

A CONSOLIDATED REPORT (2001 - 2004)

Reaching the Poorest Communities



Peace Equity Access for Community
Empowerment Foundation, Inc.

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Message from the Chairperson



Dear friends,

NGO documents are replete with references to sustainability. Sustainability as an ideal sought after, while reasonably well-defined, is not always achieved.

The Peace Equity Access for Community Empowerment Foundation, Inc. (PEF), is itself a joint undertaking to be a self-sustaining NGO in terms of its financial resources. In turn, its own programs and projects seek to transform sustainability from a mere byword into a goal, into a process and into a reality. At a time when the resources of many NGOs are under threat of drying up, PEF has stood up to the task of providing alternative ways of harnessing resources to enable the work of development to move on for many years to come.

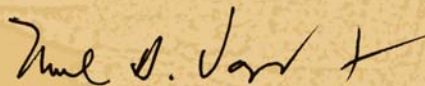
Three years have passed since we began the task of setting up the endowment. Over these years, we have provided financial resources to barangays, people's organizations, cooperatives, faith-based groups, and many other types of organizations. All of them have been engaged in the process of developing their communities at various levels and in different arenas.

I am proud to say that in this short period of time, the PEF has gone beyond the task of simply articulating its vision of sustainability. In many of these communities, sustainability has been achieved. Today, through innovative efforts, PEF seeks to undertake much more for these communities and their respective efforts at development.

It has been a true privilege and genuine honor for me to be a part of the Foundation's effort.

Thank you very much and more power to you!

Most sincerely,


Fr. Noel D. Vasquez, S.J.

POVERTY IN THE PHILIPPINES AT THE TURN OF THE MILLENNIUM

In the year 2000, while the world craved for hope, the face of poverty in the Philippines loomed large. More than 31 million of the country's population lived below the poverty threshold, which in that year meant that a Filipino family of five needed ₱4,835 per month for sufficient nutrition and other basic needs.¹ The government's census data showed, for instance, that 15% of all Filipinos had no access to safe water supply and a mere 13% enjoyed basic sanitation services. Moreover, almost a third of all children less than five (5) years of age were underweight.²

Poor families were spread across Philippine regions but poverty weighed unequally across provinces. For instance, Social Watch Philippines noted that while poverty decreased in the National Capital Region (NCR) from 1985 to 2000, it was the opposite for most regions in the country. In the Autonomous Region for Muslim Mindanao, poverty levels had risen to two thirds of the population by 2000. The Visayas and other Mindanao provinces were not much better off, with poverty levels ranging from 38 to 51 percent.

Within regions, income inequalities were likewise seen. According to the same Social Watch study, the richest 10 percent of

the population on average earned an income of up to 23.7 times the poorest tenth in the year 2000. Other studies estimate that the poorest one-fifth of the population accounted for only 5.4 percent of total income or consumption, while the richest one-fifth of all Filipinos accounted for more than half of income or consumption.³

Civil society faces the poverty challenge

In the last two decades (1980s to 90s), civil society had focused its efforts on the country's democratization processes right after the previous decades of authoritarian rule; but at the turn of the millennium, they pressed more hardily than ever to put poverty eradication at the center of the social change agenda. The relative stability of democratic institutions then enabled them to gear up and face the challenge of poverty and inequality head on.

Scaling up social reform had borne considerable gains in terms of influencing government policies, shaping programs of international donor institutions, leveraging substantial resources for vital development concerns, building consensus and shifting perspectives to crucial issues affecting the poor.

The steep ordeal, however, was in how to raise these gains to an intensity that could be actually felt by the poor; and how to work **with** the poor to a future of real possibilities. Coupled with that challenge was how to sustain civil society's work of catalyzing development where and for whom it mattered.

The Beginning of the Peace and Equity Foundation

The establishment of the Peace Equity Access for Community Empowerment Foundation, Inc. (or Peace and Equity Foundation) was, in essence, a renewed commitment of civil society to battle poverty with the poor.

Founded in October 2001 as a non-stock, non-profit organization, the Peace and Equity Foundation was set up to manage an endowment fund that was raised by the Caucus of Development NGO Networks (CODE-NGO) for programs that would empower the poor and the marginalized in Philippine society.

Since the early 1990s, non-government organizations (NGOs), people's organizations (POs) and other civil society groups in the Philippines had already been concerned about dwindling funds for their programs. Previously, the Aquino administration was enjoying the full support of the international community, which in turn was receptive and willing to channel resources through the newly-democratized government. The Philippine economy was also by then on the upswing. But by 1995, major overseas development assistance agencies had cut their NGO development programs by half and challenged civil society organizations to trek the path toward financial independence.



CODE-NGO, an association of seven (7) national and five (5) regional networks, who jointly represented more than 2,500 NGOs, POs and cooperatives all over the Philippines, struggled to resolve the problem of dwindling finances for social development work. Its answer was an innovative financing scheme using the capital market. Through this, it succeeded in raising ₱1.48 billion, a tenth of which was set aside as a trust fund for the sustainability of its network members. The balance of ₱1.3 billion was in turn allocated as an endowment fund, from which only the interest earnings would be spent for poverty reduction.

¹ Family Income and Expenditure Survey, 2000

² Philippine Human Development Report, 2000

³ Philippine Human Development Report, 2000



Philippine Civil Society Experience in Raising Funds from the Capital Market

The financial design of how CODE NGO was going to raise money from the capital market was simple and straightforward. The Philippine government supports its budgetary requirements by collecting taxes, imposing duties and borrowing. The government borrows money by floating or selling treasury bills and treasury notes (bonds). CODE NGO would buy bonds from government and sell them in the secondary market. Since it is not a Government Securities Eligible Dealer (GSEDs are the only ones authorized to buy government securities), CODE NGO contracted the services of the Rizal Commercial Banking Corporation (RCBC) to act as its agent to purchase the zero coupon bonds or zeroes. Through a firm underwriting agreement, RCBC Capital agreed to purchase from CODE NGO all the zeroes that it bought from government at a pre-agreed price. On October 16, 2001, RCBC in behalf of CODE NGO was able to obtain ₱35 billion worth of zeroes from the auction made by the Bureau of Treasury (BTr). The winning bid was 12.75 percent per annum which meant that RCBC would pay ₱10.68 billion as its current value and government would redeem the bonds at ₱35 billion after ten years. Following the firm underwriting agreement, RCBC sold the bonds to RCBC Capital. They reimbursed themselves the ₱10.68 billion that they paid BTr and remitted the difference of ₱1.8 billion to CODE NGO. After paying fees, CODE NGO provided 10% of the net proceeds of ₱1.48 billion for the sustainability of its network members and organized the Peace, Equity and Access for Community Empowerment Foundation to manage a trust fund of ₱1.3 billion for poverty reduction.

The Peace Equity Access for Community Empowerment Foundation was incorporated on November 27, 2001 to manage the endowment fund. The PEF Founding Board of Trustees then buckled down to tackle the challenge and set development financing into motion.

Vision

PEF envisions empowered communities that

- have basic needs of life such as food, health, education, shelter and water;
- are productively engaged in socio-cultural and economic activities; and
- participate meaningfully in local governance

in an atmosphere of social harmony, cooperation and sharing.

Mission

PEF manages and preserves the value of its endowment fund to promote opportunities for the poor to liberate themselves from poverty.

PEF addresses the needs of the urban and rural poor by providing civil society organizations that help them, with development financing and technical assistance, and by promoting appropriate technology and networking among all relevant stakeholders.

Reaching the Poorest Communities: PEF Priority Provinces

Armed with its vision and mission, PEF's first task was to identify which poorest communities to reach and how to prioritize them. Using a process of assessing the national and provincial poverty situation that weighed key poverty indicators such as health, education, and income and livelihood, *PEF identified the priority provinces in which it would concentrate its poverty reduction efforts and resources.*

Priority Provinces

LUZON

10 Provinces & 1 Region

- 1 Cagayan
- 2 National Capital Region
- 3 Quezon
- 4 Oriental Mindoro
- 5 Marinduque
- 6 Romblon
- 7 Camarines Norte
- 8 Camarines Sur
- 9 Albay
- 10 Sorsogon
- 11 Masbate

VISAYAS

8 Provinces

- 12 Northern Samar
- 13 Samar
- 14 Eastern Samar
- 15 Biliran
- 16 Bohol
- 17 Negros Occidental
- 18 Oriental Negros
- 19 Palawan

MINDANAO

10 Provinces

- 20 Zamboanga del Norte
- 21 Zamboanga Sibugay
- 22 Zamboanga del Sur
- 23 Lanao del Sur
- 24 Cotabato
- 25 Sarangani
- 26 Maguindanao
- 27 Basilan
- 28 Sulu
- 29 Tawi tawi



MAPPING A DEVELOPMENT PATH WITH STAKEHOLDERS

Poverty Mapping: A Road Map to Development

Poverty Mapping is both a tool and process to guide development work.

Poverty maps are visual tools which place information within easy reach and understanding of stakeholders in a geographical space. The data, culled from official government sources, present a quantifiable picture of poverty using key area indicators such as health, education, housing, income, among others. At the same time, the different layers of data go beyond simply presenting facts and figures, to showing interrelationships and patterns of poverty in an area.

For example, the poverty map of Marinduque examines the key poverty indicator of access to potable water. The map indicates that access to potable water in Marinduque ranges from 74.2% to 92.6% among the six towns. For this

basic need, the two municipalities of Sta. Cruz and Torrijos have greater need as compared to the four other towns.

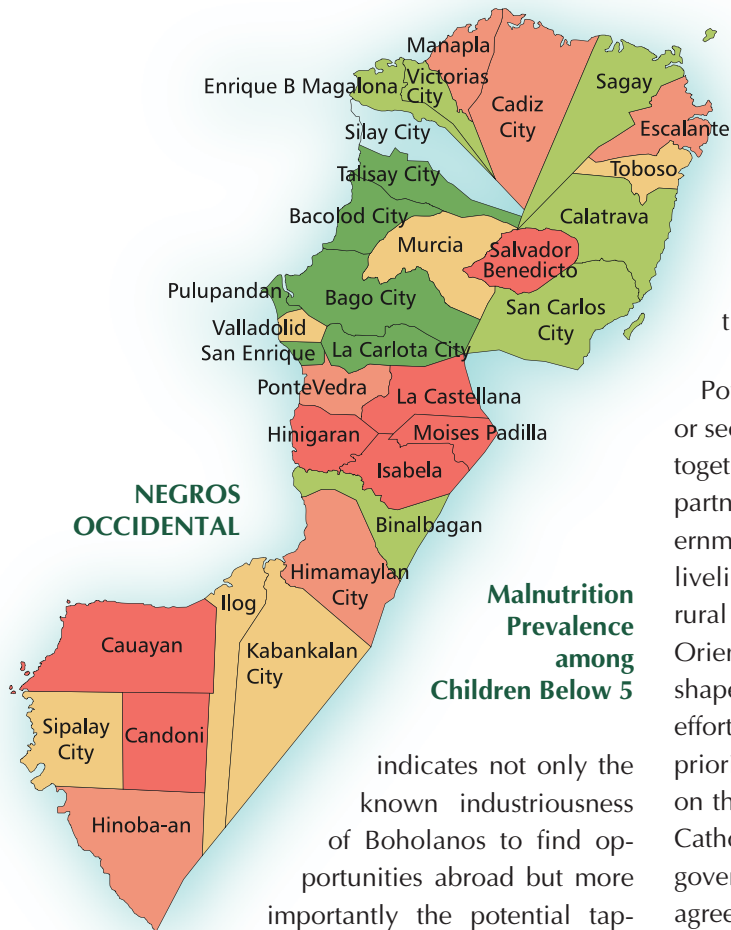
Poverty mapping of a specific indicator within a province can show where and how many persons are at risk if the situation shown is not responded to.

For instance, Negros Occidental in Western Visayas appeared red, meaning poor, in terms of malnutrition prevalence among 79 provinces. The poverty map on Malnutrition Prevalence among pre-schoolers shows the ones with the gravest problem for this indicator, the worse off one-fifth of 20 municipalities & cities in the province. The data was gathered by the Provincial Health Office in 2003.



MARINDUQUE
Access to Potable Water

For the Province of Bohol, the percentage of Overseas Filipino Workers (OFW) of the total number of households highlights the growing phenomenon of reliance on family members working overseas to move out of poverty. This unique data set



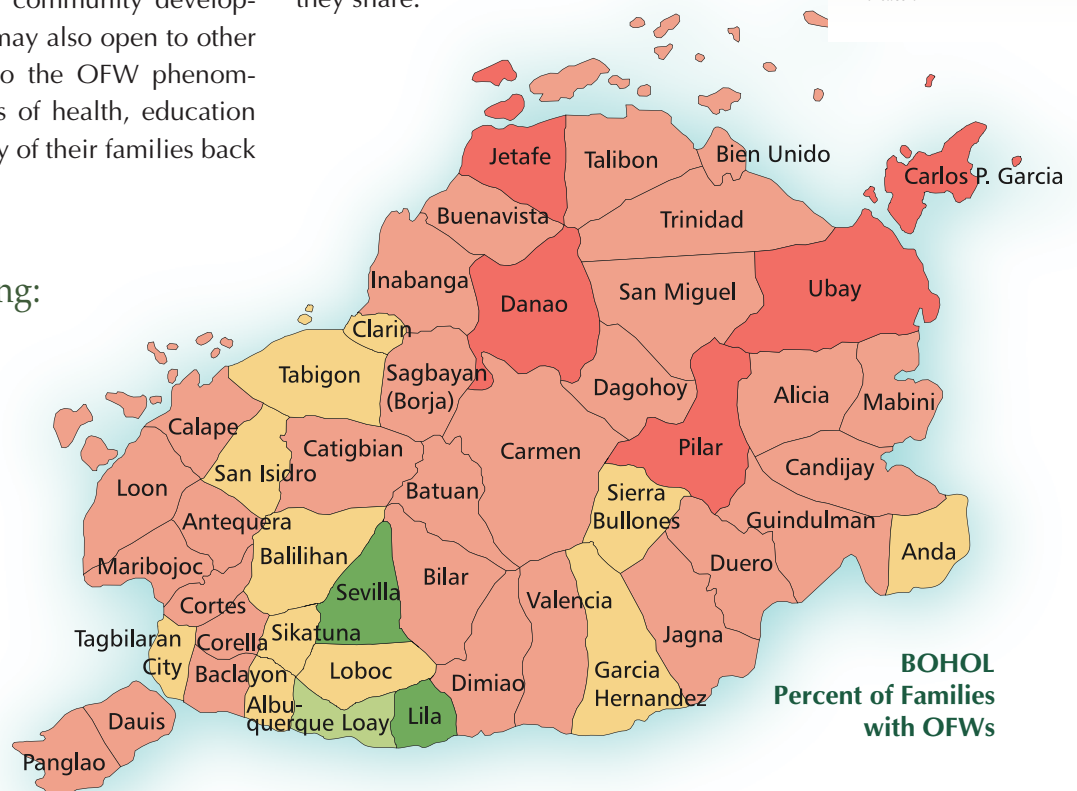
indicates not only the known industriousness of Boholanos to find opportunities abroad but more importantly the potential tapping of OFW savings that could be harnessed for community development. Such a map may also open to other questions relating to the OFW phenomenon such as levels of health, education and housing security of their families back home.

Poverty Mapping: A Stakeholder Process

In verifying and enriching the data of the poverty map, various stakeholders in the local communities come to a common understanding

of the picture of poverty in their cities and municipalities. As they review and relate the data maps to their experiences, the stakeholders witness the data's significance and emerging patterns from their own viewpoints, and thus create a multi-dimensional perspective of their community's challenges.

Poverty mapping brings together groups or sectors that now realize the call to work together. For instance, in Marinduque, partnerships between the provincial government and civil society groups created livelihood opportunities for the largely rural farming and fishing communities. In Oriental Negros, poverty mapping helped shape joint provincial government-NGO efforts focusing on potable water as their priority issue. In Biliran, differing positions on the population issues notwithstanding, Catholic Church leaders and the provincial government are now working together, in agreement that the provision of basic water services is a concern they share.



COLOR CODES

TOP MUNICIPALITIES

SECOND MUNICIPALITIES

THIRD MUNICIPALITIES

FOURTH MUNICIPALITIES

BOTTOM MUNICIPALITIES

The Peace and Equity Foundation (PEF) seeks to popularize the use of development and poverty indicators with simple color-coded charts and maps based on statistical data for easy reference and understanding. The simple color-coded ranking is meant to help development institutions and individuals appreciate patterns of statistical observations on development and poverty situations in the country. Municipalities coded as red means that the town may be priority area for development intervention based on a single indicator. Hopefully, the map may also help in targeting priority areas and sectors for development work at the municipal level. The purpose of the ranking is to identify the bottom 20 percent municipalities for each indicator.



With the help of a resulting visual map, members of a community come together to determine the direction in which they would like to steer both their individual and shared efforts at poverty alleviation. The maps present in a more objective way, priorities for projects, which can provide the basis for partnership among different groups and sectors within a locality.

