



# ANNUAL REPORT 2012/13



# Our Vision

A Filipino society that upholds the dignity and nature of the human person with a special concern for improving the quality of life of the poor

# Our Mission

Guided by the Catholic Social Teaching, we catalyze critical thinking, discussion and action principally through research, advocacy and capacity building to bring about morally informed choices and effective solutions to poverty

# Our Work

The John J. Carroll Institute on Church and Social Issues (JJCICSI) is an organization and community of professional researchers and advocates committed to faith that does justice. Working in solidarity with the Church and various sectors, JJCICSI strives to respond to the issues and concerns of the poor.

More recently, JJCICSI's efforts have focused more strategically on capacitating local actors as an added dimension to the research and advocacy work for which the Institute is known. The Institute's programs continue to undertake research-based policy advocacy but they have also ventured into developing projects that benefit the urban and rural poor, women and children, and local communities in environmentally vulnerable areas. At the same time, they are engaged in mentoring, training, providing consulting services, and the production of manuals, templates and other tools to facilitate and make more effective the development of pro-poor projects on the ground.

# Foreword

**Fr. Victor C. de Jesus, S.J.**  
Chairman of the Board of Trustees



Thanks to our friends and benefactors, **JJCICSI** has been able to continue to serve the Church in Philippine society in 2012.

The year in review saw the beginning of new projects and a slightly different focus for some of the programs. The **Church and Society Program** was very active in the preparations and secretariat work for the National Clergy Discernment Congress in October and for a Lenten recollection for the clergy earlier in March. The **Family Life Program** had two new projects: (1) *Natural Family Planning (NFP) Survey of Programs and Directory of Institutions*, and (2) *Justice for Children: Capacitating the Implementers of the Prevention of Juvenile Delinquency and Intervention Program for Children in Conflict with the Law at the Local Level*.

For the **Urban Poverty and Governance Program**, considerable work was done for the completion of a baseline study for a project of the Department of Social Work and Development, the *Improving Livelihoods for Vulnerable Urban Communities Project*. Other new projects included assisting the Urban Poor Alliance (UP-ALL) in developing the capacities of poor communities for engaging their local governments in planning and budgeting processes. The Program also undertook a case study project on social enterprises engaged in health service delivery commissioned by the Peace and Equity Foundation. The **Rural Development Program**, on the other hand, devoted much time to the advocacy of a national land use policy through its participation in the network, CLUP Now!, and the full implementation of the Comprehensive Agrarian Reform Program Extension with Reforms or CARPER, including the provision of support services, particularly credit, to farmers.

JJCICSI has also devoted research and advocacy efforts on two timely yet highly controversial issues. The first was the Reproductive Health Bill which was passed into law in December 2012. The debates on the bill stimulated interest in NFP and in Church-State relations, which are the focus themes of the Family Life and Church and Society Programs of the Institute. The second is the Executive Order 79, which seeks to institutionalize and implement reforms in the mining sector. As part of the social apostolate network of the Society of Jesus, JJCICSI helped craft a set of talking points to guide the network's member-institutions in addressing the issue of mining in their areas.

For all the foregoing projects, again I thank our friends and benefactors, especially Misereor as JJCICSI's core funder, for trusting in our work towards a progressive and just Philippine society with a special concern for the poor.

May the Lord in this *Year of Faith* and the beginning of the papacy of Pope Francis continue to bless all our efforts.

# Our Programs



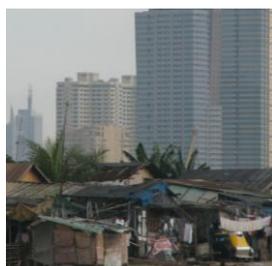
## Church and Society

The Church and Society Program aims to deepen the understanding of the role of the Catholic Church in Philippine society, with an emphasis on the dissemination of Catholic Social Teaching. Recognizing the crucial role that the Catholic Church has played in influencing Philippine social, political, and economic issues, the program seeks to foster reflection on the interface between the Philippine Church and society.



