



8

## Universal Health Care

Access to quality care

14

## Nutrition

Reduction of wasting and stunting

20

## Teenage Pregnancy

Prevention and governance





**ZUELLIG FAMILY FOUNDATION**  
Annual Report 2019

**8** Universal Health Care

Access to quality care

**14** Nutrition

Reduction of wasting and stunting

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Prevention and governance

## Cover story

At the foot of a hill 10 kilometers from the main road, 20-year-old Mia Callet and her husband tend a small plot of land planted with corn, tomatoes, and beans. Mia is already a mother to a four-year-old boy and a two-year-old girl. Recognizing the difficulties and responsibilities in her life, she has been practicing family planning since giving birth to her youngest.

Location: Sitio Tagumpay, Barangay Inagawan Sub-Colony, Puerto Princesa City

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## Vision

Zuellig Family Foundation (ZFF) is a catalyst for the achievement of better health outcomes for all Filipinos.

## Mission

Enable local health systems to effectively achieve better health outcomes for all Filipinos through leadership and governance in partnership with key stakeholders.

## Goals

1. All trained local health leaders have improved Bridging Leadership competencies.
2. All trained local health leaders are able to strengthen local health systems with resilient and sustainable community-driven dispositions for better health outcomes.
3. Partnerships with government and other stakeholders are institutionalized for leadership and local health system developments.
4. Lessons learned and evidence are disseminated to advocate responsive policies and programs in public health and governance.



**Ernesto D. Garilao**  
Chairman and President

**Roberto R. Romulo**  
Chairman Emeritus

**Austere A. Panadero**  
Executive Director



“Amid great uncertainty about the future, our management and staff have the unwavering confidence in ZFF’s mission as a catalyst for better health outcomes. We will dedicate our resources to ensure the relevance and immediacy of our programs.”

training and a methodology to address other community issues, such as the livelihood of disadvantaged sectors of the population.

Thanks to our strong partnerships with Nutrition International, the United Nations Children’s Fund (UNICEF) and KGJF, we have been able to extend our nutrition programs to more areas. These initiatives are timely, especially in view of the signing into law in late 2018 of Republic Act No. 11148, also known as the “First 1000 Days Law”.

### Strategic intervention for better nutrition

In 2019, ZFF prototyped a new leadership and governance program focused on nutrition. Tested in two alumni rural municipalities in partnership with the Kristian Gerhard Jebsen Foundation (KGJF), the towns’ health leaders succeeded in defining an integrated and comprehensive strategy to improve nutrition for the first 1000 days (F1KD), i.e. to ensure the health of mother and child from the time of conception and throughout the first two years of the child’s life.

### National social emergency

Last year, the government sounded the alarm about the increasing number of teenage pregnancies throughout the country, calling it a “national social emergency.” Over the past years, ZFF has been addressing this pressing issue in partner-municipalities whose leaders expressed concern over a growing number of pregnant teens among their constituents.

We are likewise encouraged by the potential of our program in helping the country reach its targets for a sizeable reduction in stunting. The Philippines has been struggling with the persistent incidence of stunting and has been able to achieve just a 1-percentage point decline annually<sup>1</sup>. As of 2018, 25.2% of Filipino children 0 to 23 months are stunted<sup>2</sup>. Our two pilot areas achieved a 4-percentage point reduction in stunting<sup>3</sup>.

Currently, our Health Change Model is being used in a partnership with the United Nations Population Fund (UNFPA) to bring down adolescent birth rates by improving the capacities of youth builders and youth leaders in creating relevant policies and programs. There is also a prototype governance program in Puerto Princesa addressing the same. We have also been training senior officials of the Commission on Population (POPCOM) in Bridging Leadership methods and skills to help them engage local governments in implementing adolescent sexual and reproductive health programs. Our partnership continues beyond 2019. We are confident that their improved capabilities will contribute to a reversal in the incidence of teenage pregnancies.

Our model for improved nutrition addresses a serious, yet often overlooked issue. Malnutrition is typically associated with images of very thin children with bulging stomachs. However, a more prevalent and irreversible effect of insufficient nutrition during the F1KD, albeit hardly visible, is poor brain and body development, which can lead to a compromised ability to fight infection and the impairment of productivity well into adulthood.

## A Demanding Strategic Journey toward Better Health

We at the Zuellig Family Foundation need to be adept at planning and adapting to realities. While change and crisis bring anxiety, we look for opportunities to improve, adjust and scale up our programs.

### Milestones of 2019

We carried out organizational changes in line with our succession plans. Our founding chairman, Roberto R. Romulo, retired, but he remains engaged as chairman emeritus. Our president, Ernesto D. Garilao, succeeds him as chairman, while day-to-day operations are now headed by Austere A. Panadero, a long-time undersecretary of the Department of Interior and Local Government.

We are honored that Ernesto Garilao was given the 2019 Xiong’An International Health Forum Impact Award in recognition of his leadership at ZFF.

By the end of 2019, the ZFF Health Change Model has been introduced to over 800 mayors and governors. Our program demands time, commitment, action and accountability from all participants. Despite the rigors of the training program, many alumni mayors have recommended it to their peers, especially to newly-elected mayors, as they recognized its effectiveness in addressing their municipality’s health problems and in creating productive relationships with stakeholders. Moreover, participants appreciate the relevance of the Health Change Model beyond the health space, as a leadership

<sup>1</sup> Sources of basic data: Department of Science and Technology-Food and Nutrition Research Institute’s National Nutrition Surveys

<sup>2</sup> 2018 Expanded National Nutrition Survey

<sup>3</sup> Nutrition Center of the Philippines, Baseline and End-line Population Survey in Gamay, Northern Samar and Looc, Romblon

## From maternal health to Universal Health Care

The pivot to nutrition and teenage pregnancies complements our unrelenting intent to prevent maternal deaths. Attention to the “First 1000 Days” means to ensure pregnant women are well nourished throughout their pregnancy as well as after giving birth in order to ensure the healthy growth and development of their newborn child. Preventing teenage pregnancies means preventing high risk pregnancies of girls whose bodies have not yet fully developed or who are not yet in a position to ensure a healthy family life.

In reaching these desired health outcomes, our trained health leaders transform their health systems to become responsive to the needs of their people. Specific to the 2019 Universal Health Care (UHC) Act is the creation of province-wide and city-wide health systems. Our prototype program and our partnership with United States Agency for International Development (USAID) have been extended to provincial governors and city mayors to fix the building blocks of their health systems and transition to UHC. Participating in these programs are 10 of the 33 areas under the Department of Health’s UHC Integration Sites program. These provincial and city health leaders have started preparing their systems for the necessary changes, and win the support of their mayors and village chiefs. They have expressed confidence in their ability to quickly transition despite the initial implementation challenges.

