed enterprises in Pinamungajan, Cebu to learn their agro-enterprise clustering approach and how they achieved success in their enterprise development endeavors, which can be shared with PEF's partners and communities. Representatives from our Programs and KM teams also participated in a workshop on data gathering methodologies and analysis as part of the joint action research with the UP Escaping the Middle-Income Trap: Chains for Change program on agricultural value chains.

As inputs to charting directions for a new strategy cycle, the PEF staff, through emergent learning sessions, also distilled lessons from PEF's almost 10 years of experience in implementing the SE strategy.

Staff learning and development activities shifted to webinars and e-learning platforms such as Zoom and Facebook Live. Average training days per staff is 6.27 days (traditional and e-learning platforms).



PEF STRATEGIC DIRECTION 2021 ONWARD

PEF sets forth the vision of enabling poor households in partner communities to meet their basic needs, and to be resilient to challenges that keep them from surviving and thriving. This aspiration is the anchor from which all other PEF efforts for households may be advanced, and it guides PEF's strategy for 2021 onward. PEF believes that its work toward this vision accelerates when partner households can diversify their incomes, gain benefits from their livelihoods and social services, and recover from shocks such as the COVID-19 pandemic. While PEF maintains its focus on economic enterprises as primary enablers, PEF will enhance its role of helping enable the environment for social benefits -- such as adequate health care and quality education -- to reach these partner households as well.

PEF will promote and support collaboration and complementation of programs and services, particularly in PEF focus areas. By working together -- with partner communities, local

Vision
Self-sustaining and resilient households in partner communities.

Mission
As steward of an endowment fund, PEF promotes socio-economic solutions, builds capacities, and fosters collaboration towards collective impact.

groups, CSOs, local governments and peoples organizations -- PEF will find new and better ways to create self-sustaining and resilient households.



PARTNERSHIP PROJECTS

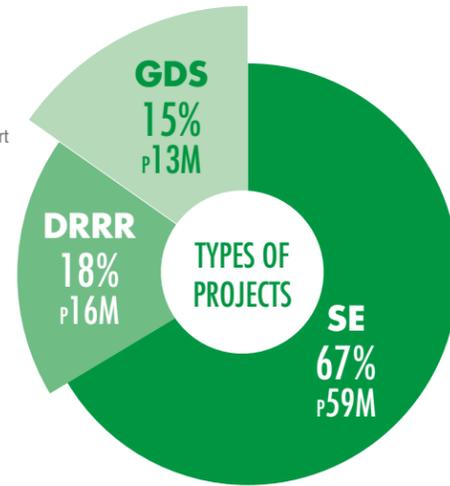
C4+ Social Enterprises P 29,361,600

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| COCONUT Coco coir production Quezon Tropical Prime Coir Corporation P 300,000 | COFFEE Coffee trading and community organizing Sultan Kudarat Kalamansig Farmers Agricultural Development and Marketing Association P 1,054,000 |
| CANE SUGAR Block farming Bukidnon Negros Occidental Crossing Ibos Farmers' Credit Cooperative P 15,000,000 | Coffee trading Benguet Kalsada Coffee Roasters P 3,000,000 |
| Harvesting loan facility Negros Occidental Occidental Negros Agrarian Reform Beneficiaries Cooperative P 3,000,000 | Coffee trading Bukidnon Bayanihan Millenium Multi-Purpose Cooperative P 2,243,000 |
| CACAO Localized management of cacao-based projects Zamboanga del Norte Xavier Agricultural Extension Service Foundation P 411,600.00 | Coffee trading and corn production Sultan Kudarat Keytodac Coffee Growers Association P 1,500,000 |
| | Coffee, corn and abaca trading Bukidnon Kauyagan Savers Multi-Purpose Cooperative P 1,853,000 |