## Family Life Program

Through research, advocacy, and direct services, the Family Life Program assists the Catholic Church in addressing the social and spiritual needs of Filipino families, especially those in underprivileged communities. The program aims to influence Church and State policy on issues affecting population and family life, work with government and non-government agencies to promote juvenile justice, and assist Filipino families in poor communities through scholarships, feeding programs, and natural family planning seminars for couples.



## Urban Poverty and Governance

The Urban Poverty and Governance Program addresses urban poverty and its principal manifestation – the lack of access to humane and secure housing. Through research and advocacy, the program aims to alleviate urban poverty by empowering urban poor groups to work for better urban governance.



## Rural Development

The Rural Development Program recognizes that the majority of the Filipino poor live in rural areas. It also sees that the lack of access to land and other productive resources hinders the rural poor from participating in economic activities to improve their incomes. In the face of formidable structures that perpetuate poverty in the countryside, the program sets its sight on alternatives, substitutes or options that would address the issue of access, along with control and management of resources.

# Building a Church of the Poor

## Research

■ To balance the heated debate on church and state relations, the Church and Society Program started as early as two years ago research projects on the Philippine Catholic Church and electoral democracy, and on the Catholic sexual and reproductive ethics and the democratic arena. The papers will soon be published in a special publication commemorating the Second Vatican Council.

## Advocacy

■ During the Third National Clergy Congress, the Institute presented the findings of the research on the Philippine Catholic Church's political engagement and post-authoritarian democratization.

■ The Church and Society Desk helped in writing the talking points on mining issued by the Society of Jesus Social Apostolate (SJSA) for its members. The paper laid down ethical principles to mining, and called for "respectful dialogue" with the mining industry and stakeholders.

■ Our opinion pieces in the *Philippine Daily Inquirer* sought to analyze current issues, including the controversial responsible parenthood and mining, from a perspective that exhorts the establishment of a "Church of the Poor."

## Capacity Building

■ A few Filipino Catholics, even the religious, are aware of the Catholic Social Teachings, the teachings of our popes on contemporary social issues. Thus in our own way, JJCICSI organized seminars and forums dedicated to the social doctrine of the Church. Last year, four seminars were conducted, including one in the province of Kalinga, in the mountainous portion of northern Philippines. Another venue for disseminating CST was the Lenten recollection of clergy and seminarians which the Church and Society Desk helped organize. The Institute expects to hold more seminars in several parishes and dioceses in 2013.

■ JJCICSI wanted a Catholic Church that is responsive to the needs of the poor and marginalized, and this requires Church leaders that are able to analyze social structures that perpetuate injustice. In 2012, the East Asian Pastoral Institute's Mission in Collaboration (EMC) sought the assistance of JJCICSI in enhancing the education of future Church leaders. The Desk played a key role in designing a course on pastorally-oriented social research.

# More than responsible parenthood

## Advocacy

■ The Population and Development Desk of the Family Life Program maximized “targets of opportunity” as debates on the Reproductive Health Bill stimulated interest in natural family planning (NFP). Fr. John J. Carroll, S.J. was invited to give a lecture in Ateneo de Manila University and a presentation in the annual assembly of the Philippine Sociological Society.

■ Hundreds of readers helped disseminate the articles of Fr. Carroll by sharing them on Facebook. His articles also appeared in the *Philippine Sociological Review* and *Popoli*, the international magazine of the Society of Jesus.

■ JJCICSI worked with partners and other civil society organizations, faith based groups, and academe through forums and conferences to mainstream the use of modern methods of NFP. With resources from the Philippine Center for Population Development, JJCICSI collected data and materials for a forthcoming directory of NFP providers nationwide.

## Capacity Building

■ JJCICSI promoted NFP in various parishes and barangays through seminars. Almost 1,000 health workers, barangay nutrition scholars, and parents attended our trainings on how to use NFP methods. To sustain the program, the Institute worked closely with parishes and local government units in Quezon City and Marilao (in the province of Bulacan) to set up NFP centers where interested couples can learn about NFP methods for free.