Beyond simply presenting facts and figures, a poverty map shows interrelationships and patterns of poverty in an area...brings together groups or sectors to work together and determine the direction in which to steer individual and shared efforts...towards sharing of resources and a clearly articulated plan for the people's progress in the area.

In this sense, poverty mapping is development road mapping – a set of steps with a visual data tool that aids the preparation of development programs for a

community. During multi-stakeholder consultations that validate and value the mapping process, participants enrich data analysis. Furthermore, a few steps later, a local level partnership is forged with a guiding poverty reduction plan, and an interim stakeholders' mechanism.

The end result is partnership for tackling poverty and pursuing human development of the poor through their organizations in the province and its towns and cities, a mechanism for sharing resources, and a clearly articulated plan for the people's progress in the area.

As of 2004, poverty maps had been drawn up in the four (4) provinces of Marinduque, Romblon, Bohol, Negros Occidental. Subsequently (as of this report), maps have been finalized for Oriental Negros, Eastern Samar, Biliran, South Cotabato, Sarangani and Zamboanga City.

Casting a Wide Net: Partnership and Access Centers

The Peace and Equity Foundation strives to reach the greatest number of poor communities in the Philippines through Partnership and Access Centers (PAC).

A PAC is a consortium of civil society organizations working with the Foundation in each priority province. It is responsible for providing poor families – through their people's or community associations – with better access to technical knowledge, financial and organizational resources to improve their life conditions. With the poverty map and other information, the PAC forms a clearer understanding of local poverty conditions and causes. At the same time, they are already doing or are aware of actions initiated by groups, which can be built on; and often, development partnerships have already been formed in the area. Moreover, the PAC contributes to the growth of local knowledge and capacities that make local groups and communities stronger.

PEF provides a PAC with various forms of support. Financial resources are given for a PAC to manage, allocate and monitor, in similar modes as PEF, that is, in the form of grants for institutional development, capacity-building and direct project costs for basic services, and loans for livelihood



PARTNERSHIP AND ACCESS CENTERS

(As of September 2005)

ALBAY

Albay Provincial NGO-PO Network
for Development (ALPRODEV)
Ground Floor, SAC Bldg., Cathedral Compound
Old Albay District, Legaspi City
(052) 820.5302

CEBU

Alliance for Land and Livelihood
for the Rural and Urban Poor of Cebu (ALL-r-UP)
102 P. Del Rosario Ext., Cebu City
(032) 418.2520 / pagtamba@info.com.ph

CORDILLERA AUTONOMOUS REGION

Cordillera Network of Development
NGOs and POs (CORDNET)
15 Gibraltar Road, Baguio City
(074) 444.7197 / ad-cordnet@mozcom.com

COTABATO CITY

Kutawato Coalition of Development NGOs
c/o Notre Dame Educational Association (NDEA)
Sinsuat Avenue, Cotabato City
(064) 4212961

EASTERN SAMAR

Eastern Samar Coalition of NGOs and POs
Borongon, Eastern Samar
(055) 261.2047

NEGROS OCCIDENTAL

Federation of Multi-Sectoral Alliance
for Development-Negros (MUAD-Negros)
Farmers Marketing Center, Purok San Jose
Circumferential Road, Bgy. Alijis, Bacolod City
(034) 446.1065 / muad-neg@mozcom.com

PALAWAN

Palawan Network of NGOs, Inc. (PNNI)
Unit 3 Zanzibar Bldg.
Rizal Avenue, Puerto Princesa City
(048) 433.5525 / pnni@mozcom.com

SOUTH COTABATO

Coalition of Social Development Organizations
in South Cotabato (CSDO-SC)
Alunan Avenue, Koronadal City, South Cotabato
(083) 228.2687 / csdo_sc@mozcom.com

ZAMBOANGA CITY

Zamboanga Coalition of Development NGOs (ZAMCODE)
2F Dean Abitona Executive Bldg.
Baliwasan, Zamboanga City
(032) 993.0949



and income-generating projects. Non-financial support provided by PEF comes in the form of technical assistance grants.

The PAC, in turn, plays a key role in developing area-focused and needs-oriented interventions, providing outreach and serving as a conduit for resources to basic sectors, particularly POs and cooperatives, in their area. In the process, the consortium develops partnerships with key stakeholders in the area while leveraging counterpart resources from local institutions and other agencies. A PAC also performs a crucial role in fostering innovative and collaborative practices in development.

After three years of operation and with a positive performance by the PAC, PEF may convert the PAC loan funds to a restricted grant, a form of equity, which will provide

continuing funds primarily for people's organizations to meaningfully contribute to the development road map for the province.

In 2002 to 2003, three pilot Partnership and Access Centers were formed in South Cotabato, Cebu and the Cordillera Autonomous Region. By December 2004, three more PACs were established. Altogether, these initial PACs although in various stages of operation were able to move ₱18,946,850 – ₱6,974,850 as grants and ₱11,972,000 as loans for livelihood-based and micro-financing programs of about 60 NGOs and POs.

Finally, as of this report, three new PACs have started operations in Eastern Samar, Cotabato City and Maguindanao, and Zamboanga City.

The Coalition of Social Development Organizations in South Cotabato:

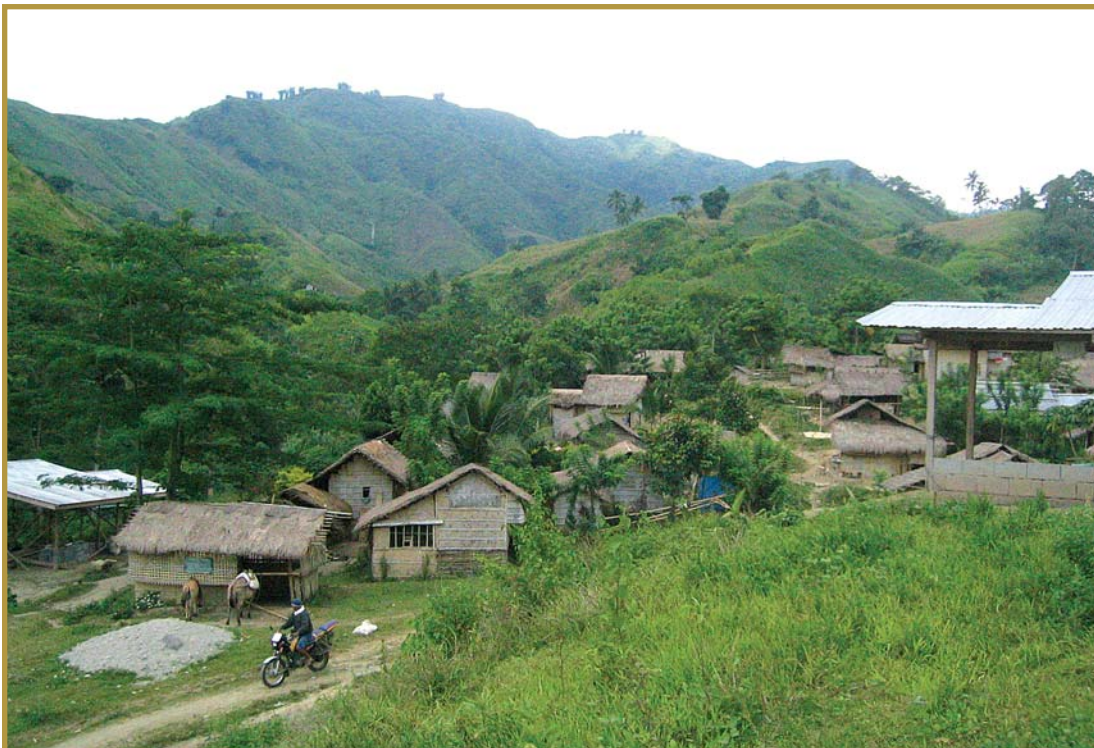
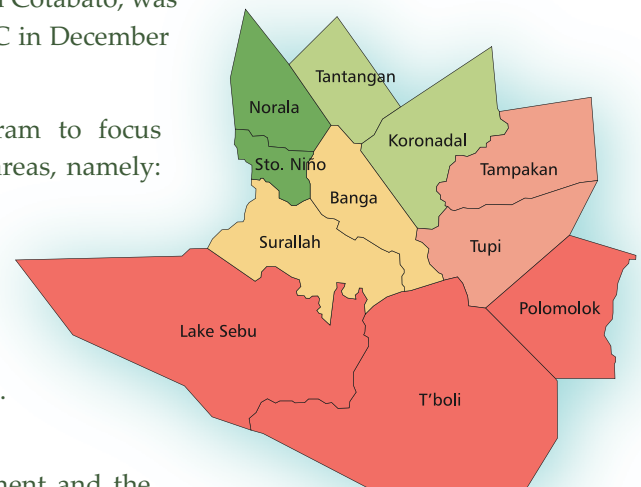
SETTING THE TREND FOR PARTNERSHIP AND ACCESS CENTERS

The Coalition of Social Development Organizations in South Cotabato (CSDO-SC), a consortium of 14 NGOs and 13 POs in South Cotabato, was established in 1994 and designated as PEF's first pilot PAC in December 2002.

CSDO-SC implemented a Geographic Approach Program to focus development in three social and ecologically important areas, namely: Mt. Matutum Integrated Conservation & Development (MICADEV) Program in the towns of Tupi, Polomolok, Tampakan, Malungon; Tandingan Integrated Enterprise Development Program (TIED) Program in Tandingan, Koronadal City; and Allah Valley Development (ALVADEV) Program in Surallah, T'boli, Lake Sebu, Sto. Niño, and Bagumbayan towns.

Cross-cutting programs – Women/Gender and Development and the Localization Program – undergird the geographically-focused programs.

Following a poverty mapping exercise of South Cotabato province, the consortium determined that the provision of basic health services, particularly the establishment





of potable water system was a prominent need in the province. Moreover, it identified the predominantly indigenous peoples' communities in the municipalities of Lake Sebu, T'boli, Tupi and Tampakan as their priority areas.

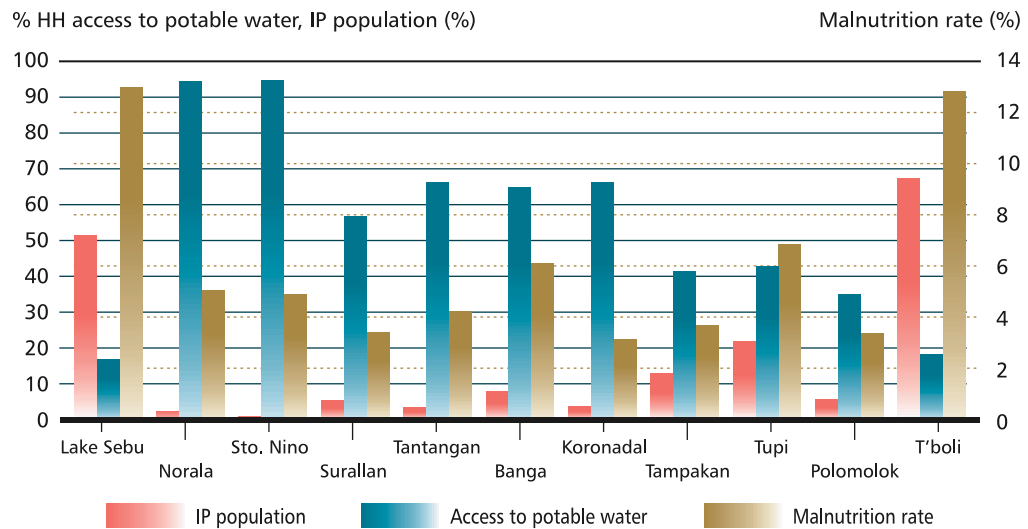
With funds for grants (₱10.58 million) and loans (₱5 million), CSDO-SC has since successfully undertaken a variety of projects in the province.

Since it began operations as a PAC in 2003, CSDO-SC has approved 52 projects involving the establishment of irrigation systems, post harvest facilities, water systems, learning centers, and a health center.

Its loan component has provided micro-finance, input financing, and working capital support. With 8,379 households as beneficiaries, 18 of the 52 projects approved are located in 3 of the priority towns (Tupi, Lake Sebu and T'boli) identified in the poverty map. Seventy-one percent of all approved projects were received from POs. The average repayment rate in the last 18 months did not go below 95%. CSDO has also generated ₱2.9 million in earnings from its livelihood programs with a return on investment rate of almost 30 percent. These earnings are plowed back to CSDO operations and capacity-building activities.

CSDO-SC has developed partnerships with the South Cotabato provincial government and has succeeded in obtaining almost 90% of total development funds from other local and foreign development organizations apart from PEF.

Correlation between malnutrition, access to potable water, and IP population in South Cotabato



Data for South Cotabato show clearly that in municipalities where there are more indigenous people in the population, their access to potable water is lower, and malnutrition rate among children below five years old is higher.

FUNDING PROJECTS FOR PEOPLE'S DEVELOPMENT

The Peace and Equity Foundation has supported projects that respond to the problem of pervasive poverty in its different challenging facets. It worked closely with people's organizations, non-government organizations, cooperatives, faith-based groups, and similar entities engaged

in poverty alleviation involving livelihood and employment, basic social and human development services, social capital formation and community empowerment.

From November 2001 through December 2004, PEF has provided funds amounting to **₱417.10 million** for **355 projects**. Direct intervention activities such as financial services and potable water systems were expected to reach an estimated 50,700 individual beneficiaries and 4,300 households, respectively, in 70 provinces and the National Capital Region.

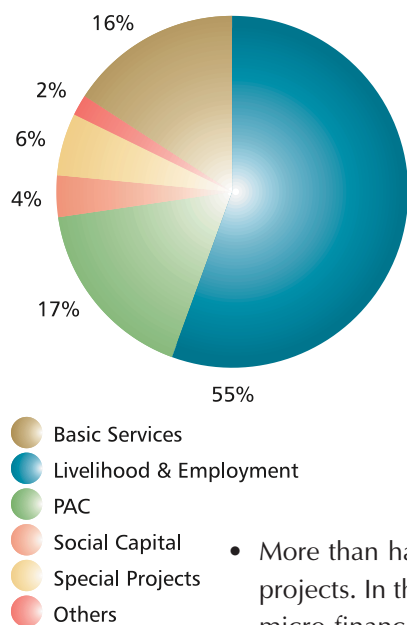
Most projects have a capability building component that aims to increase the capacity of community and people's organizations to manage development programs and participate in local governance.

Amount and number of projects approved by year

Year	No. of Projects	Amount (in millions)
2001	2	3.47
2002	73	89.88
2003	134	143.43
2004	146	180.32
Total	355	417.10



Amount of projects approved, by project type



Amount and number of projects approved, by project type

		2001	2002	2003	2004	Totals
Basic Services	₱M		18.00	22.77	25.06	65.83
	N		15	18	15	48
Livelihood & Employment	₱M	3.47	50.91	84.09	93.99	232.46
	N	2	45	65	76	188
PAC	₱M		8.09	22.50	40.25	70.83
	N		1	2	4	7
Social Capital	₱M		2.32	3.67	10.37	16.36
	N		5	17	26	48
Special Projects	₱M		10.26	5.93	6.98	23.17
	N		2	5	6	13
Others	₱M		0.31	4.47	3.67	8.45
	N		5	27	19	51
Totals	₱M	3.47	89.88	143.43	180.32	417.10
	N	2	73	134	146	355

- More than half of the funds was allocated to livelihood and employment-generating projects. In this category, projects promoted financial services, particularly credit and micro-financing (92 projects), micro-enterprise (49 projects), and agricultural development (43 projects) and trade fairs/exhibits (4 projects).
- The creation of Partnership and Access Centers (PACs) were allocated 17% of the total amount approved, for seven (7) projects.
- Basic services projects came in third with 48 projects or 16% of the total amount. These referred to projects relating to potable water (34 projects), housing (4 projects), education (5 projects), and health (5 projects).
- Special projects included projects such as the Social Development Week (an annual gathering and trade fair for NGO-PO sustainability) telenovelas or short video drama

on micro-finance, a draw-down fund for housing, and formulation of a client-based Project Development Monitoring and Evaluation system.

- Social capital projects referred to partnership building (9 projects) and sectoral consultations/capability building (39 projects).
- Other projects, such as participation of PO leaders in advocacy and conferences numbered 50 and comprised 2% of the total amount released.

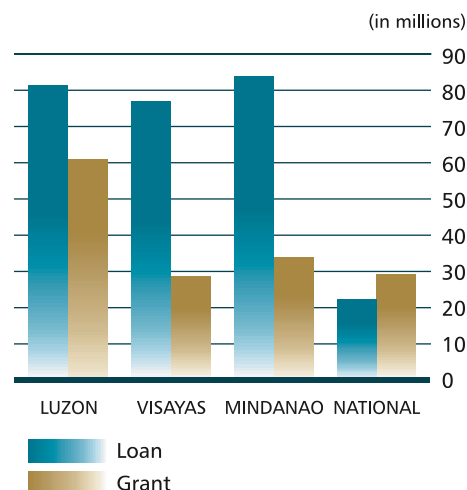


Of PEF's total development funds approved for projects of ₱417,093,857 million, 63% or ₱264.27 million were loans, while the balance of ₱152.83 million (37%) were grants.