## Continuing our mission as catalyst

Ever since ZFF started its programs in 2008, we have set ourselves ambitious goals. We gauge our success not just on better health outcomes and indicators but also on how quickly they improve. This is how we keep our leading edge in public health leadership and governance programs. We want to contribute significantly in making sure every Filipino has access to solid health care services and will benefit from better health outcomes.

With the support and trust of our partners, we have the confidence to accept new challenges, as has become necessary in the face of the COVID-19 pandemic that has overwhelmed our country’s healthcare systems. Thanks to our partnerships with the Department of Health, KGJF, Nutrition International, UNFPA, UNICEF, USAID and Pilipinas Shell Foundation, we have been able to expand the use and reach of the ZFF Health Change Model. And with them, we shall strive to provide municipal and provincial health leaders with skills and knowledge needed to address the challenges of COVID-19, and to reduce infections and deaths.

Amid great uncertainty about the future, our management and staff have the unwavering confidence in ZFF’s mission as a catalyst for better health outcomes. We will dedicate our resources to ensure the relevance and immediacy of our programs. We are heartened to hear ever more public health leaders and officials attest to experiencing professional and personal transformations that help them to work toward better health outcomes and equity.



ZFF’s past and present partners: Assisi Development Foundation, Ateneo de Davao University, Ateneo de Zamboanga University, B. Braun Medical Supplies, Benguet State University, CARD-MRI, Carlos P. Romulo Foundation, Cebu Normal University, Center for Community Transformation, Commission on Population, Consuelo Foundation, Davao Medical School Foundation, Department of Health, Development Academy of the Philippines, East West Seed Foundation, Foundation for Information Technology Education and Development, Jollibee Foundation, KBA-NotaSys, Kristian Gerhard Jebsen Foundation, Makati Medical Center Foundation, Manila Observatory, MSD for Mothers Global Giving Program, Medicines Transparency Alliance Philippines, Metro Drug, Nutrition International, Netsuite.org, Panasonic HQ for Solar Lantern Project, Pascal Gueissaz and Careerplus, Peace and Equity Foundation, Pfizer Philippines, PHAPCares Foundation, Philippine Nurses Association of America, Pilipinas Shell Foundation, ROK Water, Seaoil Foundation, Silliman University, Solar Energy Foundation Philippines, St. Paul University Philippines, Synergeia Foundation, Tabang Visayas, TeaM Energy Foundation, UNFPA Indonesia and Indonesian National Family Planning Coordination Board, United Nations Children’s Fund, United Nations Population Fund, United States Agency for International Development, University of California-San Francisco’s Malaria Elimination Initiative, University of Makati, University of the Philippines (UP) Manila-College of Public Health, UP Manila School of Health Sciences (Palo), UP Visayas, University of Sydney School of Public Health, US-Philippines Society, Vitamin Angels, Wireless Access for Health, 162 to 52 Coalition

# Milestones in 2019

## FEBRUARY

Universal Health Care (UHC) is signed into law.

## MARCH

Mayors and other health leaders from 12 alumni Community Health Partnership Program towns celebrate their health gains during their colloquium.

## APRIL

Governors from Agusan del Sur, Aklan, and Bataan formally sign agreements to start their UHC journey with ZFF.

## MAY

UNFPA-ZFF team holds inception meetings with presidents of Sangguniang Kabataan of various towns in Mindanao for the program to address teenage pregnancies.

## JULY

Chairman Roberto R. Romulo announces his retirement.  
Nutrition International and ZFF launch their partnership program to improve First 1000 Days in 3 cities.

## AUGUST

Rising teenage pregnancy is tagged as a national social emergency by the government.

## SEPTEMBER

Two rural towns under ZFF's partnership with the Kristian Gerhard Jebsen Foundation (KGJF) present their achievements in nutrition during their colloquium.

## OCTOBER

ZFF chairman and president Ernesto D. Garilao receives the 2019 Xiong'An International Health Forum Impact Award in China.  
UNICEF and ZFF sign a formal partnership agreement for nutrition program. ZFF pilots its public course offering. Provincial Leadership and Management Program for UHC had health leaders from Quezon Province.

## DECEMBER

KGJF commits to another round of partnership for nutrition governance.  
Cases of viral pneumonia (COVID-19) in Wuhan City, China start getting reported.

# ZFF Numbers

AREAS WITH ZFF HEALTH CHANGE MODEL, 2008-2019

**774**  
Municipalities

**27**  
Provinces

ZFF PROGRAMS AND NUMBER OF HEALTH LEADERS TRAINED IN 2019

Provincial Leadership and Governance Program

**71**

Provincial Leadership and Management Program

**35**

Youth Leadership and Governance Program (ZFF - United Nations Population Fund partnership)

**121**

City Nutrition Governance Program (ZFF-Nutrition International partnership)

**38**

Institutionalization of Health Leadership and Governance Program (ZFF - United States Agency for International Development partnership)

**469**

ACADEMIC PARTNERSHIPS, AS OF 2019

**10**  
Academic institutions

**155**  
Faculty trained

# Easing access to quality care



■ Bataan Governor Albert Garcia (standing third from left) wants the life expectancy in his province to improve from an average 71 years to 75 years by 2020. Since joining the ZFF Provincial Leadership and Governance Program, he has made health systems development a priority to achieve this goal and to provide a better quality of life for the people of the province.

If the Universal Health Care Act is properly implemented, then it will reduce the out-of-pocket payments made by Filipinos whenever they access healthcare services.

Universal Health Care can also rectify some of the deficiencies resulting from the devolution of health matters to the local government units (LGUs) in 1991. The law calls for clinical, managerial, and financial integrations, but the way toward the integrations remains undefined, making the task of creating province and city-wide health systems formidable.

The Zuellig Family Foundation has begun assisting its partner LGUs in fast-tracking their transition to UHC using its experience and expertise helping LGUs create local health systems responsive to the real needs of the people.

“Because of the strategic vision and intervention of the ZFF, I think we are going to be successful (at implementing Universal Health Care law). Even the DOH is relying on most of the provincial partners of ZFF to develop the proof of concept and for you (ZFF) to roll it out to the rest of the country.”

-Bataan Governor Albert S. Garcia, participant in ZFF’s Provincial Leadership and Governance Program versions 2 and 3

## OUT-OF-POCKET HEALTH CARE SPENDING, AS % OF PH'S CURRENT HEALTH SPENDING<sup>1</sup>

2018  
54% → TARGET FOR 2022  
<50%

## AUTOMATIC PHILHEALTH MEMBERSHIP OF ALL FILIPINOS<sup>2</sup>

2018  
98% → 100%

<sup>1</sup> Philippine Statistics Authority, National Economic and Development Authority (NEDA)  
<sup>2</sup> NEDA

# Strategic Steps toward Universal Health Care

The Zuellig Family Foundation (ZFF) closely monitored developments in the crafting of the implementing rules and regulations of the Universal Health Care Act, so its health leadership and governance program for provinces remains aligned with the national government’s framework and strategy.