# Upholding the rights of children

## Advocacy

■ Children in conflict with the law attracted huge media attention last year, so the Juvenile Justice Desk of the Institute's Family Life Program contributed to clarifying misconceptions and promoting children's rights by making presentations in schools, local government offices, and communities, as well as by appearing in a number of interviews on television and radio.

■ Along with its partners, JJCICSI expressed opposition to amending the Juvenile Justice and Welfare Act, specifically on lowering the minimum age of criminal responsibility from 15 years old to 12 or below. JJCICSI led discussions with legislators, and drafted position papers calling for the full implementation of the law on behalf of the Juvenile Justice Partner Networks (JJPNet). Other pieces of legislation that the network focused on last year were the Foster Care Bill, Anti-Bullying Bill, and the Positive Discipline Bill.

■ JJCICSI was among the lead organizations monitoring the compliance of the Philippine government with the United Nations Convention on the Rights of the Child (UN CRC). This advocacy work was made possible through the funding support of Save the Children.

## Capacity Building

■ Our first project with Porticus Asia (Justice for Children: Capacitating the Implementers of the Prevention of Juvenile Delinquency and Intervention Program for Children in Conflict with the Law at the Local Levels) aims to help local governments develop their intervention and prevention program for juvenile delinquents. Intensive workshops will go full-swing in 2013, but preliminary discussions and agreements have been made with government officials in five urban localities with high incidence of youth delinquency. Through this project, the Institute hopes that children in conflict with the law in these cities would receive protection from community-based councils.

## Direct Services

■ With generous support from our donors, JJCICSI was able to sustain its feeding program called *Sagip Bata* for 35 undernourished children in the municipality of Montalban.

■ Education is an effective means of reducing poverty. As advocates for the right to education, JJCICSI helped total of 38 students from underprivileged families to continue their college education through the *Landas ng Pag-asa* Educational Scholarship Program.

# Making the urban poor matter

## Research

■ In support of the advocacy of NGOs and urban poor groups in the Philippines against distant resettlement and unjust eviction, and for the right of the poor to the city, the Urban Poverty and Governance Desk completed a research on possible tenure, financing, and subsidy arrangements that can make high density housing affordable to informal settlers. The findings of the study were presented in a conference in April where representatives from government, development agencies, NGOs, and community organizations attended.

■ Owing to its capacity to analyze urban poverty from a developmental perspective, JJCICSI was chosen by Christian Aid Philippines to facilitate the process of drawing out insights and lessons learned by NGOs from implementing disaster risk reduction (DRR) projects in the communities affected by Tropical Storm Ketsana in 2009. The UPG Desk facilitated writing workshops and conducted mentoring sessions to help the partners write case studies, which were launched as a compilation in September. Indeed, disaster risk reduction is closely tied to the issue of secure tenure for urban informal settlers in high-risk areas, so by participating in this project, JJCICSI was updated on the principles, laws, and practices in DRR, which are now being integrated in current NGO discourse and policy discussions with the government.

■ In August, JJCICSI started conducting a qualitative baseline study to profile and analyze the current situation of the target communities in two cities – Malabon City and Bacoor City – as the starting point for the subsequent monitoring and evaluation of the Improving Livelihoods for Vulnerable Urban Communities Project of the Department of Social Welfare and Development (DSWD). Because the study is a partnership between an NGO and a government agency, there is an opportunity for sharing data, perspectives on poverty, and analytical approaches which can feed into a mainstream government program.

■ The Urban Poverty and Governance Program and the Rural Development Program collaborated on a research in finding business solutions in delivering health care services particularly to the poor. Funded by the Peace and Equity Foundation, the report is expected to be completed in mid-2013.