Non-C4 Social Enterprises P 30,190,000

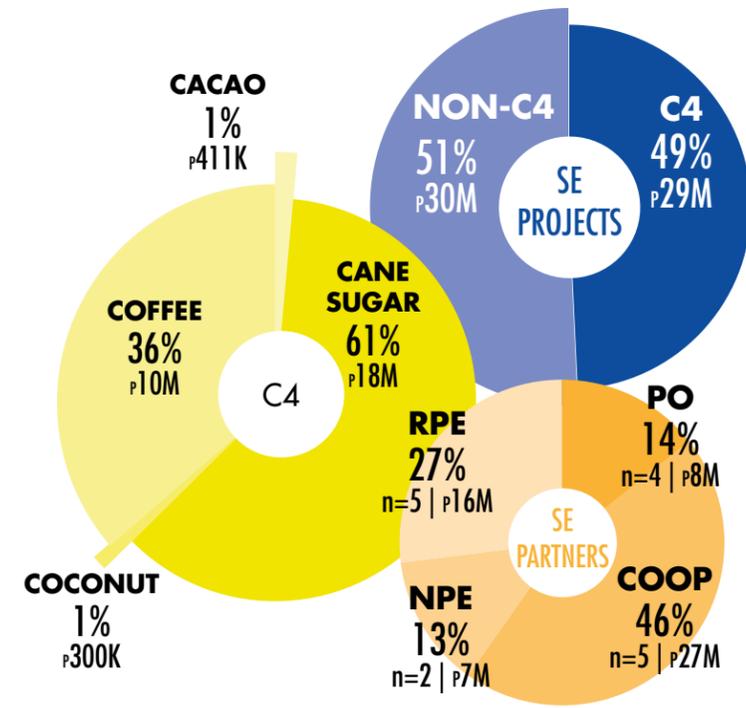
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| Rice processing Camarines Sur Saradit na Kristyanong Komunidad Farmers Corporation P 7,390,000 | Microfinance for entrepreneurs and farmers Sarangani Kiamba Micro Entrepreneurs Multi-Purpose Cooperative P 5,000,000 |
| Vegetable consolation and trading Luzon provinces Organic Options, Inc. P 5,000,000 | Microfinance for entrepreneurs and farmers General Santos City KPS-Small Enterprise and Economic Development Microfinance P 10,000,000 |
| Vegetable production and marketing Bukidnon Jacque's Garden P 800,000 | Bag weaving by local artisans NCR Rags2Riches, Inc. P 2,000,000 |

SE Social Enterprise
GDS General Development Support
DRRR Disaster Risk Reduction, Relief and Rehabilitation
COOP Cooperatives
RPE Registered For-Profit Entities
NPE Non-Profit Entities



Disaster Risk Reduction, Relief and Rehabilitation P 16,148,100

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| COVID-19 | | |
| RELIEF OPERATIONS | Xavier Agricultural Extension Service Foundation Zamboanga Sibugay P 250,000 | FOOD SECURITY |
| Urban Poor Associates NCR P 250,000 | Partnership of Philippine Support Agencies NCR P 250,000 | Kadtabanga Foundation for Peace and Development Advocates Sultal Kudarat P 50,000 |
| Philippine Business for Social Progress NCR P 250,000 | Arnold Janssen Kalinga Center NCR P 125,000 | Tibud sa Katibawasan Multi-Purpose Cooperative South Cotabato P 250,000 |
| Yakap at Halik Multi-Purpose Cooperative Quezon 2 Quezon P 250,000 | Simbahang Lingkod-Bayan NCR P 125,000 | Cooperative Enterprise for True Economic Reform Multi-Purpose Cooperative Nueva Ecija P 1,000,000 |
| Dana Foundation Davao del Norte P 250,000 | Crossing Ibos Farmers Credit Cooperative Negros Occidental P 50,000 | Hojap Multi-Purpose Cooperative Ifugao P 1,500,000 |
| Farmer's Development Cooperative Agricultural Multi-Purpose Cooperative Davao del Sur P 50,000 | Coco Technologies Corporation Albay P 100,000 | Kalamansig Farmers Agricultural Development and Marketing Association Sultan Kudarat P 100,000 |
| Hacienda Malaga Cuenca Agrarian Reform Cooperative Negros Occidental P 105,600 | Climate Change Congress of the Philippines Quezon City P 250,000 | Keytodac Coffee Growers Association Sultan Kudarat P 100,000 |
| Miarayon-Lapok-Lirongan Talaandig Tribal Association Bukidnon P 250,000 | Birhen Sakota Development Foundation Misamis Oriental P 140,000 | Negrense Volunteers for Change Foundation Negros Occidental P 250,000 |
| Bacbacan Multi-Purpose Cooperative Sultan Kudarat P 200,000 | Negrense Volunteers for Change Foundation Negros Occidental P 250,000 | Kabuhayan sa Ganap na Kasarinlan Credit and Savings Cooperative Quezon City P 5,300,000 |