Prior to its release, ZFF had been working with its three partner-provinces—Agusan del Sur, Aklan, and Bataan—to pinpoint critical areas in their health systems needing reforms that could bring them closer to the creation of a responsive province-wide health system. This led all three provinces to prioritize the strengthening of their primary health care systems.

Bataan developed a barangay (village)-based monetary incentive program (P50,000 per barangay) designed to reduce communicable and non-communicable diseases in communities. This effectively intensified promotion of various health programs. Bataan will thus begin to strengthen all its village health systems using this experience, plus the Samal

primary care pilot program by the University of the Philippines involving the reduction of out-of-pocket expenses by allocating P2,000 for healthcare services for every resident.

In Agusan del Sur, current provincial health officers will be designated as service delivery managers who will oversee the planned two sub-provincial health systems, which will be formed from their present four inter-local health zones and the service delivery network including private health facilities.

Aklan plans to shift to a district health system that would maximize the health resources of clustered municipalities. The province will make sure each district will have a secondary laboratory, primary care physician, nurse, and pharmacist. Hospital capacities will also be upgraded to become level 1 hospitals from their current infirmary level.

Despite the different approaches by the three provinces, all have the same goal: a responsive province-wide system that results in improved health outcomes.

	Live Births			Maternal Deaths			Infant Deaths		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
Agusan del Sur	13,738	13,482	12,654	8	6	8	100	60	10
Aklan	9,439	9,287	6,724	5	11	7	101	106	47
Bataan	13,566	13,500	15,404	7	4	8	17	25	34

Source: Field Health Service Information System (2019 data-partial)

	Stunting Prevalence Rate			Wasting Prevalence Rate		
	2017	2018	2019	2017	2018	2019
Agusan del Sur	14%	11%	10%	4%	3%	3%
Aklan	8%	6%	6%	2%	3%	2%
Bataan	9%	11%	5%	3%	3%	2%

Sources: Operation Timbang, local government unit scorecards



■ Aklan Governor Florencio Miraflores (standing left) and the provincial health officer Dr. Leslie Ann Luces (standing 2nd from left) are looking to improve not only the province’s hospital system but also the overall primary health care system so overcapacity in the main referral hospital is reduced, and medical services in district hospitals and municipal health units improve.

# Multi-stakeholder ownership puts Sarangani ahead in UHC implementation

**A**s governor of Sarangani, one of the poorest provinces<sup>1</sup> in the country, Steve Solon relies heavily on partnerships to move health initiatives forward.

He first learned about the Bridging Leadership (BL) framework in 2012, while he was still vice governor, and again in 2018 as part of the Provincial Leadership and Governance Program (PLGP), under the partnership of the Zuellig Family Foundation (ZFF) with the United States Agency for International Development (USAID). Solon adopts a multi-stakeholder approach in fixing health systems and addressing health challenges through the Bridging Leadership (BL) principles of co-ownership and co-creation.

When malnutrition emerged as a major problem in Sarangani, affecting over 52,000 children, the provincial government hosted the Convergence Forum for Social Inclusiveness in Health. This led to complementary actions from national agencies and non-profit organizations that supported the province's nutrition campaign.

The provincial health core group on health, which Solon formed with private and public partners, helps monitor the execution and effectiveness of health programs.

When the Department of Health chose Sarangani as one of 33 provinces for the pilot implementation of the Universal Health Care (UHC) Act, Solon gathered municipal mayors, chiefs of hospitals and other stakeholders in a provincial dialogue to work together to make Sarangani an effective integration site for UHC.

Because most mayors and hospital chiefs were familiar with BL, having undergone other ZFF programs, they recognized the need to improve primary care services in their areas of responsibility and to strengthen the province's service delivery network for UHC readiness.

The municipal governments are now working on the accreditation of their birthing homes with the Philippine Health Insurance Corp. (PhilHealth), while the provincial government is upgrading its hospital facilities and hiring more health personnel so Sarangani can have more Level 1 hospitals for referred patients coming from the planned health districts.

Solon mandated the creation of 22 health districts, which will have an 8-hour laboratory, 24-hour birthing home, 8-hour consultation, a pharmacy with 26 essential medicines, an animal bite treatment center, and the capability to treat pediatric and adult tuberculosis.

The people's co-ownership of Solon's health vision has put Sarangani ahead of richer provinces in implementing the UHC Act. Empowered local leaders will be crucial for the technical, management and financial integration mandated by the UHC Act in the coming years.

Sarangani Health Indicators	2017	2018	2019
Maternal Mortality Ratio	72	72	50
Infant Mortality Rate	2	2	2
Facility-Based Delivery	87	90	92
Stunting Prevalence Rate, 0-5 years, %	16	10	9
Wasting Prevalence Rate, 0-5 years, %	6	3	3

Sources: Field Health Service Information System, Provincial Health Office



■ Sarangani Governor Steve Solon (standing) has been successful in making his trusted allies and co-leaders co-owners of the province's health challenges and co-creators of programs to overcome them. Sarangani, the first province to adopt the Indigenous People's Code, has improved nutrition indicators, and reinforced its already functional service delivery network, which is important under the Universal Health Care Law.

