MEMORANDUM OF UNDERSTANDING

ON COOPERATION FOR THE MANAGEMENT OF THE MIGRATORY FLOWS

BETWEEN

THE MINISTRY OF LABOR AND SOCIAL AFFAIRS OF THE
KINGDOM OF SPAIN

AND

THE MINISTRY OF LABOR AND EMPLOYMENT OF THE REPUBLIC OF THE PHILIPPINES

FIRST

The Parties shall develop within 2006 actual experiences on pilot basis for the hiring of workers from the Philippines under the "generic" system for the Healthcare Sector in Spain.

The Parties shall jointly analyze and implement the following systems and mechanisms in accordance with their respective laws, rules and regulations:

- The systems, structures and processes in the Philippines for the acceptance
 of "generic" job offers from the Healthcare Sector in Spain, including the
 search and pre-selection of applicants in accordance with the prescribed job
 qualifications.
- The establishment of a joint selection committee, between both administrations, represented by the Philippine Overseas Employment Administration and the Dirección General of Immigration, with the participation of representatives from the respective diplomatic missions, and the concerned private companies and/or their representatives.
- The creation of a selection process, criteria and methodologies that assures
 the suitable levels of qualification and professionalism.
- The procedures in order to facilitate the selection, documentation and deployment of selected workers to Spain.
- The pursuit of the Social and Labor Integration of the contracted workers in Spain.

SECOND

The Parties shall jointly analyze the pilot experiences for purposes of establishing long-term stable collaboration for the management of migratory flows of qualified workers from the Philippines to Spain.

THIRD

The parties will undertake these declarations in accordance with their respective legislations, and finance the activities with their respective ordinary or regular budgets.

The Parties guarantee that no fees will be collected from the job applicants during the pre-hiring processes.

FOURTH

The Parties designate the Philippine Overseas Employment Administration and the Directorate General of Immigration as their respective official representatives under these declarations.

The Minister of Labor and Employment of Republic of the Philippines

The Minister of Labor and Social Affairs of the Kingdom Spain

Patricia Aragón Sto. Tomas

Jesús Caldera Sánchez-Capitán

NOTES FOR PRESS RELEASES on the RP-Spain MOU on Labor

For PHILIPPINE RELEASE:

A. RE: BILATERAL AGREEMENT Emphasis on:

- 1. Spain entered into Bilateral Labor Agreements with seven labor-exporting countries between 2001 and 2002, and closed its doors to such agreements thereafter. This is therefore the first time that it had signed any labor-related agreement since then. It may also be Spain's last Bilateral Agreement on labor with an Asian country as it starts to soften immigration entry for workers of new member states of the EU while fulfilling its commitment with the 7 other countries with which it has existing labor agreements.
- 2. The signing the RP-Spain Memorandum of Understanding Bilateral was initiated by DOLE Secretary Patricia A. Sto. Tomas thru a letter she sent to Spanish Labor Minister Jesus Caldera in August, 2004, which triggered a series of meetings and negotiations between the Philippine Embassy in Madrid headed by Ambassador Joseph M. Bernardo and concerned Spanish government officials. In early June 2006, both Ministers met during the International Labor Conference in Geneva and agreed to sign the forth and final version of the MOU during the Official visit to Spain of President Gloria Macapagal Arroyo.
- 3. The new Agreement will allow Spain, for the first time, to open its doors to Filipino professionals and skilled workers in large numbers. Under pertinent labor and immigration rules, workers from foreign countries without bilateral agreements may come to Spain generally on a one-py-one or individual basis, up to a maximum of five per year, which discouraged private companies to hire from the Philippines. This explains why most of Filipinos deployed to Spain are in the domestic service.
- 4. Initially benefited by this Agreement are Filipino health care workers numbering around 100,000 through a Pilot Project arrangement. In succeeding years, other Filipino professionals may be absorbed by the Sparish labor market whose health care sector alone is estimated to need 1 million foreign workers within the next five years.
- 5. Foreign workers in Spain enjoy equal treatment and enjoy benefits such as annual wage increments in accordance with Industry Collective Bargaining Agreements. 14th month bonuses, paid vacation leaves, and other benefits. Last year, Spain sounded out a call for foreign labor in 3,000 job categories. The Philippines was unable to seize the opportunity of sending more workers because of the absence of a labor agreement then.

6. A working knowledge of the Spanish language is necessary to qualify for jobs in Spain. As DOLE has pointed out, however, major Philippine dialects have absorbed/adopted a great number of Spanish words, thus easing the difficulty of learning a new language. The Instituto de Cervantes in Manila is furthermore assisting would-be Filipino migrants through a specially-developed module on learning Spanish.

B. FILIPINO COMMUNITY IN SPAIN

Emphasis on:

Filipino workers in Spain thanked President Gloria Macapagal Arroyo for strengthening ties with Spain and signing the Memorandum of Understanding on Labor. Leaders of the various Filipino associations in Spain, numbering said the Agreement will ensure the protection of existing migrant workers in Spain even as it opens new jobs to more Filipino migrants to this country. The Filipino associations also pledged to help President Arroyo's efforts to speed up the Philippines' economic development.

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For RELEASE IN SPAIN:

- 1. (Busically, 1-4 and 6 of A, above, with slight changes, viz:)
- (from 3.) The new Agreement allows Spain to open its doors to Filipino
 professionals and skilled workers. Most OFWs in Spain are currently employed as
 domestic helpers with individual agreements with their employers.
- 3. The Philippines is a rich source of highly-trained, diligent professionals whose skills are in demand all over the world. An estimated 8 million Filipinos are working in various countries as doctors, nurses, teachers, seamen, engineers and workers in I-T related sectors. Several countries prefer Filipino workers in the service sectors as Filipinos are known for their diligence and caring ways.
- 4. Add also backgrounders on RP-Spain relations such as:
 - The Philippines and Spain enjoy a special relationship as the former was a colony of the latter until 1898.
 - The country was named after King Felipe who was the reigning monarch
 of Spain when Fernando Magallanes discovered the archipelago in 1521.
 - Spain's major influence in Philippine life is most obvious in the country's being 80% Roman Catholic.
 - Apart from religion, Filipinos have absorbed a number of Spanish traditions and traits into their culture. Major Filipino dialects always have a sprinkling of Spanish words bearing the original meanings.
 - In the '50's until the '70's, Filipino college students were required to take at least four courses in the Spanish language.

JDC/25 June 2006