Amount of projects approved, by region, loans and grants (₱M)

	2001	2002	2003	2004	Totals	%
LUZON	3.25	45.07	46.07	47.52	141.91	34%
Loan	2.50	28.96	21.40	28.22	81.07	
Grant	0.75	16.11	24.67	19.30	60.83	
VISAYAS		12.15	35.19	58.70	106.04	25%
Loan		8.79	25.64	42.62	77.04	
Grant		3.36	9.55	16.08	28.99	
MINDANAO	0.22	20.64	52.89	43.60	117.36	28%
Loan		7.05	39.93	36.68	83.65	
Grant	0.22	13.59	12.97	6.93	33.71	
NATIONAL		12.02	9.28	30.49	51.79	12%
Loan		10.00	1.50	11.00	22.50	
Grant		2.02	7.78	19.49	29.29	
Totals	3.47	89.88	143.43	180.32	417.10	100%
Loan	2.50	54.80	88.46	118.52	264.27	63%
Grant	0.97	35.08	54.97	61.80	152.83	37%

Amount of projects approved, by region, loans and grants

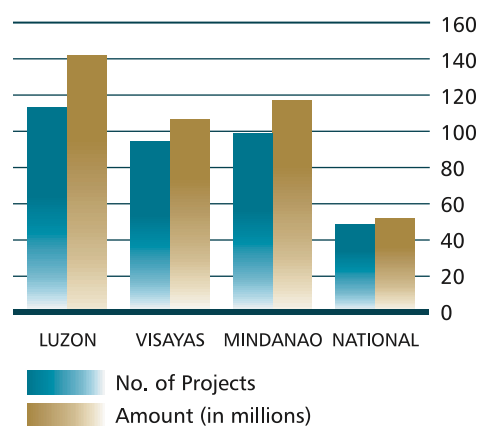


The bulk of the approved projects originated from Luzon: 113 proposals amounting to ₱141.91 million came from this major island region. This was followed closely by proposals coming from Mindanao, with 99 proposals amounting to ₱117.36 million. Visayas-based approved projects, on the other hand, amounted to ₱106.04 million for 94 proposals. Lastly, national scope proposals numbered 49 amounting to ₱51.79 million.

Amount and number of projects approved, by region

		2001	2002	2003	2004	Totals
LUZON	₱M	3.25	45.07	46.07	47.52	141.91
	N	1	39	34	39	113
VISAYAS	₱M		12.15	35.19	58.70	106.04
	N		11	42	41	94
MINDANAO	₱M	0.22	20.64	52.89	43.60	117.36
	N	1	18	40	40	99
NATIONAL	₱M		12.02	9.28	30.49	51.79
	N		5	18	26	49
Totals	₱M	3.47	89.88	143.43	180.32	417.10
	N	2	73	134	146	355

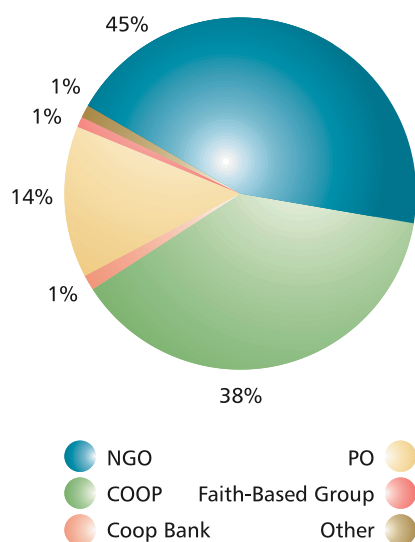
Amount and number of projects approved, by region





Most of the projects approved were submitted by NGOs (157 projects) and cooperatives (136 projects). Less number of approved proposals were submitted by POs (50 projects), cooperative rural banks (5 projects), faith-based groups (3 projects), and other entities (4).

Number of projects approved, by proponent type



Amount and number of projects approved, by proponent type

		2001	2002	2003	2004	Totals	%
NGO	₱M		62.26	73.25	112.26	247.77	59%
	N		39	51	67	157	45%
COOP	₱M		19.99	53.93	38.94	112.86	27%
	N		19	66	51	136	38%
Coop Bank	₱M			10.00	19.06	29.06	7%
	N			1	4	5	1%
PO	₱M	3.47	4.45	6.25	7.21	21.39	5%
	N	2	13	16	19	50	14%
SAC	₱M		3.17		1.81	4.98	1%
	N		2		1	3	1%
OTHER	₱M				1.03	1.03	0%
	N				4	4	1%
Totals	₱M	3.47	89.88	143.43	180.32	417.10	
	N	2	73	134	146	355	

LIST OF PROJECTS

(2001-2004)

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED			
			TOTAL	GRANT	LOAN	
LUZON						
2001						
Livelihood & Employment	Matalingkas na Agraryong Grupong Sararo Para sa Kauswagan kan Camarines Sur	Expansion of MAGSAKA-CA's Micro-Finance Project and the Rice Marketing in Naga City	3,248,000	748,000	2,500,000	
2002						
Basic Services	Sikap-Roque Homeowners Association	Installation of a Community Water System in a Resettlement Area	150,000	150,000	0	
	The Foundation of Our Lady of Fatima Center for Human Development (FACE), Inc.	Maryhill Tribal Settlement Primary Health Care Project	473,600	473,600	0	
	Jaime V. Ongpin Foundation, Inc.	Water for the Baguio Garbage Dumpsite Community	1,937,657	1,937,657	0	
	Hiwas Catandunagan, Inc.	Localized Anti-Poverty Project, Social Infrastructure Support Sub-project (Rural Barangays Potable Water Development Project)	1,275,567	1,275,567	0	
	Redeemer Multi-Purpose Cooperative	Urgent Interventions for Pinatubo Aetas' Survival and Empowerment/ Water for Aeta Communities-level 2	1,450,402	1,450,402	0	
	Philippine Center for Traditional and Asian Medicine, Inc.	Capacity Building for Marginalized Ifugao/Santiago Community Through Alternative Health Care Delivery System	830,400	830,400	0	
	Foundation of Our Lady of Peace Mission, Inc.	Infrastructure Support Facilities for the Enhancement of Program Operations of the Aeta Community in Sitio Gala	377,031	377,031	0	
	LUSRAI Multi-Purpose Cooperative	Construction and Operation of LMPC Potable Water Distribution System	3,144,900	144,900	3,000,000	
	Livelihood & Employment	Urban Poor Associates	People's Bigasan	250,000	50,000	200,000
		Balucuc Women's Multi-Purpose Coop	Enhancing the Capacity of Rural Women	285,000	100,000	185,000
ABS-CBN Bayan Foundation, Inc.		Empowering Poor Women Thru Micro-Finance	5,000,000	2,000,000	3,000,000	
Pag-asang Bicolnon Foundation, Inc.		Electronics Service Center (Repair Shop)	275,860	275,860	0	
Alternative Systems for Community Development (ASCODE) Foundation		Micro-Enterprise Economic Development Program (MDEEP)	1,233,000	383,000	850,000	
Center for Advocacy and Participatory Governance, Inc.		Daraga Women's Capitalization Lending Program	611,000	111,000	500,000	

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
LUZON					
Livelihood & Employment	KUMALAPPA, Inc.	Pangkabuhayan... Bilang Proyektong Pangsamahan at Kasapian	1,047,965	285,500	762,465
	Ugnayan ng Mamayan ng Lungsod at Nayon Assn., Inc.	Ang MAKINA... dagdag na kita at tulong sa pamayanan	259,000	46,000	213,000
	Social Action Center-Diocese of Legazpi	Socio-Economic Development Program	3,000,000	1,000,000	2,000,000
	Ahon sa Hirap, Inc.	Micro-Finance Program Among Bottom Poor Women	793,012	373,012	420,000
	Birhen ng Lourdes Parish Credit Cooperative	Tulongan sa Kabuhayan Project	953,000	233,000	720,000
	Social Action Center-Diocese of Pampanga	Candle Making	170,000	170,000	0
	San Rafael Multi-Purpose Parish Cooperative	Integrated Pre and Post Harvest Enterprises System (pilot project for small rice farmers)	1,000,000	0	1,000,000
	Concerned Countryside People Multi-Purpose Cooperative	Spawn and Mushroom Production/ Mushroom Culture	125,000	125,000	0
	Agricultural and Rural Development for Catanduanes, Inc.	Expansion of ARDCI (Outreach and Loan Portfolio) to Albay	6,006,500	1,006,500	5,000,000
	Buklod Unlad ng Batangas, Inc.	Paiwing Patabaing Baka Project (Sub-contract Cattle Fattening Project)	649,150	191,950	457,200
	Kaunsayan Formation for Community Development, Inc.	Women Response in Poverty Alleviation	635,455	135,455	500,000
	The Joint Enterprise Development for the Indigent Foundation, Inc.	Micro-Lending Project for Low Income Earners in Quezon Province	488,500	138,500	350,000
	National Federation of Cooperatives of Persons with Disability	School Furniture	2,000,000	0	2,000,000
	Naga City People's Council	Talyer sa Barangay	519,255	70,000	449,255
	Kalinga Mission for Children and Youth Development, Inc.	Kalinga Indigenous Peoples Culture Sensitive and Integrated Area-Based Sustainable Development Program	1,200,000	1,050,000	150,000
	Tribal Cooperation for Rural Development, Inc.	Poverty Alleviation through Bee Honey Production	100,000	100,000	0
	Anak-Dagat Multi-Purpose Cooperative, Inc.	Cooperative Lending Project (Bocau Micro-Lending Project)	150,000	100,000	50,000
	Sandigan ng Magsasaka	Agricultural Productivity Enhancement Program for Poverty Alleviation	638,500	138,500	500,000
	Kooperatiba ng Sambayan ng Banal na Krus	Cooperative Assistance to Reinforce Entrepreneurs (CARE)	3,320,000	320,000	3,000,000
	Old Sta. Mesa Credit Cooperative	Creation of Stable Employment through the Organization, Formation, Development, and Management of Micro- and Small Enterprises	1,350,000	350,000	1,000,000
Pampanga Disaster Response Network, Inc.	PDRN Micro-Financing Program for Vulnerable Families in Sasmuan, Pampanga	300,000	100,000	200,000	
Natonin Disabled Association	Livelihood Project for Disabled Persons	85,000	85,000	0	

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
LUZON					
Livelihood & Employment	Lamut Grassroots Savings and Development Cooperative	Empowering Lagdaseco Women to Supplement Farmers Income in Lamut Ifugao	1,894,000	44,000	1,850,000
	Kapisanan ng Magsasaka, Mangingisda at Manggagawa sa Pilipinas, Inc.	National Seedbanking and Exchange Program for Small Farmers (SEEDBANK)	830,000	230,000	600,000
Relief/Rehab	Kabalalikang Para sa Pagpapaunlad ng Baseco Compound	Feeding and Rehabilitation Program for Fire Victims in Baseco	260,400	260,400	0
2003					
Basic Services	Foundation for Entrepreneurial Development, Inc.	Tubig para sa Barangay at mga Impormal na Grupo(TUBIG) Project	150,000	45,000	105,000
	Cordillera Network of Development NGOs and POs	Water Resources Development for Poblacion-Buduan-Tanap and Nagsurot, Burgos, Ilocos Norte	5,326,701	5,326,701	0
	Dolores Development Cooperative, Inc.	Upgrading of Level II Water Supply System	1,703,848	1,703,848	0
	Lipting Farmers' Association	Spring Development for the Maengs in Lipting, Luba, Abra	150,000	150,000	0
	Aweca Foundation, Inc.	Aetas' Initiatives for Rural Development (AIRDEV)	893,500	893,500	0
	Association of Mountaineers in the Cordillera (AMOC), Inc.	Lacnog Barangay Water Supply	275,000	275,000	0
	Prenza Multi-Purpose Cooperative	Community Water System Project in Lian Batangas	725,000	725,000	0
	Manabo Development Foundation, Inc.	Self-Sufficiency fo Manabo Irrigation System	1,796,258	1,796,258	0
Insti Devt Support	Cordillera Network of Development NGOs and POs	Support for the Finance Oversight Committee to Manage the Funds of Water Resource Development Project of Burgos Ilocos Norte	98,000	98,000	0
	Dawani Multi-Purpose Cooperative	Insti Support for Dawani Micro-Lending Project	150,000	150,000	0
	Saleng Parents Association, Inc.	Micro-Finance Training for Saleng Parents' Self Help Groups	25,000	25,000	0
	St. Vincent Ferrer Parish Multi-Purpose Cooperative	Re-Lending with Automated Accounting System	135,000	135,000	0
Livelihood & Employment	Barangka Credit Cooperative	Puhunan sa May Kakayahang Magnegosyo	5,474,400	474,400	5,000,000
	Eurocredit Cooperative	Enhancing Capital Access for the Entrepreneurial Poor thru Financial Education and Cooperative Development, Micro-Finance and Capacity Building	2,290,000	400,000	1,890,000
	Association of Rural Community Workers, Inc.	ARCOW Micro-Finance for Enterprising Men and Women	1,298,000	298,000	1,000,000
	Malayang Lapiang ng Kababaihan, Inc.	Tulong-Sulong sa Kabuhayan (A Micro-Finance Project for the Poor Women of Irosin)	1,188,000	188,000	1,000,000
	Lobo Community Development Center, Inc.	Income Augmentation thru Cattle Fattening Project	600,400	150,400	450,000

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
LUZON					
Livelihood & Employment	Womens Federation for World Peace-Philippines	WFWP Micro-Finance Program	150,000	150,000	0
	Families and Children for Empowerment and Development Foundation	Institutionalizing and Sustaining the Barangay Councils for the Protection of Children of Urban Poor Communities	133,450	133,450	0
	Kilo-Kilo Senior Citizens Multi-Purpose Cooperative	Capital Base for Consumer Store	50,000	50,000	0
	Tublay Federation of Multi-Purpose Cooperatives, Inc.	Community Cooperative Marketing System in the Municipality of Tublay	400,000	100,000	300,000
	Alternative Systems for Community Development (ASCODE) Foundation	Micro-Enterprise Economic Development Program (MDEEP) II	1,780,000	280,000	1,500,000
	Gising Bayan Foundation	Marketing of Vegetable and Native Food Products in lieu of the project entitled: Gising Bayan Project Development and Food for the Poor Program	300,000	300,000	0
	Nagkakaisang Damdamin ng Magkakapitbahay, Inc.	Kabuhayan, Lupa at Kaunlaran sa Ating Komunidad (Enabling the Poor to Earn Additional Income Through Livelihood Projects for Land Acquisition and Better Life)	90,000	90,000	0
	Sagada Sunflower Honey Cooperative	Sagada Sunflower Honey Production	60,000	60,000	0
	Agnaga Multi-Purpose Cooperative	Social Credit	50,000	50,000	0
	Gasán Vendors Multi-Purpose Cooperative	Relending for Working Capital	462,000	112,000	350,000
	Bayan Credit Cooperative	Micro-Finance Program Expansion	2,340,000	340,000	2,000,000
	People's Investment Multi-Purpose Cooperative, Inc.	People's Investment Micro-Credit Program	1,640,000	140,000	1,500,000
	Topdac Multi-Purpose Cooperative	TOPDAC Micro-Lending Project	435,000	85,000	350,000
	Kaunsayan Formation for Community Development, Inc.	Women Response in Poverty Alleviation 2 - WRIPA 2	750,000	0	750,000
PAC	Cordillera Network of Development NGOs and POs	CORDNET Integrated Resource Center as a Regional Access Center Model	15,000,000	9,800,000	5,200,000
Relief/Rehab	Kabalikat Para sa Pagpapaunlad ng Baseco Compound	Feeding Program II	100,000	100,000	0
Sect. Consult/ Cap. Bldg.	Nagkakaisa Multi-Purpose Cooperatives	Loan Assistance to Member Vendors - Action Grant for Capacity Building of Nagkakaisa MPC	50,000	50,000	0
2004					
Basic Services	Tribal Filipino Apostolate, Inc./ Indigenous Peoples Apostolate	Community Managed Health and Sanitation Program	236,210	236,210	0
	Jaime V. Ongpin Foundation, Inc.	Baguio City Environment Protection and Community Development Project	1,606,034	1,606,034	0
	Cagayan Tribes Mission for Children and Youth Development, Inc.	Tribal Community Underground Drinking Water	150,000	150,000	0

MAKING RURAL WOMEN PROUD: Micro-Finance for Women in Sarangani and General Santos City*

PARTNER: **BANSALAN COOPERATIVE SOCIETY (BCS)**

Hard work proved to be a key ingredient in uplifting the lives of 3,916 women in the municipalities of Malungon and Alabel in Sarangani province, and in General Santos City. In the three areas, like in many other poor barangays throughout the Philippines, women had to contend with loan sharks and unscrupulous moneylenders to finance their micro-enterprises.