<sup>1</sup> Source: Philippine Statistics Authority



# Accelerating reduction in wasting and stunting



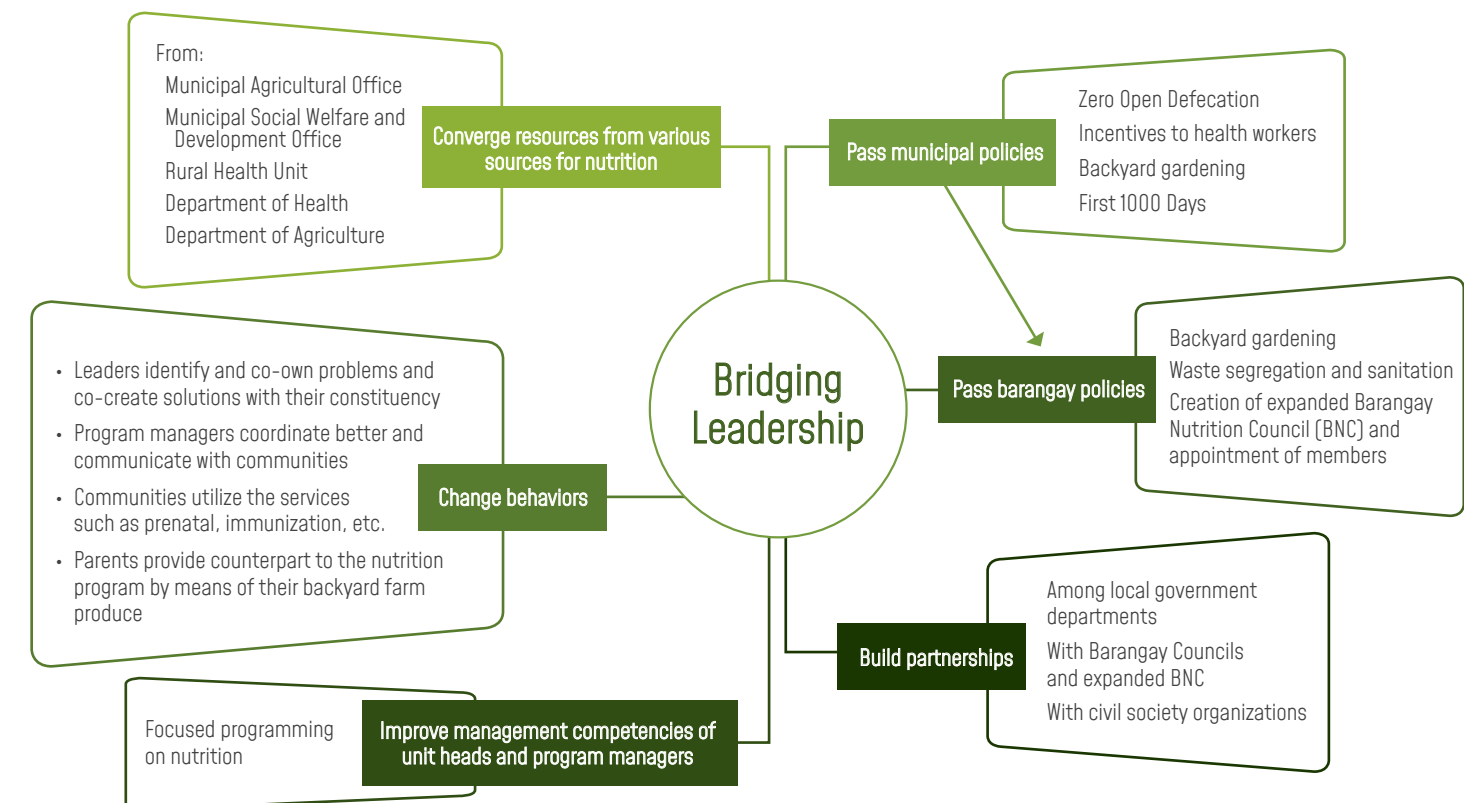
■ Improving nutrition leadership and governance allows the strategic harmonization of different national and local government programs in nutrition and the early achievement of better nutrition outcomes. With a focus on nutrition, agricultural programs should specify crops that not only provide livelihood but also serve as a source of nutritious food for locals.

Malnutrition has often been raised as a major concern by the Foundation’s partner-local government units. In 2019, it identified two of its alumni-municipalities to pilot a model for governance intervention<sup>1</sup> to address specific nutrition deficiencies. In the municipalities of Gamay in Northern Samar and Looc in Romblon, leaders and workers for nutritional health were introduced to leadership and technical training programs that saw their nutrition indicators improve. Research was conducted to determine the results and to evaluate the interventions.

The summative evaluation<sup>2</sup> found that the leadership training component of the programs helped mayors and their fellow “nutrition leaders and nutrition workers” to take strategic action, incorporating sustainability and community-support measures into their nutrition programs.

Given the intervention’s potential to accelerate improvements in nutritional health throughout the country, ZFF appreciates the participation of additional partners to enable it to scale up the program and to thus make a meaningful contribution toward the achievement of the national nutrition targets by 2022.

## LEADERSHIP ACTS FOR IMPROVED NUTRITION



<sup>1</sup> A partnership with the Kristian Gerhard Jebsen Foundation made the intervention possible.

<sup>2</sup> Done by Makabuhay - Maka-agham na Kawanggawa para sa Kalinangan ng Buhay <http://www.makabuhay.info/>

# Better governance for improved nutrition

In 1994, the rate of undernutrition among Filipino children was 39%. By 2018, in 24 years, it decreased by merely 9 percentage points to 30%<sup>1</sup>, despite the rollout of several nutritional programs, such as feeding, vitamin supplementation, backyard and school gardening, etc.

Based on the Zuellig Family Foundation's experience in piloting its nutrition governance program in two rural alumni-municipalities, these initiatives need to be harmonized and coordinated with different agencies if they are to become effective in quickly addressing malnutrition. Its strategic approach in accelerating the reduction of stunting and wasting is based primarily on targeting the first 1000 days (F1KD).

Targeting the first 1000 days—from conception until around two years—is also strategic in reducing stunting and wasting, which, if left unchecked, could have lasting undesirable impacts on the life of an individual.

With funds from the Kristian Gerhard Jepsen Foundation, ZFF applied its Health Change Model to improve nutrition governance in Gamay, Northern Samar and Looc, Romblon. First, the mayors and other health and nutrition leaders realized the gravity of malnutrition and its effects. Next, other stakeholders from various agencies and sectors became part of either formal or community groups that worked collaboratively

to assess and overcome the challenges. Lastly, nutrition and frontline workers' skills were updated and improved.

As a result, municipal nutrition committees became functional, and membership was expanded. Various agencies like agriculture included nutrition when drawing up plans and implementing their programs. Budgets for nutrition and F1KD were allotted. Tracking and monitoring of pregnant women and children became regular and included accurate nutritional status. Communities organized themselves to safeguard the health of mothers and their babies—pitching in their own resources to make sure mothers and babies ate nutritious food and regularly took supplements.

Wasting and stunting decreased considerably in the areas just two years after the reforms (see table). Anemia among pregnant women, which could lead to low birth weight, stunting and child deaths, decreased by 13 percentage points between 2017 and 2019. The country averaged a 1-percentage point decrease from 2014 to 2016.

The promising improvements led Nutrition International to partner with ZFF and adopt the strategy in three cities. Another partnership with KGJF begins in 2020 and will bring the application of ZFF's strategy and programs for better nutrition to the provincial level.