## Advocacy

■ JJCICSI provided secretariat support and technical assistance to the Urban Poor Alliance (UP-ALL), a network of people's organizations and NGOs advocating for policy reforms, programs, and budget in the housing sector. A major milestone of the network's engagement was the national

government's allocation of ₱10 billion (approximately €187 million) every year for in-city medium-rise housing projects for informal settlers in danger areas. Together with other NGOs, JJCICSI closely monitored the disbursement and utilization of the fund to ensure that the bonafide informal settlers benefit from the program. The UPD Desk accompanied UP-ALL in discussions with government agencies and financing institutions such as The World Bank to ensure that the rights of the poor are not compromised in infrastructure projects.

■ JJCICSI believes that proper utilization of public funds is crucial in making reforms in the housing sector. Together with the NGO network PHILSSA, the Institute entered into a budget monitoring partnership with the Social Housing Finance Corporation (SHFC) to monitor the preparation and utilization of the agency's budget for 2013.

■ JJCICSI is the only research-based NGO in the Special Working Group on Urban Liveability of the Philippine-Misereor Partnership, Inc. (PMPi). Aside from drafting position papers for the network, JJCICSI contributed to discussions and strategizing sessions of the network for its urban agenda.

## Capacity Building

■ Together with NGOs that do community organizing and with resources from the National Anti-Poverty Commission (NAPC), JJCICSI launched in June 2012 a six-month project that aimed to develop capacities of poor communities in nine to effectively participate in local poverty reduction planning and bottom-up budgeting processes of their respective local governments. By accompanying several NGOs in their engagement with government and by providing tools for assessment, data-gathering, and evidence-based planning and agenda building, JJCICSI was able to develop, along with NGOs, effective models of multi-stakeholder partnerships in providing secure tenure and access to basic services to the poor.

# Plugging the gap in rural development

## Research

■ As part of our advocacy for responsive and effective rural development programs and policies designed especially for small farmers, fishers and poor households, the Rural Development Desk evaluated the implementation of the Financial Product Innovations Fund (FPIF) of the Microfinance Council of the Philippines, Inc. (MCPI). To disseminate good practices and lessons learned, the Institute wrote case studies showcasing innovative financial products for farmers and fishers in remote, hard-to-reach areas. The research was funded by the Interchurch Organisation for Development Cooperation (ICCO).

## Advocacy

■ Rural poverty continues to beset a significant proportion of families in the Philippines. The search for alternatives and options has brought back the land use policy issue back on the national agenda. JJCICSI is a member of the Campaign for Land Use Policy Now! (CLUP Now!), a growing network of land reform advocates, and in 2012, JJCICSI actively participated in the lobbying and campaign activities for the passage of the National Land Use Act.

■ Together with another network, the People's Campaign for Agrarian Reform Network (AR Now!), of which JJCICSI is a member, the Institute discussed with the Department of Agrarian Reform (DAR) the issuance of an administrative order on agribusiness venture arrangements that should improve agricultural land investments in the country.

## Capacity Building

■ JJCICSI assisted two farmers' cooperatives in the province of Negros Occidental, which were subjects of the research on sustaining productivity of agricultural lands and the cooperative organizations, in assessing their local contexts and in coming up with strategies to address their financial and non-financial needs. The cooperatives have since accessed various services for their members from government and private institutions.

■ To capacitate field officers of the Department of Agrarian Reform, the Institute designed and facilitated a workshop that aimed to develop plans for providing credit and other financial services to beneficiaries of the agrarian reform program.

# Financial summary

## Independent Auditor's Report

### Report on the Financial Statements

I have audited the accompanying financial statements of INSTITUTE ON CHURCH AND SOCIAL ISSUES, INC. (a non-stock, non-profit organization) which comprise the statements of financial position as at December 31, 2012 and 2011, and the related statements of activities, statements of changes in fund balances, and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with Philippine Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

### Scope of Audit

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of INSTITUTE ON CHURCH AND SOCIAL ISSUES, INC. (a non-stock, non-profit organization) as of December 31, 2012 and 2011, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities.