Through their membership in the Savings and Credit Expansion with Education (SCWE) Program of the Bansalan Cooperative Society (BCS), these women have emerged with a significant increase in incomes. Incremental disposable income earned by members ranged from ₱800 to ₱8,000 per month from an income range of ₱600 to ₱6,000. Moreover, as a result of their participation in the project, the women enjoy an improved capability to manage their time and limited resources, as well as a greater sense of empowerment.

Supported by a ₱4.5 million loan facility from the Peace and Equity Foundation, the SCWE was a tightly integrated financial and educational service designed for low income, economically active women who were capable of engaging successfully in micro-enterprises. The project involved the organization of women's cooperatives of savings and credit associations, utilizing model credit union building (MCUB) technology developed by the Freedom from Hunger (FFH) and the World Council of Credit Unions (WOCCU).

SCWE employed unique tools such as the provision of loans without collateral, quick loan processing and collective account-

ability for loans. The project also stimulated the sharing of repayment responsibility among women and field collection agents, savings schemes and financial management skills training that also integrated health and nutrition education.

In nineteen months of operation, BCS has released around ₱34.6 million to its beneficiaries. ₱131,285.47 of this amount came from member savings. The program's outstanding loan portfolio as of December 31, 2004 was ₱13.9 million.

BCS, for its part has seen an increase in its loan portfolio of up to ₱39.23 million, a generated savings pool of ₱9.835 million, expanded areas of operation, and increased numbers of beneficiaries.

* Written by Agripina Leonico, Making Rural Women Proud: Micro-Finance for Women in Sarangani and General Santos City, from *Kwento At Kwenta: PEF Case Studies*, unpublished, Peace & Equity Foundation, May 2005.



PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
LUZON					
Basic Services	Tangkalan Agricultural Multi-Purpose Development Cooperative	Support Services for Tangkalan Agri Multi-Purpose Devt Coop	280,000	280,000	0
Insti Devt Support	Kabalikat para sa Diyos at Bayan Multi-Purpose Cooperative	Management Information System	150,000	150,000	0
	Organic Producers and Trade Association	"Point of Sales" Software and Basic Trading System and Procedures Installation	397,000	397,000	0
Livelihood & Employment	Pag-asa sa Paglaya Multi-Purpose Cooperative	Light a Hope Project	900,000	900,000	0
	Rurungan sa Tubod Foundation, Inc.	Rurungan Weaving Centers in 2 Barangays in Puerto Princesa City, Palawan	871,050	871,050	0
	Nueva Vizcaya Court No. 13 Order of the Amaranth	Skills Development of Indigent Parents	150,000	150,000	0
	Brgy Bagong Silang Consumer Cooperative	BBSCC Capability Building Program	75,000	75,000	0
	Kooperatiba ng Pamayanang Kristiyano ng Mapaya	Pre-Harvest Facility (Tractor)	105,000	105,000	0
	Muslim Mulbog Multi-Purpose Cooperative	MMMPC Organizational and Financial Capability Building Project	50,000	50,000	0
	The Joint Enterprise Development for the Indigent Foundation, Inc.	Micro-Finance Project for Low Income Earners in Quezon Province (Year II)	763,375	263,375	500,000
	AGPANABAT Multi-Purpose Cooperative	Transport Service	400,000	0	400,000
	AMIHAN, National Federation of Peasant Women	First Rural women Trade Exhibit of Organic Agricultural Products and Crafts on the Occasion of the Celebration of the Women's Month in March 2004	42,800	42,800	0
	Anak-Dagat Multi-Purpose Cooperative, Inc.	Bocau Micro-Lending Project (Phase II)	289,800	89,800	200,000
	Nagkakaisa Multi-Purpose Cooperative	Micro-Lending Project for Members (Nagkakaisa Project)	150,000	50,000	100,000
	Lobo Community Development Center, Inc.	Paiwi System Swine Fattening Project: Marginal Farmers Income Augmentation Activity	1,023,400	223,400	800,000
	Social Action Center SEDP-Diocese of Legazpi	Socio-Economic Development Program (SEDP) Legazpi Branch - Phase 2	1,809,500	309,500	1,500,000
	Barangay Batiano Small Coconut Farmers' Organization	Romblon Coconut Husk Processing Project	150,000	150,000	0
Barangay Rizal Small Coconut Farmers' Organization	Romblon Coconut Husk Processing Project	150,000	150,000	0	
EuroCredit Cooperative	Enhancing Capital Access and Capacitating the Entrepreneurial Poor Through Financial and Entrepreneurship Education	4,000,000	0	4,000,000	
St. Isidore, St. John Visanney, Immaculate Conception, and St. Nino Conferences of St. Vincent de Paul of Vinzons particular council	Insti Development Support for SISVIONINO	45,000	45,000	0	

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
LUZON					
Livelihood & Employment	Sitio Tuguilan Multi-Purpose Cooperative	Carabao for Life	50,000	50,000	0
	Birhen ng Lourdes Parish Credit Cooperative	Tulongan sa Kabuhayan Project Phase 2	958,000	238,000	720,000
	Tribal Christian Agricultural Multi-Purpose Cooperative	Working Capital for the Production of Rattan Handicrafts and Nature Conservation Program	277,500	277,500	0
	Diffun Multi-Purpose and Development Cooperative	Modified Micro-Financing Program	133,600	133,600	0
	Romblon Barangay Nutrition Scholars Multi-Purpose Cooperative	Livelihood Loan Fund of BNS MPC	91,000	91,000	0
	Ngibat Farmers Association, Inc.	Rehabilitation of Ngibat Multi-Purpose Irrigation System	955,957	955,957	0
PAC	Palawan NGO Network, Inc.	Palawan Community Resource and Access Center	15,500,000	5,500,000	10,000,000
	Albay Provincial NGO-PO Network for Development	Albay Partnership and Access Center (APAC)	14,571,735	4,571,735	10,000,000
Relief/Rehab	Kabalikat Para sa Pagpapaunlad ng Baseco Compound	Kabalikat Feeding Program	100,000	100,000	0
	Kaunsayan Formation for Community Development, Inc.	Relief Assistance and Light Construction Materials for Shelter	158,984	158,984	0
Research & Devt	Philippine Center for Water and Sanitation - International Training Network Foundation	Monitoring Study and Consultation Meeting with PEF-Luzon Proponents of Water Supply Projects	150,000	150,000	0
	Sibol ng Agham at Teknolohiya, Inc.	Participatory Research Towards Enterprise Devt of Urban Sustainable Agriculture Program in Bagong Silang	89,000	89,000	0
Sect. Consult/ Cap. Bldg.	National Federation of Women's Clubs of the Philippines	Providing Livelihood in Catanduanes	150,000	150,000	0
	Urban Poor Institute for Community Building, Inc.	Capability Building for the Balikatan Self-Help Housing Project	293,000	293,000	0
	Ugnayan ng mga Magsasaka sa Quezon	Consultation on Organic Rice Certification and Marketing	148,400	148,400	0
	Hiwas Catandungan, Inc.	Building Partnership for Governance and Abaca Industry Integrated Development Initiatives	97,600	97,600	0
VISAYAS					
2002					
Basic Services	Ramon Aboitiz Foundation, Inc.	Community Reforms for Sustainable Development Project	1,063,000	1,063,000	0
	Julio and Florentina Ledesma Foundation, Inc.	Bridging Mechanism For Socialized and Incremental Housing Construction and Land Development For Low-Income Families	4,500,000	500,000	4,000,000
Insti Devt Support	Purok Himaya Community Association, Inc.	Purok Himaya Micro-Lending for Livelihood Development	106,000	106,000	0

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
VISAYAS					
Livelihood & Employment	New Earth Grassroots Alternative Development Center, Inc.	Leyte Alternative Micro-Finance Support Program	854,496	250,000	604,496
	Society of the Sacred Heart and Sacred Heart Institute for Transformative Education	Poultry/Piggery/Farm Development	272,400	88,400	184,000
	Bahandi Producers Association of Eastern Visayas	Coco Coir & Handicraft Products Market Development	100,000	100,000	0
	Kapunungan Alang Sa Kauswagan Sa Kasadpan-Sugbu, Inc.	KAKASAKA-SUGBU Grassroots Bank (KGB)	1,350,000	350,000	1,000,000
	First Consolidated Cooperative in Toledo City	FCCT Coop Merger & Micro-Finance Expansion Project	1,800,000	300,000	1,500,000
	Samar Center for Rural Education and Development, Inc.	Economic Upliftment for the Poor Development Assistance program	1,300,000	300,000	1,000,000
	Aganan River Federation of irrigators' Association	Enhancing the Entrepreneurial Capability of ARFIA and Provision of Alternative Intermediary Market for Palay of the Marginal Farmers in the Aganan River Irrigation System	500,000	0	500,000
Sect. Consult/ Cap. Bldg.	Iloilo Caucus of Development NGOs	NGO Sectoral Assembly	300,000	300,000	0
2003					
Basic Services	Bol-anon Foundation, Inc.	Alegria Norte Waterworks Project	200,000	200,000	0
	Buayahan Mother's Association	Repair of Water System(Level II)	150,000	150,000	0
	Pagtambayayong Foundation, Inc.	Socialized Housing Projects	6,607,000	107,000	6,500,000
	Iloilo Caucus of Development NGOs	Construction of Potable Water System for the 3 Selected Barangays in the Province of Iloilo	291,420	291,420	0
	Western Leyte Foundation for Agro-Rural Entities	Rehabilitation/Improvement of Kabungahan Water System Level I & II	936,008	936,008	0
	Hiniusang Mag-uuma sa Catmodaan, Inc.	Rehabilitation of ILUM Waterworks System	150,000	150,000	0
	Daanglungsod, Guiwang, San Agustin Rural Waterworks and Sanitation Association, Inc.	Expansion of Water Services	1,773,158	1,773,158	0
Insti Devt Support	Banilad Bacong Farmers Multi-Purpose Cooperative	Backyard Swine/Hog Raising(Institutional Development and Capacity Building Support of the Banilad Bacong Farmers Multi-Purpose Cooperative	50,000	50,000	0
	Sta. Catalina Small Coconut Farmers Multi-Purpose Cooperative	Institutional Development and Capacity Building Support of the Sta. Catalina Small Coconut Farmers Multi-purpose Cooperative (SCSCOFAMPUCO)	50,000	50,000	0
	Canlaon City Vendors Credit Cooperative	Institutional Capacity Building Project(Institutional Development and Capacity Building Support of the Canlaon City Vendors Credit Cooperative	50,000	50,000	0

FROM URBAN POOR TO ENTREPRENEURS: Micro-Financing in Quezon City*

PARTNER: EUROCREDIT COOPERATIVE

Quezon City, home to the largest concentration of urban poor in Metro Manila, was a deliberate choice as the setting for the project “*Enhancing Capital Access for the Entrepreneurial poor through Financial Education and Cooperative Development, Micro-Finance, Capacity Building and Technology Transfer*”. EUROCREDIT Cooperative, a micro-finance institution (MFI) whose main clients are women of migrant worker families and urban poor women, recognized the broad need of these women in the burgeoning urban poor barangays of this city.

EUROCREDIT initiated the expansion of its modified Grameen model with a combination loan and grant facility amounting to ₱3.4 million from the Peace and Equity Foundation.

The project involved the formation of indigenous (community-owned and managed) cooperatives and community banks, and provision of professional courses on financial management to members with an emphasis on savings generation. Innovative benefit and equity schemes for members were introduced, such as long-term maturity loans, longer-term capital fund, a modified *paluwagan* savings mode and even scholarships for members’ children.

Eurocredit’s membership structure is effectively innovative. Membership-beneficiaries are classified into two – the regular members, who enjoy the full right to vote and are considered primary investors who earn dividends, and the associate members, who may borrow and enjoy rebates and continuous education.

The average equity a member has in the cooperative presently figures at ₱1,530, which is significant for a family with an average monthly income of around ₱10,000. Both the equity and the savings placed with the cooperative by the member-beneficiaries serve as effective instruments to encourage and challenge members to build and gain more resources. The coupling of a credit facility to such savings for business purposes has given the member-beneficiaries the chance to leverage their capital to get bigger loan amounts without putting up any collateral.

As a result of the project, EUROCREDIT expanded to include 746 new members and established 79 community MFIs in 31 barangays. EUROCREDIT has enhanced local micro-finance capacity, trained more staff, increased its capital, and forged new partnerships. Members can now claim increased incomes, savings, as well as equity in the cooperative. With collection rates as high as 89%, prospects indeed look bright for this financing enterprise.

* Written by Darius Letigio Martinez, From Urban Poor to Entrepreneurs: Micro-Financing in Quezon City, from *Kwento At Kwento: PEF Case Studies*, unpublished, Peace and Equity Foundation, May 2005.



PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
VISAYAS					
Insti Devt Support	Malabuyoc Multi-Purpose Cooperative	Abag Alang sa Pagpalambo sa Panginabuh ì (Institutional Development and Capacity Building Support of the Malabuyoc Multi-Purpose Cooperative (MMPC)	80,000	80,000	0
	Matab-ang Multi-Purpose Cooperative	Micro-Enterprise Project (Institutional Development and Capacity Building Support of the Matab-ang Multi-Purpose Cooperative	50,000	50,000	0
	Tolibao Farmer-Fisherfolk Multi-Purpose Cooperative	Credit Services(Institutional Capacity Building Support-8 months)	61,300	61,300	0
	Old Rizal Rice Farmers Multi-Purpose Cooperative	Micro-Credit for Small Entrepreneurs(In stitutional Capacity Building Support)	150,000	150,000	0
	Women's Association in the Barangays	Sikap Babae para sa Kaunlaran Asosasyon	50,000	50,000	0
	Lampus Maasin Credit Cooperative	Enhancing the Capacity of Women in Micro-Finance Project	100,000	100,000	0
	Sagnap Multi-Purpose Cooperative	Credit Expansion Projects(Institutional Development Support)	50,000	50,000	0
	Justice Economy Environment & Resources Multi-Purpose Transport Service Cooperative	Micro-Financing Project (Institutional Development Support for Coop Governance)	50,000	50,000	0
	Leyte Rural Advancement Programmes, Inc.	Insti Dev for the Coconut Wine and Liquor Production	80,000	80,000	0
	Federation of Senior Citizens Association	People's Drugstore	150,000	150,000	0
	Can-Avid Women's Association	Commodity Store and Rice Trading	80,000	80,000	0
	San Remegio Unified Cooperative	Institutional Development Support for a Micro-Finance Project	150,000	150,000	0
Livelihood & Employment	Oslob Multi-Purpose Cooperative	Project for the Development of Micro-Enterprise in Oslob (ProDEMO)	1,051,250	251,250	800,000
	HIKABAN Community Development Cooperative	Expansion of Existing Native Handicraft Production	226,000	90,000	136,000
	Association of Disabled Persons-Iloilo, Inc.	Capitalization and Equity Investment (Micro-Finance for Poverty Alleviation)	2,307,000	307,000	2,000,000
	Ciabu Primary Multi-Purpose Cooperative	Savings and Credit for Micro-Entrepreneurs Progress	1,187,400	187,400	1,000,000
	Valle Hermoso Multi-Purpose Cooperative	Micro-Lending Expansion	930,000	130,000	800,000
	Taytay Sa Kauswagan, Inc.	Proyekto Kauswagan sa Katilingban	11,338,000	1,338,000	10,000,000
	MaCaSaBat-SIAD Federation, Inc.	MaCaSaBat Resource Integration for Community Enterprise (RICE) Project	205,500	205,500	0
	Valencia Fiber Producers Marketing Cooperative, Inc.	Livelihood Augmentation through Micro-Finance Program (LAMP)	780,000	280,000	500,000
	San Vicente I ARB Multi-Purpose Cooperative	Enterprise Support Project for the Agrarian Reform Beneficiaries (ARBs) in Kapitan Ramon	150,000	150,000	0
	Antique Development Foundation, Inc.	Antique Handicraft Industry Development Project	110,000	110,000	0