Nutrition indicators in Gamay, Northern Samar and Looc, Romblon	2017	2019	PH (2018)
Stunting rate (0-23 months)	19%	15%	26%
Wasting rate (0-23 months)	7%	5%	7%
Child anemia (6-23 months)	69%	48%	39%
Maternal anemia (pregnant)	38%	25%	26%

Sources: 2017, 2019 - Nutrition Center of the Philippines; 2018 National Nutrition Survey of FNRI-DOST

<sup>1</sup> Periodic National Nutrition Survey (2016) by the Department of Science and Technology-Food and Nutrition Research Institute



■ Early morning, this boy was spotted carrying a bag of bread in barangay Bangon in the geographically isolated and disadvantaged municipality of Gamay. Since taking part in the Foundation's partnership with Kristian Gerhard Jepsen Foundation, Gamay's leaders have been able to create an integrated approach to various nutrition-related programs—feeding, information campaign, gardening, livelihood, vaccinations, etc.—and have seen an immediate improvement in their nutrition indicators.

**Location: Gamay, Northern Samar**

# Targeted reforms for improved nutrition

In three cities with large rural or semi-rural areas, the Foundation, through its partnership with Nutrition International (NI), is working with health and nutrition leaders to ensure the good health of pregnant women, and the proper nourishment of babies until they are two years old to ensure proper development.

The goal is an immediate decline in stunting and wasting. The critical stage to avoid these malnutrition effects is the first two years of a child.

Like its other interventions, ZFF works to improve leadership and governance using the Bridging Leadership framework. The program has given the city mayors of Puerto Princesa, Tacurong, and Tagum opportunities to do a “deep dive” and experience the problems and effects of malnutrition in their areas, moving them to act immediately.

The mayors officially ordered the expansion in the membership of their City Nutrition Committee, whose functions, if properly executed, are expected to lead to the required nutrition-specific and nutrition-sensitive programs, i.e. programs of other government agencies like agriculture that take nutritional status into consideration. Moreover, budgets have been increased for nutrition programs and the front-liners.

Since an intervention’s success relies on knowing the beneficiaries, the three cities have improved their information system to identify malnourished children and vulnerable groups, such as indigenous peoples, elderly, and pregnant mothers—a listing that is also important to the national government in relation to programs for conditional cash transfer.

Data quality checks are being done with the assistance of the DOH Centers for Health Development, which have also mobilized nurses and midwives to become part of the cities’ health and nutrition teams. The regional offices of the National Nutrition Council have provided technical training to the cities to understand the country’s action plans, program management, and nutrition emergencies, among others.

Furthermore, the technical expertise of NI provided valuable inputs to ZFF’s training modules and survey design.

ZFF engages with community leaders and partners to define programs to be led by “nutrition champions” who have the support of people and the capacity and willingness to take immediate action to address nutritional deficiencies and thus improve health outcomes.



FIKD Nutrition Indicators	PH target	Puerto Princesa		Tacurong		Tagum	
	2022	2018	2019	2018	2019	2018	2019
Stunting Prevalence Rate (0-23 months)	*	13	10%	5%	8%	1%	2%
Wasting Prevalence Rate (0-23 months)	*	7%	4%	2%	5%	0.4%	1%
Low birth weight <2500 grams upon birth	15%	6%	4%	4%	8%	0.4%	4%

Sources: Field Health Service Information System, Operation Timbang

Close targeted monitoring of the nutritional status of mothers and their babies was not systematically done in Tacurong City. That changed as a result of the Foundation’s program in partnership with the Nutrition International in mid-2019. A beneficiary of this reform is Tristhan Mallorca (in photo carried by dad, Romel Mallorca), who was tracked and found to be severely malnourished. Rehabilitation efforts followed. His parents were taught about proper nutrition and his development was checked regularly. Now, Tristhan is of normal weight and height.