Disaster Risk Reduction, Relief and Rehabilitation

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|--|--|--|
| PERSONAL PROTECTIVE EQUIPMENT FOR FRONTLINERS Philippine Disaster Relief Foundation NCR P 250,000 | TYPHOON URSULA RELIEF OPERATIONS Western Visayas Network of Social Development NGOs P 250,000 | Saradit na Kristiyanong Komunidad Farmers Corporation P 350,000 |
| ACTION RESEARCH Institute for Social Entrepreneurship in Asia NCR P 150,000 | Uygongco Foundation P 250,000 | Yakap at Halik Multi-Purpose Cooperative Quezon 2 P 312,500 |
| RELIEF COORDINATION AND MAPPING Association of Foundations Philippines NCR P 690,000 | Iloilo Caucus of Development Non-Government Organizations P 250,000 | Partnership of Philippine Support Agencies P 250,000 |
| Philippine Business for Social Progress NCR P 300,000 | TYPHOON ROLLY RELIEF OPERATIONS Pinoy Lingap Damayan Multi-Purpose Cooperative P 350,000 | Coalition for Bicol Development P 220,000 |
| | Caritas Diocese of Libmanan P 350,000 | TAAL VOLCANO ERUPTION RELIEF OPERATIONS Pondong Batangan Community Foundation P 250,000 |
| | Coco Technologies Corporation P 95,000 | Yakap at Halik Multi-Purpose Cooperative Batangas 1 P 85,000 |
| | | Yakap at Halik Multi-Purpose Cooperative Quezon 1 P 150,000 |

PROJECT FUNDING PER REGION



| | |
|-----------------------|--------------|
| LUZON | P 29,652,500 |
| VISAYAS | P 19,155,600 |
| MINDANAO | P 25,651,600 |
| MULTIPLE AREAS | P 14,840,000 |

Disaster Risk Reduction, Relief and Rehabilitation

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| TYPHOON ROLLY RELIEF OPERATIONS | |
| Pinoy Lingap Damayan Multi-Purpose Cooperative P 350,000 | Saradit na Kristiyanong Komunidad Farmers Corporation P 350,000 |
| Caritas Diocese of Libmanan P 350,000 | Yakap at Halik Multi-Purpose Cooperative Quezon 2 P 312,500 |
| Coco Technologies Corporation P 95,000 | Partnership of Philippine Support Agencies P 250,000 |
| | Coalition for Bicol Development P 220,000 |

General Development Support P 13,600,000

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| Zero Extreme Poverty 2030 program operations and organizational support Philippine Business for Social Progress P 1,100,000 | Bridge financing for the EU capacity building program for rural people's organizations and development NGOs P 12,500,000 |
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FINANCIAL HIGHLIGHTS

Status of the Fund

As of December 31, 2020, the total fund balance dipped to P2.04 billion from its beginning of year balance of P2.07 billion. Details of the net decrease of P30.02 million can be traced to the following:

- Net investment income including income from partners in the amount of P49.15 M less operating expenses including grants to partners in the amount of P60.46 M.
- Unrealized losses on market prices in common stocks and foreign exchange losses totaled P43.83 M.
- Net unrealized gains due to capital appreciation of PEF real estate properties in the amount of P32.77 M.
- Provision for bad debts in the amount of P7.65 M.

In 2020, the Board decided to adjust its policy on provision for inflation from 3% to 2%. The provision is made to keep intact the value of the original endowment fund of P1.318 B established in 2001 and as a source of funds for programs and operations during unfavorable financial conditions.

Total cumulative provision for inflation until 2017 amounted to P797 M but starting 2018, the Foundation was unable to allocate the 3% provision from net income because it was incurring a deficit.

The Board decided that the 3% provision for inflation is too high to meet especially that in recent years where interest rates on fixed-income securities have been declining. Keeping the 3% rate will mean lesser funding for the PEF's programs and projects. The 2% is about half of the average actual inflation of 3.84% for years 2005 to 2019.