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
VISAYAS					
Livelihood & Employment	SUBASPA Multi-Purpose Cooperative	SUBASPA Marketing and Trading Center	118,450	118,450	0
	Asturias Peoples Multi-Purpose Cooperative	Micro-Finance Support Project Development	829,600	229,600	600,000
	Alcoy Multi-Purpose Cooperative	Poverty Alleviation Program for Alcoyanon	1,230,000	230,000	1,000,000
	Cebu Peoples Development Cooperative	Sustainable Household Assistance for Reliable Entrepreneurship(SHARE)	838,000	138,000	700,000
	Carles Multi-Purpose Cooperative	Carles Poverty, Inequality Reduction Program Thru Micro-Finance	750,000	150,000	600,000
	San Miguel Multi-Purpose Cooperative	San Miguel Multi-Purpose Coop Marketing Project	544,000	144,000	400,000
	Carmen Multi-Purpose Cooperative	CMPC Palay Marketing Project	696,000	96,000	600,000
Sect. Consult/ Cap. Bldg.	Organization for Training, Research and Development Foundation, Inc.	Capacity Building for OTRADEV	50,000	50,000	0
	Gugma Han Maqueda Bay Uguin-Undong Han Organisasyon Samaron, Inc.	Democratic People's Participation in Governance	390,000	390,000	0
	Lihok Pilipina Foundation, Inc.	Organization and Start-up Operations of the Alliance for Land and Livelihood for the Rural and Urban Poor of Cebu (ALL-r-UP Cebu)	150,000	150,000	0
2004					
Basic Services	Altiora Quaero Foundation, Inc.	Let There Be Light (and Water!): Playpump Station for Rural Barangays	400,000	400,000	0
	Antique Federation of Non-Government Organizations (AFON), Inc.	Social Franchising of Health Plus Products	399,900	399,900	0
	Dakitan-ong Pundok, Inc.	Dakit Potable Water System Rehabilitation	1,550,158	1,550,158	0
	Agbalogo Farmers Multi-Purpose Cooperative	Water To Drink and Support Among Upland Farmers	1,739,855	1,739,855	0
	JF Ledesma Foundation, Inc.	Social Housing for Low-Income and Various Poverty Groups	15,425,500	425,500	15,000,000
Insti Devt Support	Bayawan Multi-Purpose Agricultural Kilusang Bayan	Micro-Lending Expansion and Loan Recovery (MILER)	106,000	106,000	0
	Northern Samar Federation of Multi-Purpose/Agri-Based Coops	NSPCCI Insti Development Project	50,000	50,000	0
	Sirao Farmers Multi-Purpose Coop	Sirao Farmers Multi-Purpose Building	100,000	100,000	0
	Samar Rural Communities Assistance Program, Inc.	Para-teachers Training for Community-based People's Literacy	570,800	570,800	0
	Capiz Vendors Multi-Purpose Cooperative	Institutional Support for the Micro-Finance Lending Project	150,000	150,000	0
	PROCESS-Bohol, Inc. (cluster lead agency)	Poverty Reduction Program Development for Cluster 2	150,000	150,000	0

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
VISAYAS					
Livelihood & Employment	Task Force Mapalad, Inc.	Poverty Reduction Through Production Credit Assistance and Capability Development for Agrarian Reform Beneficiaries in Negros Occidental	277,500	277,500	0
	Cooperative Bank of Leyte	Sustainable Micro-Enterprise & Livelihood Enhancement Fund (SMILE)	1,810,000	310,000	1,500,000
	Sta. Catalina Multi-Purpose Agricultural Cooperative (SCAMPACI)	Sta. Catalina Micro-Finance Project	892,000	192,000	700,000
	Tambal Small Farmers and Farm Workers Association	Shallow Tube Wells	170,046	170,046	0
	La Salle Brothers, Employees, Teachers Credit Cooperative, Inc.	Micro-Lending Assistance to small Entrepreneurs	720,000	220,000	500,000
	Pitad, Inc.	Working Capital for Production of Coir-based Handicrafts	300,000	0	300,000
	Datu Bangkaya Traders' Multi-Purpose Cooperative	Datu Bangkaya Traders MPC Micro-Lending Project	217,100	217,100	0
	Kababaehan para sa Kinabukasan	Livelihood Assistance and Skills Training for KASAKI	470,600	100,600	370,000
	FCB Foundation, Inc.	Support for Promoting Environment-friendly Enterprise Development in the Integration of Population and Coastal Resource Management (SPEED-IPOPCORM)	1,765,700	265,700	1,500,000
	Samar Center for Rural Education and Development (SACRED)	Economic Upliftment for Urban Poor Development Project	4,429,800	429,800	4,000,000
	Bayog Valley Farmers Multi-Purpose Cooperative	Copra Trading	1,000,000	50,000	950,000
	Bantayan Fabric Multi-Purpose Cooperative	Bulig-an Kooperatiba ug Ako sa Ikauswag (BAKASI)	280,000	280,000	0
	Philippine Business for Social Progress	People's Organizations Regional Trade Fair Project (PORT Fair Project)	729,704	729,704	0
	Negros Women for Tomorrow Foundation, Inc.	Negros Women for Tomorrow Foundation, Inc.- Project Dungganon Branch Expansion in Samar Area	7,500,000	0	7,500,000
	Capiz-Roxas Islamic Foundation, Inc.	Maranao Women Financing Center	657,375	157,375	500,000
	Cabacungan Primary Multi-Purpose Coop	Cabacungan Savings and Credit Project (CSCP)	317,000	317,000	0
	Oslob Multi-Purpose Cooperative	Micro-Enterprise Assistance Fund (MEAF)	2,842,000	342,000	2,500,000
	Kapunungan sa Nagpakabanang Inahan	Buri Fiber and Broom Making Production	148,000	148,000	0
	Kapunungan sa mga Inahan alang sa Kaugmaran	Purchase of equipment/utensils for the Production of Pastries and Baked Products	101,686	101,686	0
	Libjo Community Multi-Purpose Cooperative	Copra Trading	280,000	280,000	0

CELEBRATING THE FRUITS OF OUR LABOR: The Social Development Week Trade Fair*

PARTNER: CAUCUS OF DEVELOPMENT NGO NETWORKS
AND ASSOCIATION OF FOUNDATIONS

The Social Development Week (SDW), hosted by the Caucus of Development NGO Networks (CODE-NGO) for the past seven years, has traditionally been an opportunity for the NGO and PO (non-government and people's organizations) community to celebrate their dynamic and ever-expanding role in national development. The highlight of the week's festivities is a Trade Fair, which showcases the wide array of products and services offered by CODE-NGO members and partners from all over the country.

PEF has provided technical and financial support for the SDW trade fair for the years 2003 and 2004, thus bolstering its efforts to promote micro-financing and enterprises in poor communities. By supporting CODE-NGO's trade fair, PEF has succeeded in assisting community organizations to gain access to bigger markets, and develop business savvy in the areas of marketing, product development and management.

Partnership and Access Centers (PAC), province-based networks that extend PEF's reach to the poorest communities are likewise involved in the SDW trade fairs. They have brought in province-based NGOs and POs, and even individual entrepreneurs, who are not formal members of CODE-NGO, to sell their unique products.

Because the SDW Trade Fair is held a few weeks before the Christmas season and is strategically placed in a bustling commercial hub of Makati, participants have increased their sales, income, and customer base. They have gained greater exposure to the mainstream market in addition to expanding their network among suppliers,

producers, buyers, and even among other PEF partners. They have, moreover, made significant headway in their advocacy initiatives. The Cavite Institute, which manages the Wishcraft Project, drew serious interest in their recycling campaign with attractive products by out-of-school youth such as glass bottle and twig planters.

Bahandi Producers Association of Eastern Visayas (Bahandi) now supplies two major department stores in Metro Manila, while other groups are now consistently present in other regional trade fairs attached to tourism festivals and bazaars such as the Baguio Panagbenga Festival, Marinduque Moriones Festival and the Davao Kadayawan Festival, among others. The Coalition of Social Development Organizations in South Cotabato (CSDO-SC) and Bahandi have explored the possibility of supplying one another with materials or products. Consequently, the producers and their marketing arms have gained more incisive knowledge of product development and learned strategic marketing methods, thereby building their business confidence.

* Written by Jovie Importante, Celebrating the Fruits of our Labor: The Social Development Week Trade Fair, from *Kwento At Kwenta: PEF Case Studies*, unpublished, Peace and Equity Foundation, May 2005.

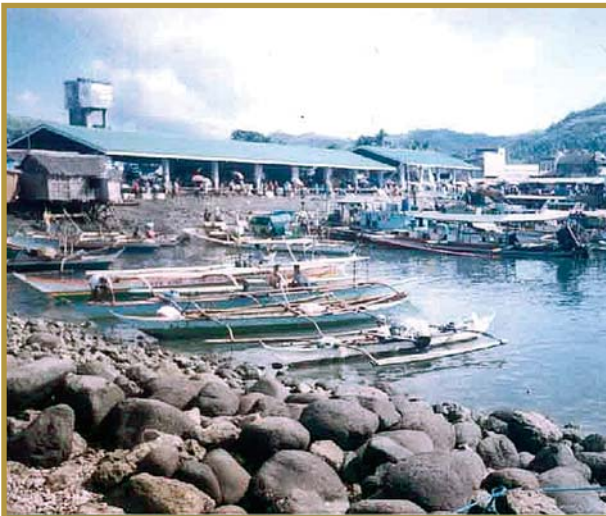


PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
VISAYAS					
Livelihood & Employment	Antique Development Foundation, Inc.	Antique Handicraft Industry Development Project	1,027,000	227,000	800,000
PAC	Alliance for Land and Livelihood for the Rural and Urban Poor of Cebu	Local Access Center for the Island of Cebu	2,750,000	1,250,000	1,500,000
	Federation of Multi-Sectoral Alliance for Development Negros	Provincial Development Fund for the Improvement of Small Families in Negros Occidental	7,427,000	2,427,000	5,000,000
Partnership Building	Black Artist in Asia Association, Inc.	Viva Excon 8	50,000	50,000	0
Research & Devt	Philippine Partnership for the Development of Human Resources in Rural Areas (PHILDHARRA)-Visayas	Case Study Writing Workshop and Publication	135,000	135,000	0
Sect. Consult/ Cap. Bldg.	Reform and Peace Movement in the Philippines Foundation	Strengthening Program Management Capabilities of RPMP	1,460,000	1,460,000	0
	Runggiyan Social Development Foundation, Inc.	Support for Runggiyan Awareness Month	31,500	31,500	0
	Eastern Samar Development Foundation, Inc.	Assistance in the Establishment of PAC in Eastern Samar	150,000	150,000	0
	Bacolod City Cooperative Development Council	2004 Bacolod City Cooperative Week Celebration	60,000	60,000	0
	Mag-uugmad Foundation, Inc.	Visayas Regional Conference on Natural Resources Management and Participatory Local Governance (NRM and PLG)	60,000	60,000	0
MINDANAO					
2001					
Livelihood & Employment	Muslim Lumad Farmers Association, Inc.	Increasing Agricultural Productivity as a Peace-Building Strategy in a Muslim-Lumad Community	223,000	223,000	0
2002					
Basic Services	Surigao del Norte NGO Coalition for Development, Inc.	Integrated Health Initiatives for 2 IP Communities	761,000	761,000	0
	Tribal Leaders Development Foundation, Inc.	T'boli Integrated Livelihood Development Project	933,500	933,500	0
	Allasuki Farmers Cooperative	AFC Water System Project	149,000	149,000	0
	Sky Foundation, Inc.	The Knowledge Channel: A Strategic Response to the Philippine Education Crisis	820,000	820,000	0
	Landan People's Multi-Purpose Cooperative	Bukay-Eel Spring Development Project	132,363	132,363	0
Insti Devt Support	Hidaya Multi-Purpose Cooperative	Rice Production Credit Fund	50,000	50,000	0
	United Saguiaran Multi-purpose Cooperative	Corn Production Fund	50,000	50,000	0
	Golden Star Multi-Purpose Cooperative	Rice Production Credit Fund	50,000	50,000	0
	Marawi Development Multi-Purpose Cooperative	Institutional Support for Livelihood Re-Lending	50,000	50,000	0

PANDAYAN HAN MAGKABARABKAS: Forging Partnerships for Local Community Development*

PARTNER: GUGMA HAN MAQUEDA BAY IGUIN ONDONG HAN
ORGANISASYON SAMARNON (GIOS-SAMAR)

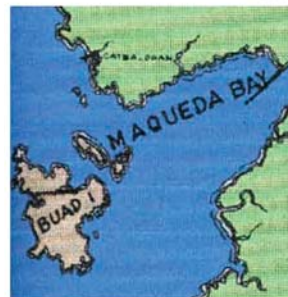
Maqueda Bay's fishing industry accounts for a third of the gross domestic product of the province of Samar in Eastern Visayas region. With trawling and other illegal fishing practices threatening its fish supply and causing permanent damage to its coral reefs, the Bay is a most precious resource under siege.



GIOS-Samar, a confederation of fisherfolk associations in the three coastal municipalities of Daram, Zumarraga and Catbalogan in Maqueda Bay, initiated the Democratic People's Participation in Local Governance (DPPG) project. The DPPG project aimed to reintroduce the spirit and practice of the Local Government Code of the Philippines (Republic Act 7160) to community-based organizations in GIOS-Samar's area of influence. The end in sight was for the barangay (village) governments and citizens to work together in protecting Maqueda Bay, by connecting coastal management and marine resource issues with barangay development planning.

Armed with funding assistance of ₱390,000 from PEF, GIOS-SAMAR used a Coastal Resource Management program as an entry point to the area. Small community projects were identified and pursued using local funds in 17 barangays, such as marine protection watch, better garbage disposal, drainage and water systems, and the construction of school buildings, multipurpose halls, toilets, and a shallow well.

The project was unique in that it called for the involvement of barangay residents and officials alike in a transparent and participatory planning process. It inspired more meaningful participation in barangay development planning for the community residents and as a result, the plans more accurately reflected the needs of the people. A crucial outcome of the project has been the institutionalization of this participation through the different sectors, such as fisherfolk, vendors, women and youth in the levels of development planning, from the barangay to the municipal and provincial arenas.



Source: NAMRIA Chart No. 4420

* Written by Renato Banas, *Pandayan Han Magkabarabkas: Forging Partnerships for Local Community Development*, from *Kwento At Kwento: PEF Case Studies*, unpublished, Peace and Equity Foundation, May 2005.

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
MINDANAO					
Livelihood & Employment	Malabog Integrated Enterprises Development Cooperative	Addressing the Hauling Problem of Farmers in the Interior Communities of Davao City	689,500	139,500	550,000
	Kasanyangan Foundation, Inc.	Assistance to Rural Social Enterprises in Mindanao	3,900,000	900,000	3,000,000
	MALUTASCAMU Fishermen's Multi-Purpose Cooperative, Inc.	West Kolambugan Sustainable Integrated Area development program (WK-SIAD PROGRAM)	150,000	150,000	0
	Mindanao Land Foundation	Community Social Cohesion - Improving Farm Incomes	149,740	149,740	0
	Lindongan Farmers Association	Procurement of Farm Implements and Post Harvest Facilities	200,000	200,000	0
	Katotohanan, Pagkakaisa at Serbisyo, Inc.	Additional Social Development Funding Assistance for the KPS Micro-Finance and LANDS Programs ("Micro-Financing Assistance for the Enterprising Urban Poor of General Santos City")	2,400,000	400,000	2,000,000
	PCCCI Cooperative Development Center	Capability Building and Micro-Finance Services for the Enterprising Poor	1,300,000	300,000	1,000,000
Minsupala Economic Development Foundation, Inc.	Livelihood Project for Peace and Sustainable Development	774,000	274,000	500,000	
PAC	Coalition of Social Development Organizations in South Cotabato	Provincial Development Institution Assistance in South Cotabato	8,085,000	8,085,000	0
2003					
Basic Services	San Lorenzo Ruiz Socio-Economic Development Foundation, Inc.	Urban Sanctuary Support & Guarantee Fund (Urban Poor Land Acquisition Project)	1,261,200	261,200	1,000,000
	Philippine Science High School Mindanao Campus Foundation, Inc.	Equipment Assistance for PSHS-SMC	100,000	100,000	0
	Bunawan Brooks Women's Cooperative	Potable Water System Level II	778,341	778,341	0
	Movers Club of Malimono, Inc	Bangka sa Barrio Project	1,303,280	1,116,185	187,095
Insti Devt Support	Maligaya Farmers Multi-Purpose Cooperative	Micro-Lending Expansion Project(Action Grant for Institutional Development)	60,000	60,000	0
	Subanen Multi-Purpose Cooperative	Micro-Finance Operation Systems Training and Development	100,000	100,000	0
	Tangub City Multi-Purpose Cooperative	Financial Assistance for Micro-Finance Systems Training & Development	100,000	100,000	0
	Kitagas Tribal Community Multi-Purpose Cooperative	Simple Bookkeeping and Business Management	50,000	50,000	0
Livelihood & Employment	Kamandiman New Corella, Inc.	Promotion of Ethnic Loom-Woven Products	243,600	48,720	194,880
	Bongo Island Fishermen & Seaweeds Planters Multi-Purpose Cooperative, Inc.	Capacity Development Project of the Bongo Island Fishermen and Seaweed Planters Multipurpose Cooperative	50,000	50,000	0
	Panigayan Multi-Purpose Cooperative	Expanded Marine Finfish Cages	235,000	35,000	200,000