**Location: Barangay Rajah Muda, Tacurong City, Sultan Kudarat**

# Responding to a “national social emergency”

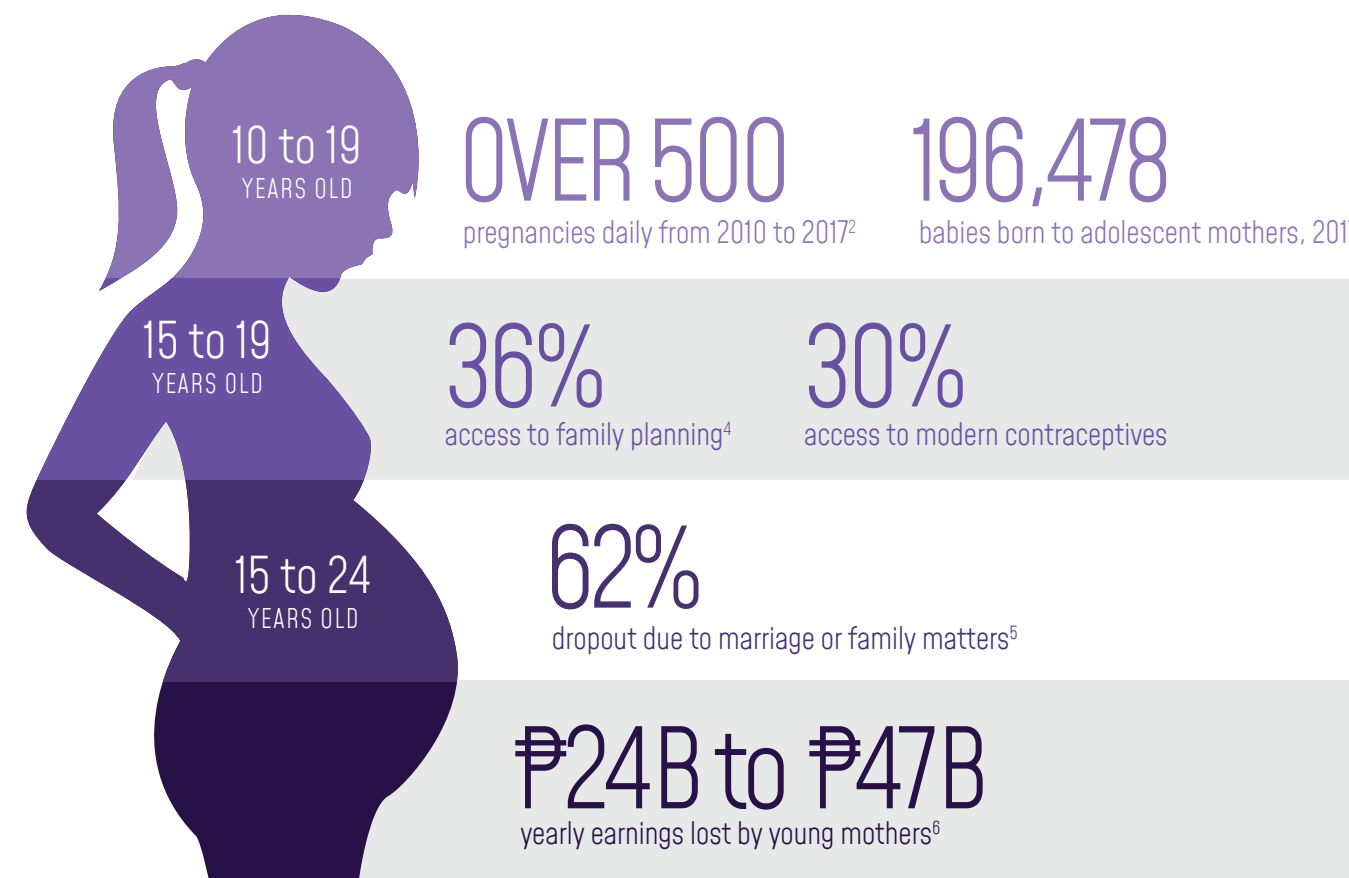


■ Nineteen-year-old Crisel Mae Valencia has resumed her studies after giving birth to her now two-year old daughter, Jilianna. Now in her senior year, Crisel wishes to pursue higher studies, but is unsure as there are days no one can look after Jiliana while she is at school.

**Location: Datal Batong, Malungon, Sarangani**

The fast-rising number of Filipino teenagers getting pregnant is alarming. Teenage mothers face high risks. Physically, their bodies are not fully developed to ensure healthy pregnancies. Economically, the accumulated loss of income due to foregone lifetime earnings is estimated to reach billions<sup>1</sup> of pesos, as many adolescent mothers drop out of school and never find their way to gainful occupation. They also face discrimination and stigma because of the negative stereotypes associated with teenage pregnancy: promiscuity and irresponsibility.

The Foundation uses its health leadership and governance program to help health leaders fix their health and related systems so teenage and unintended pregnancies can be prevented.



<sup>1</sup> <https://philippines.unfpa.org/en/news/p33b-potential-income-lost-due-teen-pregnancy-0>

<sup>2</sup> Commission on Population; CNN interview

<sup>3</sup> Philippine Statistics Authority's report on 2017 Registered Live Births

<sup>4</sup> Department of Health, 4th Annual Responsible Parenthood and Reproductive Health (RPRH) Report

<sup>5</sup> Philippine News Agency

<sup>6</sup> National Economic and Development Authority

# Local governance to reduce teenage pregnancies in Puerto Princesa

Endowed with diverse natural resources, Puerto Princesa City enjoys a growing economy driven by agriculture and tourism. The city attracts migrants from nearby municipalities and provinces. Its annual population growth rate of 2.6% outpaced the national population growth (1.7%) as well as the growth rate of Palawan Province (1.5%).

With development and population growth come challenges in providing health and social services to residents spread across the city's 35 urban and 31 rural villages.

Teenage pregnancy is now a serious health problem in Puerto Princesa and in several municipalities in Palawan. In 2018, the province had the highest number of cases of teenage pregnancies in Region IV-B (MiMaRoPa) at 12,275 cases, of which the city accounted for 23%.

The Zuellig Family Foundation's intervention<sup>1</sup> aims to help Puerto Princesa develop an integrated approach to improve adolescent sexual and reproductive health (ASRH), i.e. a governance structure that harmonizes and tracks prevention of teenage pregnancies, care for the health and nutrition of young mothers, and sufficient social support for both the young mother and the father.

Open communication about sex between adults and teenagers, and between parents and their teenage children,

is a sensitive matter, especially in cognizance of the risks of misinformation and sexual experimentation.

ZFF produced two training videos targeted at encouraging parents and children to talk about sex. These videos are now being shown to parents and teens in different schools and village health centers across the city. This has been a positive step to help minimize teenage pregnancies, but much must still be done to achieve the desired governance structure.

Puerto Princesa has several ASRH interventions, but these are done in silos. Ideally, there is a Local Youth Development Office to serve as the liaison agency harmonizing ASRH interventions, facilitating ASRH technical working groups, and providing technical inputs on ASRH-related bills to the city council.

The lack of a functional information and tracking system on teenage pregnancies compromises data integrity and thus impairs program planning and implementation.

Puerto Princesa must take major steps to curb increasing teen pregnancies. ZFF's programs have gathered momentum thanks to the full support of Mayor Lucilo Bayron, councilor Roy Ventura, and city health officer Dr. Ricardo Panganiban as well as the active engagement of population program officer Ana Herrera, and adolescent health and development nurse coordinator Jofey Francisco.



Number of Teen Pregnancies		Number of Repeat Pregnancies within Teenage Life	
2018	2019	2018	2019
830	938	116	125

Sources: Puerto Princesa City health office

■ High school students watch one of two videos produced by the Foundation using funds donated by Pascal Gueissaz. Each video has distinct audiences: one for parents and one for teenagers, but with the same goal of helping them understand each other, and thereby improving the way they communicate with each other about sex. The videos are now being used as part of Puerto Princesa's overall efforts to curb rising cases of teenage pregnancies in the city.

**Location: Inagawan National High School Tagbungis Annex, Puerto Princesa**

<sup>1</sup>The intervention in the city is made possible through funds donated by Pascal Gueissaz.

# Youth Leaders' Engagement in Adolescent Health

Teenage pregnancies can be prevented if adolescents take advantage of available youth-friendly health services and reproductive health commodities.

This is the theory the Zuellig Family Foundation subscribed to when it designed its interventions to help reduce the adolescent birth rate in its partner-local government units.

In partnership with the United Nations Population Fund (UNFPA), ZFF began a health leadership and governance training program for *Sangguniang Kabataan* (Youth Council) presidents and other youth leaders in 10 municipalities in the Mindanao provinces of Sarangani, Sultan Kudarat, and Lanao del Sur.

The 10 municipalities were chosen because their mayors and municipal health officers had already undergone a ZFF intervention, thus had improved health systems where there are adolescent sexual and reproductive health (ASRH) services. It is a manifest challenge to raise the willingness of teenagers to gain access to these services and commodities.

The Foundation encourages youth leaders to come up with policies and programs that are appealing, acceptable and appropriate so more teenagers will participate in them.

The Youth Leadership and Governance Program (YLG) seeks to increase young leaders' accountability for maximizing the potential of adolescents, and improve their ability to facilitate multi-stakeholder engagements and collaboratively come up with solutions to ASRH issues. Leadership training is complemented by sessions with mayors to gain their support, and technical workshops with relevant agencies to help implement youth leaders' identified programs.