As a result of this decision, the provision for inflation was adjusted to P602 M. The difference of P195 M was transferred to unrestricted fund balance.

Summary of Disbursements and Sources of Funds for 2020

A total of P143.6 M was disbursed for the year which were applied for the following purposes:

- Investments to partner organizations in the form of project loans totaled P85.26 M.
- Grants extended to social enterprises and other general development programs amounted to P9.5 M.
- Cost incurred in project development, monitoring, and evaluation totaled P20.83 M.
- Expenses incurred for capacity building and technical assistance totaled 1.77 M.
- Knowledge management and communications amounted to P8.95 M.
- An additional amount of P1.07 million was spent for other institutional expenses.
- General and administrative expenses amounted to P16.76 M.

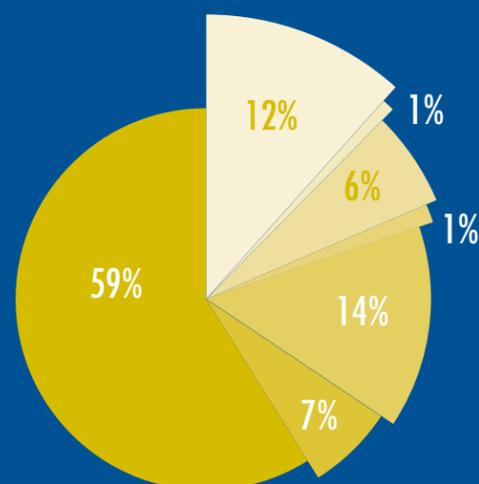
To fund the programs and operations of the Foundation as indicated above, sources were generated from the following:

- Net realized income from investments in various financial instruments such as stocks and bonds, amounted to P42.25 M.
- Project reflows in the form of principal payments and interest on loans received from partner organizations totaled P75.07 M.
- The remaining balance was generated from the reserve fund of the Foundation.

Comparative Total Fund Balance For years 2011-2020 (in billion pesos)



Disbursements for the year 2020



- Investments to partners
- Grants
- Project development, monitoring and evaluation
- Capacity building and technical assistance
- Knowledge management and communication
- Other institutional expenses
- General and administrative expenses

BOARD OF TRUSTEES

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CORPORATE SECRETARY

Atty. Ana Lea H. Uy

✚ Carmencita T. Abella

Former Vice Chairperson

PEF member from 2007-2020



MANAGEMENT AND STAFF

EXECUTIVE OFFICE

Roberto R. Calingo, *Executive Director*
Margeaux M. Martinez

INSTITUTIONAL CONCERNS

Maria Pia V. Villapando, *Manager*

Knowledge Management

Aleth A. Gayosa*

Anna Amalia B. Vibar

*until September 17, 2020

Communication

Alijan G. Quilates

Astrid C. Villanueva

Management Information Systems

Jerome L. Balanquit

Laurinette Alice A. Gonzalez

PARTNERSHIPS AND PROGRAMS

Dennis Omar T. Salvo, *Manager*

Nikki M. Along

Amaris M. Cabason

Alfred John M. Escañó

Wilma B. Guinto

Marieanne GR L. Itol

Joan Cris D. Lazaro

Beauty Joy C. Maymay

Peter Floriño C. Nabong

Shunie Pearl D. Palacios

Danica Marra M. Soliman

Ricardo D. Soto, Jr.

SOCIAL ENTERPRISE INSTITUTE

Merlyn A. Francisco, *Manager*

Shirley M. Mendoza

MANAGEMENT SERVICES

Cauchie C. Garcia, *Manager*

Finance

Cleaufe Linda F. Bautista

Rasheela Ann A. Reyes

Ma. Lucita P. Satiembre

Human Resources

Eleanor P. Dimaliwat

Arthur N. Gonzaga

General Services

Darren C. Almaden

Joan Quennie B. Baldoz

Fritzdane O. Jariol

INTERNAL AUDIT AND CONTROL

Araceli B. Esconde, *Manager*

Bianca Mae V. Babierra

Leonor Isabel C. Galvez

Alberto P. Roslinda, Jr.

A CALL TO
scale up

PEF seeks to partner with and invest in social entrepreneurs and organizations with working business models; mentors who are eager to share their expertise; and impact investors who are keen to work in building sustainable communities.

PEF Main Office

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