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
MINDANAO					
Livelihood & Employment	Pangao-an Home Owners Multi-Purpose Cooperative	PHOMPC Integrated Micro-Finance Project	1,119,000	119,000	1,000,000
	New Bucana Purok 4 Fishermen Multi-Purpose Cooperative	Tuna Hook and Line Fishing Project	269,200	20,000	249,200
	Luma Multi-Purpose Cooperative	Rice Thresher	30,000	30,000	0
	Mt. Paraya Sustainable Development, Inc.	Mountainside Rice Farm Development	150,000	150,000	0
	Guiamalia Farmer MPC	Rice and Corn Trading	2,000,000	0	2,000,000
	Baba's Foundation, Inc.	Development Resources thru Entrepreneurship & Alternative Management Systems (DREAMS) Project	774,000	74,000	700,000
	Mlang Multi-Purpose Cooperative	Financial Assistance for the Production of Chemical-Free Rice	150,000	150,000	0
	Esperanza Market Vendors Multi-Purpose Cooperative	Rice and Corn Trading	1,100,000	100,000	1,000,000
	Sta. Catalina Multi-Purpose Cooperative	Cooperative Small Enterprise Credit Assistance Program (COOP-SECAP)	3,000,000	0	3,000,000
	Bansalan Cooperative Society	Expansion of Savings and Credit with Education: A Micro-Finance Program	4,500,000	0	4,500,000
	Nalus Farmers and Fishermen Development Cooperative	Palay Productivity Support Project (Grant for Capability Building Program to Improve Cooperative Operations)	50,000	50,000	0
	Bayanihan sa Halapitan Multi-Purpose Cooperative	BAHA MPC Micro-Financial Project	590,000	90,000	500,000
	Gata Daku Multi-Purpose Cooperative	Micro-Livelihood Support Program	900,000	100,000	800,000
	People's Economic Advancement for Community Empowerment Foundation	Area Resource Center-Savings and Loan for Integral Devt and Empowerment of the Community(ARC-SLIDECOM)	2,100,000	100,000	2,000,000
	MASS-SPEC Cooperative Development Center	Upscaling Cooperative Micro-Finance Initiatives in Mindanao	10,715,000	715,000	10,000,000
	Cabengbeng Farmers Multi-Purpose Cooperative	Establishment Canteen in 10 Madrasa	150,000	30,000	120,000
	Maglangit Moro Farmers and Fishermen Integrated Multi Purpose Cooperative	Copra Trading	75,000	10,000	65,000
	Kipalili Agrarian Reform Beneficiaries Multi-Purpose Cooperative	Palay Trading	330,000	30,000	300,000
	KAMANEPLA Multi-Purpose Cooperative	Micro-Enterprise Development Expansion to Tulunan Women	565,000	75,000	490,000
	Bukidnon Cooperative Bank	Sikap Sariling Impok, Kita at Pag-asenso	10,000,000	0	10,000,000
AL HIJR Farmers MPC	Trading of Farm Products	80,000	80,000	0	
Reconciliation Center, Inc.	Reconciliation Center Livelihood Project	596,000	96,000	500,000	
Kanalo Multi-Purpose Cooperative	Trading of Farm Products	65,000	65,000	0	

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
MINDANAO					
Livelihood & Employment	Extension Farmers Multi-Purpose Cooperative	Micro-Finance Expansion Project	1,220,000	100,000	1,120,000
PAC	Coalition of Social Development Organizations in South Cotabato	Provincial Development Institution Assistance in South Cotabato	7,500,000	7,500,000	0
Relief/Rehab	Mindanao Coalition of Development NGO Networks	MinCODE Relief Operations	250,000	250,000	0
Research & Devt	People, Plants, Research and Development, Inc.	Participatory Research on System of Rice Intensification	150,000	150,000	0
Sect. Consult/ Cap. Bldg.	Technical Assistance Center for the Development of the Rural and Urban Poor	Seminar Workshop for Youth Leaders	135,000	135,000	0
	Women Multi-Purpose Development Cooperative	Mortgage Redemption or Rice Lands (Organizational Development, Training, Installation of Financial and Operational System)	50,000	50,000	0
2004					
Basic Services	Community Organizers Multiversity	Barorao Potable Water System	1,031,326	1,031,326	0
	Integral Development Services Philippines, Inc. (IDS)	Installation and Rehabilitation of Potable Water System Level II	650,000	650,000	0
	Kalusugan Alang sa Bayan, Inc.	Bantuayan Spring Development	345,472	345,472	0
Insti Devt Support	Quezon Manobo Tribes Association, Inc.	QUEMTRAS Capacity Building Trainings	53,000	53,000	0
	Baba's Foundation	Systems Installation in support to BFI DREAM Project	130,000	130,000	0
Livelihood & Employment	Network of Initiatives in the Countryside for Empowerment in Mindanao, Inc.	Micro-Finance and Micro-Enterprise Growth for Community Development	2,000,000	150,000	1,850,000
	Pindasan Multi-Purpose Cooperative	Consumer Store	100,000	100,000	0
	Asuncion Association of Differently Abled Person	AASDAP Micro-Lending	100,000	100,000	0
	Nabunturan Agrarian Reform Community Integrated Cooperative	Rice Trading Services	330,000	30,000	300,000
	Cooperative Bank of Cotabato	CBC Micro-Finance Project in Arakan	2,000,000	0	2,000,000
	Saranay Multi-Purpose Cooperative	Expansion Project on Trading Business and Loan Program	360,000	60,000	300,000
	Surigao Economic Development Foundation	Micro-Enterprise Development in Mainit, Surigao del Norte	670,000	170,000	500,000
	Community Organizing: Davao Experience (CODE) Foundation	Micro-Credit to Informal Entrepreneurs: An Expansion	600,000	100,000	500,000
	Women Multi-Purpose Development Cooperative	Household Enterprise Lending Program	700,000	100,000	600,000
	Mlang Multi-Purpose Cooperative	Micro-Enterprise Development Expansion	600,000	100,000	500,000
	Liguasan Youth Association for Sustainable Development	Liguasan Hatchery and Fish Caging Project	310,000	310,000	0

ACCESS TO AFFORDABLE AND QUALITY MEDICINES FOR ANTIQUEÑOS*

PARTNER: ANTIQUE FEDERATION OF NGOS (AFON)

The *Health Plus Social Franchising* program of the Antique Federation of NGOs (AFON) provided quality and affordable medicines for the poor in the province of Antique.

As a provincial franchisee, AFON distributed medicines to small outlets in barangays and towns. Health Plus products are over-the-counter and limited prescription drugs in their generic formulation, such as paracetamol or ibuprofen.

Health Plus is a social franchise business because its primary aim is making medicines needed by the poor available at cheaper prices than commercial drug stores. AFON is the provincial franchisee of the National Pharmaceutical Foundation, Inc. (NPF), which set up the system and provides the technical and promotional guides.

With the local government units and community organizations, AFON established

a pharmaceutical distribution chain applying the principle of social franchising. This involved setting up Health Plus Outlets (HPO) in rural health centers, barangay health stations and a municipality-owned pharmacy. The HPO is owned by a people's organization, cooperative or NGO.

PEF provided a grant of ₱399,000 with AFON putting up a counterpart of ₱706,072 and the owning organizations shelling out ₱270,000 for 18 HPOs. Meanwhile, NPF provided each HPO with ₱25,000 worth of goods which totaled ₱450,000 for 18 HPOs.

Since the program's inception, 35 Health Plus outlets in 15 of Antique's 18 municipalities have been established and enabled communities to provide key basic services to their own members. Incomes have increased among 31 AFON members, 35 outlet operators, and 4 AFON staff. The primarily female-run HPOs have earned additional income of around ₱90,000 over a six-month period. AFON was soon recognized as one of the top sales performers among 18 provincial franchisees with its total sales of ₱1,524,871 worth of products resulting in a gross profit of ₱435,008 and a net income of ₱254,929 for six months.

In addition to the financial gains from the program, local community organizations found a golden opportunity to influence and work closely with their officials for their common good.

* Written by Fe Briones, Access to Affordable and Quality Medicines for Antiqueños, from *Kwento At Kwenta: PEF Case Studies*, unpublished, Peace and Equity Foundation, May 2005.



PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
MINDANAO					
Livelihood & Employment	Impahanong-Amosig Higaonon Tribal Community, Inc.	Higaonon Small Irrigation	493,500	493,500	0
	Katotohanan, Pagkakaisa at Serbisyo, Inc.	Continuation Project/Upscaling Micro-Financing Assistance to the Poorest in GenSan and SOCCSKSARGEN	5,150,000	150,000	5,000,000
	Cooperative Bank of Misamis Oriental	Asenso and Palad Project	10,000,000	0	10,000,000
	Manga Fishermen Multi-Purpose Cooperative	Expansion of MAFIMCO's Micro-Lending Project	650,000	150,000	500,000
	Ipuan Farmers Multi-Purpose Cooperative	Palay Trading and Post Harvest Facilities	530,000	30,000	500,000
	Pangao-an HomeOwners MPC, Inc.	PHOMPC Integrated Micro-Finance Project II	2,060,000	60,000	2,000,000
	Guiamalia Farmers Multi-Purpose Cooperative	Rice and Corn Trading	2,100,000	100,000	2,000,000
	Sugar Industry Foundation, Inc.	Supporting Local Entrepreneurship through Overseas Remittances	1,723,000	898,000	825,000
	Esperanza Market Vendors Multi-Purpose Cooperative	Rice and Corn Trading	2,000,000	0	2,000,000
	SeaCrop Multi-Purpose Cooperative	Participation to Agri/Food Link 2004 at World Trade Center	127,600	127,600	0
	Montevista Multi-Purpose Coop	Common Facility on Commercial Bread Production	345,000	45,000	300,000
	Dipolog Sikap Women's Multi-Purpose Cooperative	Smoked Boneless Herring	75,000	75,000	0
	Maligaya Rubber and Farmers Multi-Purpose Cooperative	Bigasan Project	70,000	70,000	0
	Sigaboy Farmers Cooperative	Capability Building in lieu of the orig proposal entitled "Expansion of SIFARMCO Steel Works and Fabrication and Hardware"	55,000	55,000	0
	Pantukan Multi-Purpose Cooperative	PMPC Micro-Lending	125,000	125,000	0
	Family Brotherhood Fishing and Farming Association, Inc.	Sustainable Mudcrabs Fattening in Ponds	128,000	128,000	0
	Coop Bank of Agusan del Norte	SINAG-Sariling Impok Natin Ating Gamitin	5,250,000	250,000	5,000,000
PICOP Christ Centered Cooperative Institute - Cooperative Development Center	Expansion of Micro-Credit Services for Small Entrepreneurs	2,000,000	0	2,000,000	
Relief/Rehab	Relief and Children's Alternative Program Foundation, Inc.	Appeal for Food Assistance to Flash Flood Survivors	129,500	129,500	0
Sect. Consult/ Cap. Bldg.	Mindanawon Initiatives for Cultural Dialogue	Farmers Exchange Visit	150,000	150,000	0
	Philippine Agency for Community and Family, Inc.	Construction Skills Training and Upgrading	145,000	145,000	0

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
MINDANAO					
Sect. Consult/ Cap. Bldg.	Coalition of Social Development Organizations in South Cotabato	CSDO-SC 10th General Assembly and Partner's Conference	131,054	131,054	0
	Cabug Fisherfolks and Farmers Multi-Purpose Cooperative	Insti Devt Support for the Existing Micro-Lending Operation	130,000	130,000	0
	Palanggalan Farms Multi-Purpose Cooperative	Capability Building (in lieu of original proposal entitle PAFAMUCO Livelihood Assistance)	55,000	55,000	0
NATIONAL					
2002					
Housing Performance Warranty	National Congress of CMP Originators and Social Development Organizations for Low Income Housing	Towards the Creation of a Guarantee Fund for Leveraging Housing Loans for the Urban Poor	10,000,000	0	10,000,000
Partnership Building	Institute of Politics and Governance	Social Capital Mobilization to Interface with Gov'ts Program on Accelerating Interventions in Rural Communities under Dire Poverty Situation through the KALAH I Rural Program Core Strategies	1,000,000	1,000,000	0
	Philippine Community Organizers Society	Mapping of and Consultations with Civil Society Groups/Sectors for a proactive Engagement with Government's KALAH I Project	660,000	660,000	0
Sect. Consult/ Cap. Bldg.	Pambansang Kilusang ng mga Samahan ng Magsasaka	Farmers Sectoral Assembly	276,000	276,000	0
	Task Force Mapalad, Inc.	Poverty Reduction Through Agrarian Reform and Agricultural Productivity in the Haciendas of Gloria Macapagal-Arroyo (GMA), Benedicto, Cuenca, Lopez and other Large Haciendas	80,000	80,000	0
2003					
Livelihood & Employment	League of Corporate Foundations	CSR Expo 2003 (July 9-11, 2003)	100,000	100,000	0
	Organic Producers Trade Association, Philippines	Organic Trading Center	150,000	150,000	0
Partnership Building	Empowering Civic Participation in Governance	Creating an NGO-Academe Partnership for External Monitoring of the KC-KKB Program	1,888,640	1,888,640	0
	National Confederation of Cooperatives	Philippine Cooperative Forum	50,000	50,000	0
	Economic Resource Center for Overseas Filipinos	Programs for the Productive Use of Migrant Remittances through Partnerships with Local Governments, Development Agencies, Civil Society and Community Based Financial Institutions.	150,000	150,000	0
Research & Devt	Ateneo Center for Social Policy and Public Affairs	Development NGO Good Practices in Poverty Reduction: Case Studies in Indonesia, Philippines and Thailand	500,000	500,000	0
	SSEAYP Banyuhay 2001, Inc.	Software and Training on Financial Analysis	109,000	109,000	0

PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
NATIONAL					
Sect. Consult/ Cap. Bldg.	Empowering Civic Participation in Governance	National Strategy Workshop	61,150	61,150	0
	Institute of Politics and Governance	Consultation Conference on "Peace and Development: Engaging Business and the Church" (June 13-14,2003 in Davao City)	40,000	40,000	0
	Cartwheel Foundation, Inc.	Interactive CD and Tool Kit for Youth Aid 2003 (YA2003) Operation Day's Work, Phils (ODW)	145,000	145,000	0
	Association of Foundations	Strengthening the Micro-Enterprise Programs in the AF Membership	148,000	148,000	0
	People's Alternative Study Center for Research and Education in Social Development	Thanksgiving Assembly for People's Victory on the Coco-Levy, Ill-gotten Marcos Wealth, Con-Con, Peace Process and Anti-Corruption	100,000	100,000	0
	Union of Metro Manila Cooperatives	3rd Metro Manila Cooperative Congress	100,000	100,000	0
	Institute of Politics and Governance	Workshop on Community Empowerment	60,000	60,000	0
	Center for Agrarian Reform, Empowerment and Transformation, Inc.	Farmers Conference on the Coco Levy	100,000	100,000	0
Special Projects	National Coop IT Company/ National Confederation of Cooperatives	Software Customization Project for a Coop-NGO Network	3,000,000	1,500,000	1,500,000
	Association of Foundations	SDW 2003 Development Market and Photo Exhibit	1,440,000	1,440,000	0
	Caucus of Development NGOs	Social Development Week Forum Series 2003	1,135,000	1,135,000	0
2004					
Basic Services	Cavite Institute	Win a Scholarship thru the Collection of Recyclables and Frequently-Generated Trash (WISHCRAFT)	1,000,000	1,000,000	0
	Western Mindanao State University	Scholarship Grant for the People's Choice Awardees of World Bank's Panibagong Paraan: DIMP	100,000	100,000	0
	Maximo T. Kalaw Institute for Sustainable Development	Teachers' Training for Human and Ecological Security thru the Implementation of the National Service Training Program	147,200	147,200	0
Insti Devt Support	Cahbriba Alternative School Foundation, Inc.	Reconstructing Local School Boards	138,750	138,750	0
Livelihood & Employment	National Federation of Cooperatives of Persons with Disability	NFCPWD - DepEd School Desk Project	10,000,000	0	10,000,000
	Upland Marketing Foundation, Inc.	Support for Community-Based Enterprises (CBE)	2,000,000	2,000,000	0
	Diliman Foundation, Inc.	Gawang Pinoy para sa Pinoy	1,957,000	957,000	1,000,000
Others	Synergeia Foundation	Pathways Small Grants Competition for Innovative Projects	100,000	100,000	0

WATER, AT LAST!

Two Urban Poor Communities in Metro Manila Gain Direct Access to Potable Water*

PARTNER: FOUNDATION FOR ENTREPRENEURIAL DEVELOPMENT, INC. (FEDI)

In the heart of highly urbanized cities in Metro Manila, it is intensely ironic that access to potable water remains a grave problem. Barangay Mauway in Mandaluyong City and Barangay 134 in Pasay City are no exceptions. These two communities had no direct and regular access to potable water and lived with costly and time consuming means of dealing with the problem: long queues at private faucets, haggling for water delivery services, high spending for water per liter compared to their affluent neighbors and illegal water connections, among others.

With a ₱150,000 loan and grant facility from PEF, the Foundation for Entrepreneurial Development, Inc. (FEDI) tackled their water problem by setting up project TUBIG – Tubig para sa Barangay at mga Impormal na Grupo. The project, launched in September 2003, involved lending funds to members of the two communities to put up potable water access systems.

The one-year undertaking saw members of the two communities join hands towards, doing most of the actual work themselves. They designed and installed the water systems, and now manage and oversee the day-to-day operations.

As a result of the project, more than 600 men, women and children enjoy safe, convenient and affordable water supply. In Barangay Mauway, water connections from the main line now run directly to 30 households, while in Barangay 134, a communal faucet provides water through a hose daily to some 40-50 households. The presence of the water systems has also weaned more households from illegal connections opting instead to buy water at only ₱12.50 per cubic meter from KPK's tank. This is way below the ₱137 per cubic meter of pushcart-vending water operators that used to supply the urban poor households.