The municipalities are at different stages of progress. Malungon and Taraka have functional youth councils, bringing various youth groups to work together. Malungon, Taraka, and

Piagapo have policies protecting women and girls. Malungon has a newly-enacted ordinance to stop child-marriage and forced marriage, and there is a coordinated program among the municipal health office, education department, and village officials giving information about life skills and sexual and reproductive health to youths. Columbio and Kalamansig have accredited adolescent-friendly facilities.

Capacitating youth leaders to push for ASRH-related policies and programs helps bring a more integrated and holistic local approach in empowering adolescents to look after their health. With this comes the hope that the youth will be more sensible and responsible in their attitudes toward sex.

Number of Teen Pregnancies, 15 to 19 years old		
Municipality	2018	2019
Columbio, Sultan Kudarat	151	168
Kalamansig, Sultan Kudarat	192	240
Maitum, Sarangani	127	173
Malapatan, Sarangani	323	378
Malungon, Sarangani	567	272
Balindong, Lanao del Sur	84	92
Kapatagan, Lanao del Sur	55	56
Masiu, Lanao del Sur	34	68
Piagapo, Lanao del Sur	81	102
Taraka, Lanao del Sur	43	42

Source: Field Health Service Information System; 2019 figures are partial, unaudited



■ Mona Liza Gaspar, 18 years old, receives a visit from (left to right): Local Youth Development officer Shiela Manocay, Sangguniang Kabataan (SK - Youth Council) Federation president Carmela Constantino, and SK chairperson Aurelio “Cloe” Dalama. The three check on Liza and her three-month old daughter, Myzel, and advise her to take part in the town’s teen-related programs. They hope their efforts will significantly bring down teenage pregnancies, as well as teenage marriages, and help the youth look forward to a brighter future.

**Location:** Datal Batong, Malungon, Sarangani

## MOVING FORWARD

# Effective Response to Emerging Health Challenges

Eleven years of implementing the Health Change Model has not stopped the Zuellig Family Foundation from continually modifying and adapting the designs of its interventions, an essential practice. This was especially evident after the enactment of the Universal Health Care law left a lot of questions in the minds of health leaders and implementers. The Foundation moved quickly to deliver a program that can effectively steer health leaders in the right direction. Thus, its Provincial Leadership and Governance Program had its third iteration.

Elements of this revised program are also offered to cities and provinces under the United States Agency for International Development (USAID)-ZFF partnership, which comes to a close in 2020. Similarly, a public course offering has been introduced to answer the demands from regional health offices and provincial leaders to help them transition under the UHC law.

At the Zuellig Family Foundation, programs are aligned with government strategies and designed to address both immediate and systemic challenges. For partner-LGUs like Bataan, whose provincial health officer, Dr. Rosanna Buccahan (center) is pictured with her provincial health team, ZFF encourages the formation of core groups whose members work collaboratively to quickly come up with plans and solutions that address community's specific health needs.

## Responding to Needs



## MOVING FORWARD

The speed by which the Foundation gets to redesign and/or create new programs and adapt to changing conditions is possible because of the organization's DNA. It has a duty to help in developing the competencies that health leaders need so they can make the right decisions given the information—albeit at times limited—in hand.

ZFF has a functional knowledge management (KM) system to help execute its duty. ZFF staff can learn fast and adjust accordingly. Though still a work-in-progress, having a KM system has instilled the discipline of regularly harvesting learnings and experiences, processing them, distilling, and then quickly acting on or sharing them. This has kept ZFF in step with, and sometimes ahead of emerging national policies or programs.

Like many other organizations, the Foundation is confronted by the sudden emergence of the COVID-19 pandemic, which has forced ZFF to revise its short-to-medium term plans at the start of 2020.

**Learning has always been a two-way exchange between the Foundation and its partner local government units. It regularly reviews its programs, and is quick to assess, adjust, share, and move forward. It asks the same from partner-LGU leaders, like the Aklan health leadership team headed by Governor Florencio Miraflores (second from left), i.e., to make sure their decisions and actions are evidence-based.**