### Report on the Supplementary Information Required Under Revenue Regulations 15-2010 and 19-2011

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 and 19-2011 in Notes 25 and 26 to the financial statements, respectively, is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of INSTITUTE ON CHURCH AND SOCIAL ISSUES, INC. The information has been subjected to the auditing procedures applied in my audit of the basic financial statements. In my opinion, the information is fairly stated in all material respect in relation to the basic financial statements taken as a whole.

### **Maria Luningning M. Guzman**

Certified Public Accountant

CPA Certificate No. 93327

BOA/PRC AN: 0171 valid from February 8, 2011 to December 31, 2013

BIR AN: 05-000407-1-2011 valid from March 31, 2011 to March 30, 2014

TIN 175-009-151

PTR No. 5578844 issued on January 7, 2013 at Caloocan City

# Statement of Financial Position

In Philippine pesos

As of December 31

<b>Assets</b>	<b>2012</b>	<b>2011</b>
<b>Current Assets</b>		
Cash	16,635,278.11	14,745,168.69
Receivables	121,968.62	194,208.12
Total Current Assets	16,757,246.73	14,939,376.81
<b>Non-Current Assets</b>		
Funds Held by Investment Manager	31,321,695.89	28,772,205.59
Property and Equipment	59,034.32	109,763.65
Total Non-Current Assets	31,380,730.21	28,881,969.24
<b>Total</b>	<b>48,137,976.94</b>	<b>43,821,346.05</b>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
<b>Current</b>		
Funds Held in Trust	2,268,973.10	1,936,845.13
Payables and Accrued Expenses	915,455.56	-
Deferred Project Fund	524,403.37	511,659.04
Current Statutory Liability	74,163.17	84,088.07
Accrued Retirement Liability	-	160,277.33
Total Liabilities	3,782,995.20	2,692,869.57
<b>Fund Balances</b>		
General Fund	37,955,565.13	41,078,194.26
Restricted Fund	6,399,416.61	50,282.22
Total Fund Balances	44,354,981.74	41,128,476.48
<b>Total</b>	<b>48,137,976.94</b>	<b>43,821,346.05</b>

# Statement of Financial Activities

In Philippine pesos

	General Fund	Restricted Fund	For the years ended	
			2012	2011
<b>Support and Income</b>				
Donations and Contributions	4,186,079.52	11,458,163.62	15,644,243.14	14,102,459.92
Other Sources	426,909.83	-	426,909.83	535,797.44
Total	4,612,989.35	11,458,163.62	16,071,152.97	14,638,257.36
<b>Expenses</b>				
Program Expenses	3,667,617.33	9,404,444.33	13,072,061.66	12,272,435.82
Administrative Expenses	751,385.15	1,077,260.84	1,828,645.99	2,277,190.56
Total	4,419,002.48	10,481,705.17	14,900,707.65	14,549,626.38
<b>Excess (deficit) before other income (loss)</b>				
	193,986.87	976,458.45	1,170,445.32	88,630.98
Add (Less):				
Gain (Loss) on Investments	2,038,502.04	-	2,038,502.04	2,173,599.24
Unrealized Gain (Loss) on Investments	1,099,400.07	-	1,099,400.07	-
Interest Income	39,621.36	3,619.84	43,241.20	48,128.48
Foreign Exchange Gain (Loss)	(1,125,083.37)	-	(1,125,083.37)	(263,065.63)
<b>Excess of support and income over expenses and loss</b>				
	<b>2,246,426.97</b>	<b>980,078.29</b>	<b>3,226,505.26</b>	<b>2,047,293.07</b>

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Head, Family Life Program

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**Gerald M. Nicolas**  
**Gladys Ann G. Rabacal** (UNTIL JULY 2012)  
Research Assistants

**Veronica G. Bondoc**  
Finance Officer

**Sabrina T. Garcia**  
Administrative Assistant

**Sonny C. Cestina**  
Maintenance and Messenger

# Huge thanks to our partners

JJCISI is grateful to the following organizations for supporting our research projects and advocacy activities over the year 2012/13:



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