Empowerment of both the partner NGO and the community groups is a lasting effect of the project. FEDI and the community groups – Kaagapay sa Pag-unlad ng Kababaihan (KPK) and Mauway Bliss Compound Neighborhood Association (MBCNA) – alike, now have a greater sense of pride and accomplishment in serving their communities and acquired the capacity to install and maintain similar water systems in the future.

* Written by Marilou M. Sabado, Water, At Last!: Two Urban Poor Communities in Metro Manila Gain Direct Access to Potable Water, from *Kwento At Kwenta: PEF Case Studies*, unpublished, Peace and Equity Foundation, May 2005.



PROJECT TYPE	PARTNER	PROJECT TITLE	APPROVED		
			TOTAL	GRANT	LOAN
NATIONAL					
Others	Gaston Z. Ortigas Peace Institute	Poster Making Contest on National Peace Consciousness Month	150,000	150,000	0
Partnership Building	AsiaDHRRA	Exploratory Visit to HCM, Vietnam	191,240	191,240	0
	Cartwheel Foundation, Inc.	Youth Aid 2004 (YA2004) Operation Day's Work, Phils. (ODW)	1,126,850	1,126,850	0
Research & Devt	Ateneo Center for Economic Research and Development	Overview of Poverty Studies in the Philippines	800,000	800,000	0
	SSEAYP Banyuhay 2001, Inc.	Projection Softwares for Micro-Finance Institutions and Micro-Enterprises	120,000	120,000	0
	Philippine Development Assistance Programme, Inc.	Appraisal of the Muscovado Industry in the Philippines	130,000	130,000	0
Sect. Consult/ Cap. Bldg.	Caucus of Development NGO Networks	Mobilizing Civil Society for a Credible and Meaningful 2004 Elections	3,246,500	3,246,500	0
	pagbabago@pilipinas	Twenty Questions for Candidates in the May 2004 Elections	495,000	495,000	0
	Philippine Council for NGO Certification	National Consultation on Financial Accounting Standards	489,500	489,500	0
	Philippine Partnership for the Development of Human Resources in Rural Areas	People's Public Presentation of its Agrarian Reform Agenda for the Incoming Administration	150,000	150,000	0
	National Confederation of Cooperatives	Scholarship Support for Financial- Based Cooperatives	105,000	105,000	0
	Philippine Cooperative Center	7th National Cooperative Summit	500,000	500,000	0
	The Resource Alliance	11th Asia Pacific Resource Mobilization Workshop: Sept 14-17, 2004	741,762	741,762	0
	Philippine Partnership for the Development of Human Resources in Rural Areas	World Food Day Campaign for the Promotion of Sustainable Agriculture vis-à-vis Hybrid Rice Technology: Civil Society Assessment of the Government's Hybrid Rice Commercialization Program	130,500	130,500	0
	Haribon Foundation for the Conservation of Natural Resources	National Conference: Integrating Forest Conservation with Local Governance	83,491	83,491	0
Special Projects	Gantimpala Theater Foundation	A Telenovela on Micro-Finance - The Pilot Episode	150,000	150,000	0
	Gantimpala Theater Foundation	"Magsimula Ka sa Kahapon" (A Telenovela on Micro-Finance and Micro-Enterprise Development)	1,546,650	1,546,650	0
	Association of Foundation/ CODE-NGO	Social Development Week 2004	4,894,588	4,894,588	0

TREASURER'S REPORT

From November 2001 to December 31, 2004



On behalf of the Board of Trustees, I am pleased to present the cumulative sources and uses of funds of Peace and Equity Foundation, Inc. from November 2001 to December 2004 and its financial condition as of December 31, 2004.

Management of the Endowment Fund

As contained in its Articles of Incorporation, only the earnings of the Endowment Fund donated by Caucus of Development NGO Networks (CODE NGO) shall be utilized by the Foundation for poverty alleviation and development projects, general expenses and acquisition of assets necessary for the furtherance of the Foundation's objectives.

Accordingly, the funding for projects was obtained from earnings on trustee-managed investments. From 2001 to 2004, earnings from investments totaled ₱606.60 million with Net Return on Investments (ROI) ranging from 8.69% to 16.84%. The amount included unrealized income on increase in market prices of stocks and

foreign exchange differences of ₱47.45 million as of December 31, 2004.

The Foundation also earned from interest on project loans and other income that reached ₱13.81 million from 2002 to 2004.

The Foundation allocated part of its earnings to cover the diminishing value of the Endowment Fund due to inflation. From 2001 to 2004, the provision for cost of inflation was a cumulative ₱166.29 million; thus, the Endowment Fund increased from ₱1.318 billion to ₱1.485 billion as of December 31, 2004.

Financial Assistance

With the conceptualization and utilization of poverty maps as strategic tools in identifying priority areas for its poverty reduction programs, the Foundation has set 28 provinces and the National Capital Region as priorities based on official secondary data on income, health, education, and other socio-economic indicators, as well as the results of its consultation with its partners and stakeholders. However, the Foundation still provides justified assistance for projects in other non-priority provinces.

From 2001 to 2004, the Foundation has supported 355 projects with financial assistance totaling ₱417.10 million. ₱264.27 million and ₱152.83, or 63% and 37%, represent loans and grants,



respectively. Out of the amount approved, the Foundation has disbursed, by December 2004, a total of ₱288.18 million.

Utilization and Operational Efficiency

To generate and support worthwhile projects, the Foundation also incurred a total expenditure of ₱44.34 million for project development, monitoring and evaluation, project support and institutional support projects. This brings the total project disbursements to ₱354.21 million or 87% of total uses of funds.

To manage the operations of the Foundation, ₱30.63 million was used in operating expenses or 8% of total uses of funds.

Localizing Access to Financing

The Foundation, gearing for a localization strategy, expects to widen its reach and expand its financial support mechanism through the civil society networks or Partnership and Access Centers (PAC), which are being established in identified regions and priority provinces. PACs are expected to develop and support innovative strategies for sustained poverty reduction and community empowerment in the local area. Therefore in the near term, the Foundation's financial assistance shall be increasingly channeled through PACs.

On behalf of the Board of Trustees, we thank you, members and partners, for your continued support and confidence in us.


Senen C. Bacani

Peace and Equity Foundation, Inc.

SUMMARY OF SOURCES AND USES OF FUNDS AND FUND BALANCES

From 2001 to 2004

	UNRESTRICTED FUNDS					ENDOWMENT FUND	TOTAL FUND BALANCE
	2001	2002	2003	2004	TOTAL		
SOURCES							
Initial contribution		100,000			100,000		
Donation of fund in trust						1,318,371,694	
Investment income	18,741,938	182,309,687	210,044,146	195,502,391	606,598,162		
Others		465,475	4,258,403	9,082,915	13,806,793		
Total	18,741,938	182,875,162	214,302,549	204,585,306	620,504,955		
USES							
Project loans (1) (**)		17,654,187	90,143,135	74,907,095	182,704,417		
Project grants (2)		23,583,902	44,858,066	58,726,965	127,168,933		
Project development and monitoring (3)		3,541,122	11,037,483	11,635,070	26,213,675		
Project support (4)		1,458,878	2,587,528	9,508,973	13,555,379		
Institutional support projects (5)			1,881,889	2,689,795	4,571,684		
General and administrative expenses		9,792,778	8,686,013	12,154,093	30,632,884		
Capital expenditures (**)		12,365,669	5,694,997	3,948,525	22,009,191		
Provision for inflation (*)		50,287,138	41,000,000	75,000,000	166,287,138	166,287,138	
Total		118,683,674	205,889,111	248,570,516	573,143,301		
EXCESS OF SOURCES OVER USES OF FUNDS	18,741,938	64,191,488	8,413,438	(43,985,210)	47,361,654		
Add: Project loans/receivables (**)					182,704,417		
Capital expenditures (**)					22,009,191		
FUND BALANCES, END					252,075,262	1,484,658,832	1,736,734,094

(*) Cost of inflation transferred to Endowment Fund

(**) Added back to unrestricted funds (recorded as assets)

Total disbursements for projects (1 to 5)	46,238,089	150,508,101	157,467,898	354,214,088
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PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE) FOUNDATION, INC.**FINANCIAL STATEMENTS**

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

Joaquin Cunanan & Co.

A member firm of

PRICEWATERHOUSECOOPERS **Report of Independent Auditors**

To the Board of Trustees of
**Peace Equity Access for Community Empowerment
(PEACE) Foundation, Inc.**
(A non-stock, non-profit organization)

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We have audited the accompanying statements of financial position of Peace Equity Access for Community Empowerment (PEACE) Foundation, Inc. as of December 31, 2004 and 2003, and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the Philippines. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Peace Equity Access for Community Empowerment (PEACE) Foundation, Inc. as of December 31, 2004 and 2003, and its activities and changes in net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles in the Philippines.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information shown on Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Makati City
March 8, 2005



PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE) FOUNDATION, INC.
(A non-stock, non-profit organization)

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2004 and 2003

(All amounts in Philippine Pesos)

	Notes	2004	2003
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents	2, 3, 13	₱ 10,029,943	₱ 6,386,834
Receivables	2, 4, 13	116,017,767	98,885,212
Trading investments in trust funds	2, 5, 13	1,653,289,314	1,547,566,336
Prepayments and other current assets		374,262	563,274
Total current assets		1,779,711,286	1,653,401,656
NON-CURRENT ASSETS			
Property and equipment	2, 6	18,155,935	16,997,560
Other assets	12	68,860	28,800
Total non-current assets		18,224,795	17,026,360
TOTAL ASSETS		₱ 1,797,936,081	₱ 1,670,428,016
<u>LIABILITIES AND NET ASSETS</u>			
CURRENT LIABILITIES			
Accounts payable, accrued expenses and other liabilities	2, 7, 13	43,069,633	28,000,045
Grants payable	2, 8	18,132,354	15,564,287
Total current liabilities		61,201,987	43,564,332
NET ASSETS			
Unrestricted	1	252,075,262	217,204,852
Restricted	1	1,484,658,832	1,409,658,832
Total net assets		1,736,734,094	1,626,863,684
TOTAL LIABILITIES AND NET ASSETS		₱ 1,797,936,081	₱ 1,670,428,016

(The Notes on pages 47 to 55 are an integral part of these financial statements)

PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE) FOUNDATION, INC.
(A non-stock, non-profit organization)

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED DECEMBER 31, 2004 and 2003

(All amounts in Philippine Pesos)

	Notes	2004			2003
		Unrestricted	Restricted	Total	
REVENUES, GAINS AND OTHER SUPPORTS	2				
Donation for endowment fund		₱ –	₱ –	₱ –	₱ 1,481,512,114
Investment income, net		148,046,673	–	148,046,673	144,058,296
Unrealized foreign exchange gain, net	13	12,305,364	–	12,305,364	33,753,872
Unrealized gain in market value of investments under trust accounts, net		35,150,354	–	35,150,354	32,231,978
Others, net		9,082,915	–	9,082,915	4,258,403
Total revenues, gains and other supports		204,585,306	–	204,585,306	1,695,814,663
EXPENSES	2				
Grants		58,726,965	–	58,726,965	44,858,066
Project expenses	9, 11	23,833,838	–	23,833,838	15,506,900
Provision for losses on advances to project proponents	4	2,518,689	–	2,518,689	2,297,007
Depreciation	6	2,106,638	–	2,106,638	929,703
General and administrative	10, 11	7,528,766	–	7,528,766	5,459,303
Total expenses		94,714,896	–	94,714,896	69,050,979
CHANGE IN NET ASSETS DURING THE YEAR		109,870,410	–	109,870,410	1,626,763,684
NET ASSETS					
Beginning of year		100,000	–	100,000	100,000
Transfers:					
Change in net assets in 2003		145,251,570	1,481,512,114	1,626,763,684	–
Change in net assets in 2002	1	144,398,482	(144,398,482)	–	–
Change in net assets in 2001	1	18,741,938	(18,741,938)	–	–
Provision for cost of inflation in 2004		(75,000,000)	75,000,000	–	–
Provision for cost of inflation in 2003	1	(41,000,000)	41,000,000	–	–
Provision for cost of inflation in 2001 and 2002	1	(50,287,138)	50,287,138	–	–
End of year		₱ 252,075,262	₱ 1,484,658,832	₱ 1,736,734,094	₱ 1,626,863,684

(The Notes on pages 47 to 55 are an integral part of these financial statements)

PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE) FOUNDATION, INC.
(A non-stock, non-profit organization)

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2004 and 2003

(All amounts in Philippine Pesos)

	Notes	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets during the year		₱ 109,870,410	₱ 1,626,763,684
Adjustments for:			
Depreciation	6	2,106,638	929,703
Unrealized foreign exchange gain, net	13	(12,305,364)	(33,753,872)
Provision for losses on advances to project proponents	4	2,518,689	2,297,007
Loss on disposal of property and equipment		143,512	–
Amortization of bonds premiums		284,263	855,614
Unrealized gain in market value of investment under trust accounts, net		(35,150,354)	(32,231,978)
Investment and interest income		(157,003,693)	(148,308,840)
(Deficiency) excess of net assets before changes in operating assets and liabilities		(89,535,899)	1,416,551,318
Increase (decrease) in:			
Receivables		(470,147)	(407,296)
Trading investments in trust funds		(58,551,523)	(46,904,446)
Prepayments and other current assets		189,012	(339,584)
Increase in:			
Accounts payable, accrued expenses and other liabilities		15,069,588	26,699,046
Grants payable		2,568,067	7,655,309
Cash (absorbed by) generated from operations		(130,730,902)	1,403,254,347
Investment and interest income received		163,072,232	147,479,660
Net cash provided by operating activities		32,341,330	1,550,734,007
CASH FLOWS USED IN INVESTING ACTIVITIES			
Proceeds from sale of property and equipment		540,000	–
Acquisitions of property and equipment	6	(3,948,525)	(5,694,997)
Advances made to project proponents		(25,249,636)	(78,090,636)
Increase in other assets		(40,060)	(28,800)
Net cash used in investing activities		(28,698,221)	(83,814,433)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in donation for endowment fund		–	(1,481,512,114)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR		3,643,109	(14,592,540)
CASH AND CASH EQUIVALENTS			
January 1		6,386,834	20,979,374
December 31	3	₱ 10,029,943	₱ 6,386,834

(The Notes on pages 47 to 55 are an integral part of these financial statements)

PEACE EQUITY ACCESS FOR COMMUNITY EMPOWERMENT (PEACE) FOUNDATION, INC.

(A non-stock, non-profit organization)

NOTES OF THE FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED

DECEMBER 31, 2004 and 2003

(All amounts in Philippine Pesos unless otherwise stated)

Note 1 – General information

Peace Equity Access for Community Empowerment (PEACE) Foundation, Inc. (the “Foundation”) was formed by the Caucus of Development NGO Networks (CODE-NGO) and incorporated on November 27, 2001 for the purpose of providing financial, managerial, technical and policy assistance to non-governmental organizations, people’s organizations, community associations, social entrepreneurs, educational and research institutions, cooperatives and other similar groups or corporations in their effort to reduce or totally eliminate poverty, by increasing the entitlements of the poor in a sustained manner, through the distribution of resources and provision of public goods and by raising the level and quality of social services, thereby empowering them to improve their socio-economic condition and to participate in community and civic affairs. It is governed by a Board of Trustees whose members do not receive any compensation.

On February 14, 2003, CODE-NGO executed a deed of donation in favor of the Foundation, to transfer and convey, an endowment fund in trust of ₱1.318 billion, the principal amount, plus interest less expenses incurred by the Foundation from October 18, 2001 up to December 31, 2002. The amount advanced from the fund relative to the acquisition of a property (lot with office building currently being used as office site) was also included in the donation granted to the Foundation. The fund represents a portion of the net proceeds earned by CODE-NGO from the sale of Poverty Eradication and Alleviation Certificates (PEACe bonds) in the capital market. As agreed by the Foundation and CODE-NGO, only the earnings of the principal fund shall be utilized for poverty alleviation and development projects, general administrative expenses or acquisition of assets necessary for the furtherance of the Foundation’s objectives.

Currently, the Foundation reports the income earned and expenses incurred pertaining to the fund under unrestricted activities. Accordingly, the excess of earnings over expenses from 2001 to 2002 were transferred to unrestricted net assets in accordance with the agreement with CODE-NGO. The Foundation also allocates a certain percentage from the earnings of the fund to cover for the cost of inflation.

As a non-stock, non-profit private foundation, organized and operated exclusively for providing financial, managerial, technical assistance to proponents of poverty alleviation and development projects, it is exempt from income tax pursuant to Section 30 of the Tax Reform Act of 1997 (R.A. 8424). However, income derived from its properties, real or personal, or from any of its activities conducted for profit regardless of the disposition made of such income, is subject to tax.

On December 23, 2004, the Bureau of Internal Revenue (BIR) issued to the Foundation a one-year certification of registration in accordance with Revenue Regulations No. 13-98. This certification allows the Foundation certain incentives such as: (a) full or limited deduction by the donors of their donations, grants and contributions pursuant to Section 34(H) of the Tax Code; and (b) exemption from donor’s tax pursuant to Section 101 of the R.A. 8424. The certification issued by the BIR is subject to the representations and commitments set forth in the accreditation issued to the Foundation by the Philippine Council for NGO Certification (PCNC) on October 27, 2004.

The Foundation’s registered office is at No. 69 Esteban Abada Street, Loyola Heights, Quezon City. It has 19 regular employees as of December 31, 2004 (2003 – 18).

Note 2 – Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are summarized below:

a) Basis of preparation

The financial statements of the Foundation are prepared in accordance with the generally accepted accounting principles in the Philippines under the historical cost convention.

The preparation of financial statements in accordance with generally accepted accounting principles in the Philippines requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates.

New accounting standards effective in 2004

The Foundation adopted the following applicable Statements of Financial Accounting Standards/ International Accounting Standards (SFAS/IAS) effective January 1, 2004. These new standards have been approved by the Accounting Standards Council (ASC) of the Philippines.

- SFAS 12/IAS 12, Income Taxes, which prescribes the accounting treatment of income taxes and requires the recognition of deferred income tax liability for taxable temporary differences and deferred income tax asset for deductible temporary differences if it is probable that a tax benefit will be realized.
- SFAS 17/IAS 17, Leases, which prescribes the accounting policies and disclosures to apply to finance and operating leases.

The effect of adopting the above Standards on the financial statements will not be material.

New accounting standards effective in 2005

The ASC approved the issuance of new and revised accounting standards which are based on revised IAS and new International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB). These new Standards have been renamed Philippine Accounting Standards (PASs) to correspond to adopted IASs while the Philippine Financial Reporting Standards (PFRSs) correspond to adopted IFRSs. Other SFAS and SFAS/IAS not included will be renamed PASs once the consequential amendments due to improvements project of the IASB/ASC are made. The new Standards are effective for annual periods beginning on or after January 1, 2005.

The Foundation will adopt the following applicable revised and new accounting standards effective January 1, 2005:

Philippine Accounting Standards

- PAS 1, Presentation of Financial Statements
- PAS 8, Accounting Policies
- PAS 16, Property, Plant and Equipment
- PAS 17, Leases
- PAS 19, Employee Benefits
- PAS 36, Impairment of Assets
- PAS 39, Financial Instruments: Recognition and Measurement

Except for PFRS 1, the adoption of the revised PAS 1, 8, 16, 17, 19 and 36 will not result in substantial changes to the Foundation's accounting policies. In summary:

Philippine Financial Reporting Standards

PFRS 1 First-time Adoption of International Financial Reporting Standards

PFRS 1 applies when an entity adopts PFRSs for the first time, by an explicit and unreserved statement of compliance with PFRSs. In general, PFRS 1 requires an entity adopting PFRSs for the first time (a first-time adopter) to comply with each PFRS that has come into effect at the reporting date for its first PFRS financial statements. PFRS 1 requires that a first-time adopter prepare an opening PFRS statements of assets, liabilities and head office account at the date of transition to PFRSs (the beginning of the earliest period for which it presents full comparative information under PFRSs in its first PFRS financial statements). PFRS 1 grants limited exemptions from these requirements in specified areas where the cost of complying with them would be likely to exceed the benefits to users of financial statements. PFRS 1 also prohibits retrospective application of PFRSs in some areas, particularly where retrospective application would require judgments by management about past conditions after the outcome of a particular transaction is already known. Further, PFRS 1 requires disclosures that explain how the transition from previous GAAP to PFRSs affected the entity's reported financial position, activities and cash flows.

The impact of the adoption of the above accounting Standard could not be reasonably estimated as of December 31, 2004.

b) Cash and cash equivalents

Cash and cash equivalents are carried in the statements of financial position at face value. For purposes of the statements of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less from the date of acquisition.

c) Receivables

Receivables, which include advances to project proponents, are carried at original amount less provision made for impairment of those receivables. A provision for impairment of receivables is established after a study of the estimated collectibility of the receivable balances and evaluation of such factors as aging of the accounts, collection experience of the Foundation in relation to the particular receivable, and identified doubtful accounts. Bad debts are written off in the year they are identified.

d) Trading investments in trust funds

Trading investments in trust funds are carried at fair value plus transaction costs. Fair values are based on current level prices. Gains and losses arising from the changes in the fair value of investments are included in the statements of activities and changes in net assets based on the financial reports of the trustee banks.

e) Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets or lease term as applicable:

Particulars	Number of years
Building	25
Land and building improvements	10
Transportation equipment	5
Communication equipment	3
Office furniture, fixtures and equipment	5

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to activities.

Major additions, replacements and renewals that will increase the flow of future economic benefits in excess of the originally assessed standard of performance of the existing asset are capitalized while ordinary repairs and maintenance are charged to activities as incurred.

f) Impairment of assets

Property and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount which is higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

g) Revenue and expense recognition

- i. Investment income, which principally consists of interest income and gain on sale of investments and other income, is recognized when earned.
- ii. Grants, project development, monitoring and other expenses are recognized when incurred.
- iii. Interest income is recognized on a time proportion basis, net of applicable final withholding tax.

h) Foreign currency translation

i. Functional currency

Items included in the financial statements of the Foundation are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Foundation. The financial statements are presented in Philippine Peso, the functional currency of the Foundation.

ii. Translations and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of activities and changes in net assets.

i) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to activities on a straight-line basis over the period of the lease.

j) Retirement benefit costs

Retirement benefit costs are actuarially determined using the Projected Unit Credit Method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees projected salaries. Past service costs are amortized over 10 years

k) Provisions

Provisions are recognized when the Foundation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

l) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

Note 3 – Cash and cash equivalents

Cash and cash equivalents at December 31 consist of:

	2004	2003
Cash on hand and balances with banks	₱ 4,367,843	₱ 4,230,498
Short-term placements	5,662,100	2,156,336
	₱ 10,029,943	₱ 6,386,834

Short-term placements earn annual interest of 6% (2003 – 5.2%). These deposits have average maturity of 30 days.

Note 4 – Receivables

Receivables at December 31 consist of:

	2004	2003
Advances to project proponents (Schedule I)	₱ 119,543,717	₱ 94,294,081
Less allowance for doubtful accounts	5,529,746	3,011,057
	114,013,971	91,283,024
Accrued interest	917,553	6,986,092
Other	1,086,243	616,096
	₱ 116,017,767	₱ 98,885,212

The account consists of releases to project proponents subject to repayment for micro-finance, micro-enterprise, agricultural development, housing and proactive projects. These financial advances are charged annual interest of 9% or 12% to cover the administrative costs of servicing the projects. Financial advances extended for micro-enterprise, housing and other projects involving acquisition of assets are secured with real and chattel mortgages and/or joint security.

Total approvals for advances to project proponents during the year amounted to ₱118,785,000 (2003 – ₱88,357,175) of which ₱60,245,000 (2003 – ₱34,882,095) are without releases as of December 31, 2004 (See Schedule I).

The Foundation recognized a loss of ₱2,518,689 (2003 – ₱2,297,007) for provision for losses on its advances to project proponents during the year ended December 31, 2004. The loss has been charged in the statements of activities and changes in net assets.

Note 5 – Trading investments in trust funds

Trading investments in trust funds at December 31 consist of:

	2004	2003
ING Bank, N.V. (ING)		
Republic of the Philippines (ROP) – sovereign bonds	₱ 368,723,547	₱ 338,079,592
Unitized investment trust fund (UITF)	196,153,270	–
Stocks listed in stock exchange	136,349,024	100,364,423
Global mutual fund	105,068,328	64,992,392
Corporate loans	95,236,108	51,128,552
Corporate bonds	71,388,792	101,656,836
Quasi – government bonds	42,236,822	273,154,923
Savings deposit account	18,314,974	35,093,555
Commercial papers	8,002,072	–
	1,041,472,937	964,470,273
Deutsche Bank, AG (DB)		
Corporate bonds	319,400,831	–
ROP – sovereign bonds	93,169,798	–
Savings deposit account	1,362,898	–
	413,933,527	–
Asia United Bank Corp. (AUB)		
Treasury notes	138,110,937	204,908,984
Common trust fund (CTF)	36,306,206	3,652,341
Corporate bonds	23,461,799	17,702,392
Savings deposit account	3,908	10,308
	197,882,850	226,274,025
RCBC Capital Corporation		
ROP – sovereign bonds	–	356,822,038
	₱1,653,289,314	₱1,547,566,336

The Foundation pays ING, DB and AUB every quarter one-fourth of the annual service fee rates of 0.25% based on the average market values of funds in trust.

The trading investment in trust fund with RCBC was closed in 2004 and re-invested in DB.

Note 6 – Property and equipment

Property and equipment at December 31 consist of:

	Land (Note 1)	Building (Note 1)	Transportation equipment	Office furniture, fixtures and equipment	Total
Cost					
Balance at January 1, 2004	₱ 9,158,002	₱ 3,994,092	₱ 2,228,839	₱ 2,679,733	₱ 18,060,666
Additions during the year	–	193,625	2,422,624	1,332,276	3,948,525
Disposal	–	–	(874,632)	–	(874,632)
Balance at December 31, 2004	9,158,002	4,187,717	3,776,831	4,012,009	21,134,559
Accumulated depreciation					
Balance at January 1, 2004	–	249,562	136,226	677,318	1,063,106
Depreciation during the year	–	414,505	638,720	1,053,413	2,106,638
Disposal	–	–	(191,120)	–	(191,120)
Balance at December 31, 2004	–	664,067	583,826	1,730,731	2,978,624
Net book value at December 31, 2004	₱ 9,158,002	₱ 3,523,650	₱ 3,193,005	₱ 2,281,278	₱ 18,155,935
Net book value at December 31, 2003	₱ 9,158,002	₱ 3,744,530	₱ 2,092,613	₱ 2,002,415	₱ 16,997,560

Depreciation expense during the year amounted to ₱2,106,638 (2003 – ₱929,703) and shown as part of Expenses in the statements of activities and changes in net assets.

Note 7 – Accounts payable, accrued expenses and other liabilities

Accounts payable, accrued expenses and other liabilities at December 31 consist of:

	2004	2003
Trustee fee payable	₱ 40,584,745	₱ 24,766,906
Accrued expenses	2,248,659	2,241,381
Accounts payable	236,229	991,758
	₱ 43,069,633	₱ 28,000,045

Trustee fee payable represents service fees of ING, DB and AUB in managing the funds.

Note 8 – Grants payable

Grants payable represents unreleased and committed grants to project proponents. Total grants approved during the year amounted ₱64,293,297 (2003 – ₱57,881,879) of which ₱19,890,843 (2003 – ₱4,352,026) are without signed project agreements as of December 31, 2004 (See Schedule I).

Note 9 – Project expenses

Project expenses for the years ended December 31 consist of:

	Note	2004	2003
Project development, monitoring and evaluation	11, 12	₱ 11,635,070	₱ 11,037,483
Project support		9,508,973	2,587,528
Institutional support		2,689,795	1,881,889
		₱ 23,833,838	₱ 15,506,900

Note 10 – General and administrative expenses

General and administrative expenses for the years ended December 31 consist of:

	Note	2004	2003
Personnel costs	1, 11	₱ 3,612,816	₱ 2,832,898
Supplies and services		2,138,486	1,274,001
Outside services		1,189,184	724,665
Transportation and travel		588,280	627,739
		₱ 7,528,766	₱ 5,459,303

Note 11 – Retirement benefit costs

The Foundation has a trustee, non-contributory retirement plan covering all qualified officers and employees administered by Equitable PCIBank MERIT Plan. It is a defined benefit plan which provides a retirement benefit equivalent to 22.5 days pay for every year of credited service in accordance with RA 7641. Under the plan, any employee who has reached the age of fifty (50) and sixty (60) years or more provided that he/she has rendered at least 5 years of credited service is eligible for an early and optional retirement benefit, respectively. An employee retiring at the age of sixty-five (65) years is qualified for compulsory retirement.

An actuarial valuation of the fund was conducted by an independent actuary. The fund of the plan is deposited with a local bank. The funding method used is the Projected Unit Credit Method. Under this method, the current service cost is computed based on the present value of retirement benefits payable in the future in respect of services in the current period while past service cost is the present value of the units of benefits payable in the future in respect of services rendered prior to valuation date.

Based on the latest actuarial valuation dated November 25, 2004, the present value of funded obligations and fair value of plan assets amounted to ₱426,173 and ₱552,195, respectively. The principal actuarial assumptions used to determine pension benefits were discount rate of 8%, expected return on plan assets of 8% and future salary increases of 5%.

Pension costs during the year amounted to ₱310,736 (2003 – ₱212,996) of which ₱165,268 (2003 – ₱139,359) was charged to project development, monitoring and evaluation account, a component of project expenses in the statements of activities and changes in net assets.

Note 12 – Leases

The Foundation has a lease agreement with the Viranclava Corporation covering the office space it occupies in Cebu City for a period of two years commencing on January 1, 2004. The Foundation also leases an office space in Davao City commencing January 10, 2004 from AALA Corporation for a period of one year. The lease agreements required the Foundation to pay rental deposits which are included under Other assets account in the statements of financial position.

Rent expense on the above lease agreements during the year amounted to ₱267,860 (2003 – ₱180,000) and is included in project development, monitoring and evaluation account, a component of project expenses in the statements of activities and changes in net assets.

Note 13 – Foreign currency denominated monetary assets and liabilities

The Foundation's foreign currency denominated monetary assets and liabilities at December 31 follow:

	2004		2003	
Assets				
Current				
Cash and cash equivalents	US\$	1,782	US\$	799
Trading investments in trust funds		17,974,702		16,060,294
Receivables		–		110,938
Liabilities				
Accounts payable, accrued expenses and other liabilities		(362,653)		(295,527)
Net foreign currency assets	US\$	17,613,831	US\$	15,876,504
Peso equivalent		₱ 991,306,409		₱ 881,145,972

At December 31, 2004, the exchange rate used is ₱56.28 per US\$1.00 (2003 – ₱55.50 per US\$1.00).

Net foreign exchange gain credited in the statements of activities and changes in net assets in the current year amounted to ₱12,305,364 (2002 – ₱33,753,872).

As of March 8, 2005, the exchange rate per US\$1 is ₱54.64.

Note 14 – Approval and authorization for issue of financial statements

The financial statements of the Foundation were approved and authorized for issue by the Foundation's Finance and Investment Committee on behalf of the Board of Trustees on March 8, 2005.

Board of Trustees



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Chairperson**

*Province Treasurer
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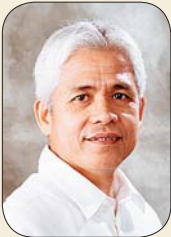
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Veronica F. Villavicencio

*Executive Director
Peace and Equity Foundation*

- Ex-officio Member



Atty. Ana Lea H. Uy

Ana Lea Uy Law Office

- Corporate Secretary/Legal Counsel

The PEF Board of Trustees sets the strategic directions and key policies and approves major projects of the Foundation. Annually, in the month of March the PEF Board of Trustees reports the Foundation's operations and accomplishments to the PEF General Assembly. The latter is composed of the current and past members of the Board of Trustees.



The PEF Board is composed of nine (9) members, of which:

- Six (6) members come from non-government organizations (NGOs) of which three (3) represent national NGO networks or coalitions and three (3) represent regional NGO networks or coalitions.
- One (1) member represent the basic sectors such as, but not limited to, formal and informal workers, farmers, fisherfolks, indigenous communities, women, urban poor, disabled and the elderly.
- One (1) member comes from the business sector.
- One (1) member is an eminent person representing the development community at large.

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Treasurer	: Senen C. Bacani	
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	Mercedes I. Nicolas	Danilo A. Songco

¹ Ms. Mercedes Nicolas (October 2001 to November 2003) / Mr. Rizalino Segundo (March 2005 to present)

² Mr. Guillermo Cua (October 2001 to May 2004)

Management and Staff



Mr. Enrico Garde, Executive Director from June 2002 to March 2004, with PEF staff in December 2003

EXECUTIVE OFFICE

Veronica F. Villavicencio, Executive Director
Pia V. Villapando, Executive and Technical Officer

NATIONAL OFFICE

Ricardo E. Torres, Jr., Associate Director
Elbe U. Daguplo, Program Officer

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Carolyn C. Morales, Finance Officer
Wella V. Salbibia, Finance & Administrative Assistant

HUMAN RESOURCES AND GENERAL SERVICES UNIT

Dominic Savio C. Maglalang, HR/GS Manager
Veronica V. Villaluz, HR & Administrative Assistant
Ronaldo C. Dacanay, General Services Assistant



PEF staff in December 2004

Enrico O. Garde

Executive Director, June 2002 to March 2004

Florinda M. Lacanlalay

Deputy Executive Director, July 2002 to July 2004

Sylvia Rachel R. Sescon

Development Communications Manager,
 May 2002 to July 2004

Ma. Dolores V. Llenos

Visayas Program Officer,
 March 2003 to September 2003

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