## Learning from Data and Experiences



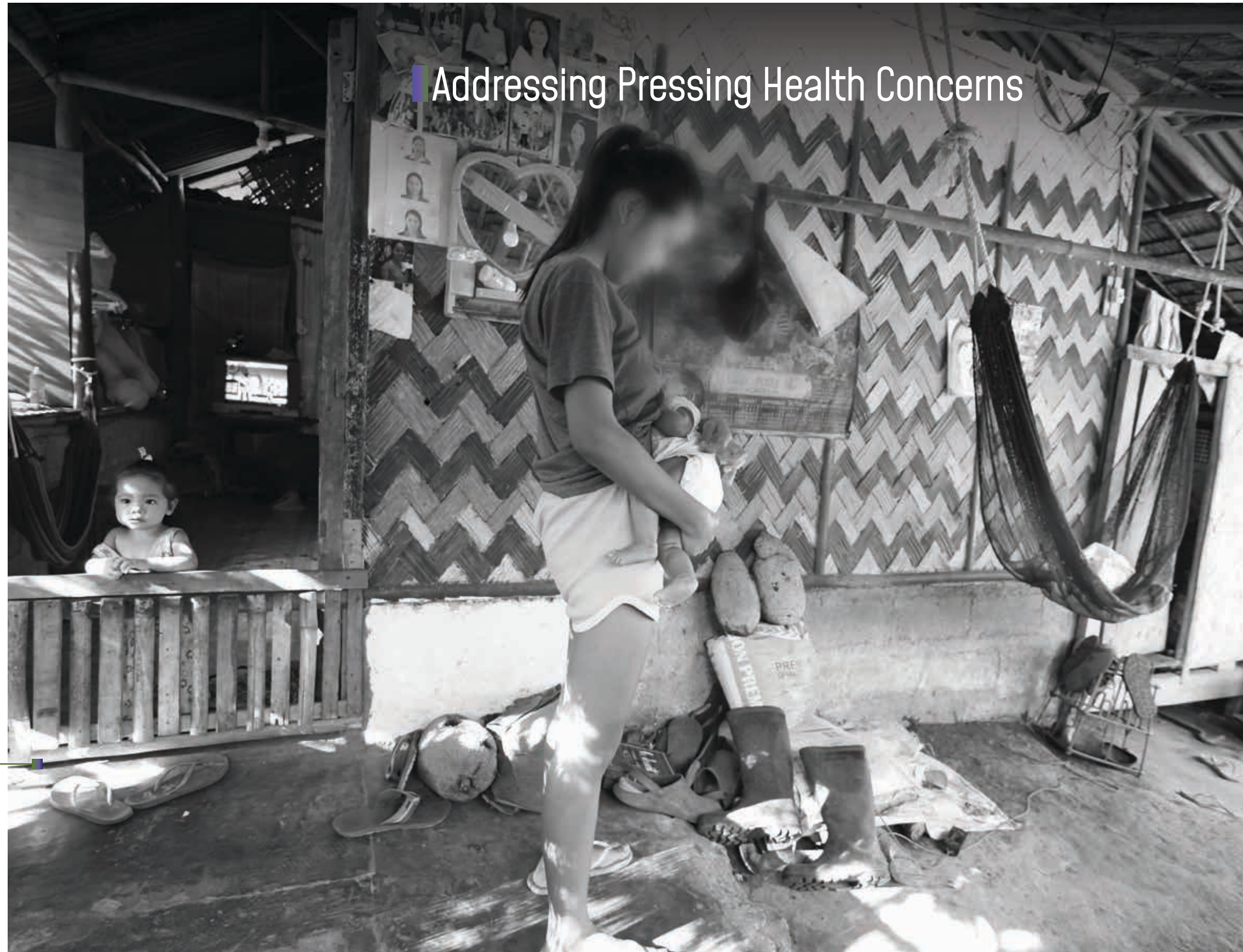


## MOVING FORWARD

The year 2020 will be a year of crisis management and transition. Notwithstanding the impact of COVID-19 and related adjustments, ZFF's focus on maternal health and child care, nutrition and teenage pregnancy remains undiminished. ZFF has ongoing commitments to its partners. In fact, the new realities brought about by the pandemic amplify the urgent need to improve primary healthcare services in disadvantaged communities. The Foundation seeks better promotive and preventive care through data collection, communication, and involvement at the grassroots. Leaders must have the skills, the information and the toolkits to understand and tackle the issues, prepare for contingencies and communicate their action plans to their people. Constituents will be more willing to follow directives, if they have the trust that their leaders know what must be done.

The Foundation's initial focus was on the reduction of maternal and infant mortality. Eventually, ZFF was cooperating with partner-LGUs regarding other pressing health and social concerns, such as nutrition and family planning. In 2019, the call grew louder to address the increasing incidence of teenage pregnancy. The anonymized photo shows an 18-year-old Palaweña with her infant child. After giving birth, she had to stop going to school.

## Addressing Pressing Health Concerns



## MOVING FORWARD

Leaders must ensure continued public investment in government hospitals, community health centers and the upgrading of curative capabilities, in order to prevent facilities from being overwhelmed by disease outbreaks and pandemics. COVID-19 has exposed the fragile state of the Philippines' health systems.

Specific knowledge and skills are needed to manage a pandemic. Consequently, ZFF is preparing anew to work out strategies and interventions for the development of specific leadership competencies to mitigate infections and minimize disease-induced socio-economic disruptions.

The Foundation has witnessed the strong performance of many ZFF-trained leaders despite the crisis and constraints they face. The purpose of ZFF's programs is to support health leaders in the task of instituting reforms that will make their health systems effective and more resilient to withstand disasters and pandemics.

The Zuellig Family Foundation will pursue its vision of better health outcomes for Filipinos in disadvantaged communities. In this time of crisis, it is imperative that ZFF succeeds in its mission to strengthen health leadership throughout the country.

**Agusan del Sur Governor Santiago Cane Jr. (third from left), with provincial health officer Dr. Jacqueline Momville (second from left), inspects the province's isolation building for those with suspected COVID-19. Early and strict adherence to health and community quarantine protocols helped contain the disease in the province.**

## Leading Through a Pandemic



# Our People

## Office of the Chairman Emeritus

Roberto R. Romulo  
*Chairman Emeritus*

Melanie Reyes  
*Executive Manager*

## Office of the Chairman and President

Ernesto D. Garilao  
*Chairman and President*

Austere A. Panadero  
*Executive Director*

Ramon R. Derige  
*Deputy Executive Director*

Anthony Faraon, M.D.  
*Deputy Executive Director*

Jessie Pascua  
*Executive Assistant*

## Operations

Dorie Lyn Balanoba, M.D.  
*Director*

Catherine Chung, M.D.  
*Director*

Armando Lee, M.D.  
*Director*

Janet Clemente  
*Expert*

Jeromeo Jose  
*Expert*

Charisse Malbacias, M.D.  
*Expert*

Jennifer Nandu, R.N.  
*Expert*

Jocelyn Toledo  
*Expert*

Jasmin Ahmad, R.N.  
*Manager*

Angeli Comia, M.D.  
*Manager*

Jescir Cresencio  
*Manager*

Jenilyn Ann Dabu, M.D.  
*Manager*

Nerissa Dimapilis  
*Manager*

Maria Melissa Domingo  
*Manager*

Kathrinna Dhay Legaspi, R.N.  
*Manager*

Jenny Christy Macaraan  
*Manager*

Angelica Joy Nacnac, M.D.  
*Manager*

Joyce Ann Viar, M.D.  
*Manager*

Muamir Alingan, R.N.  
*Associate*

Kristine Angelie Montilla, R.N.  
*Associate*

Ray Anthony Banglos, R.N.  
*Associate*

Lou Ann Buenaventura, R.N.  
*Associate*

Pearl Joy Catingub, R.N.  
*Associate*

Lera Jo Duldoco, R.N.  
*Associate*

Ma. Jerry Elope, R.N.  
*Associate*

Ma. Romina Feliciano  
*Associate*

Cindy Grace Guerbo  
*Associate*

Julie Ann Llavore, R.N.  
*Associate*

Ma. Donna Renee Medina, R.N.  
*Associate*

Eusebeia Joy Mendoza, R.N.D.  
*Associate*

Fiona Rose Norada  
*Associate*

Rachel Paradiang  
*Associate*

Michael Salise, R.N.D.  
*Associate*

Angelique Santos, R.N.D.  
*Associate*

Kristian Paul Soliven, R.N.  
*Associate*

Yetzer Tamparong, R.N.D.  
*Associate*

Aimee Valenzuela  
*Associate*

## ZFF Institute for Health Leadership

Heidee Buenaventura, M.D.  
*Director*

Maria Ellen Licup-Medina, M.D.  
*Associate Director*

John Ruzel Abadiano, R.N.  
*Manager*

Philip Jerome Flores, R.N.  
*Manager*

Pamela Bianca Mangilin  
*Manager*

Faith Narvasa, R.N.  
*Manager*

Rosarie Gabuya, R.N.  
*Associate*

Katrina Faye Magloyo-an  
*Associate*

## Partnerships, Policies and Coalition Building

Sealdi Gonzales  
*Associate Director*

Ma. Rosa Rica Encelan  
*Associate*

Dominique Monido, R.N.  
*Associate*

## Knowledge Management Group

Johanna Banzon, R.N.  
*Director*

Anne Leslie Garcia  
*Expert*

Mary Rose Poa  
*Manager*

Lee Thunder Bernasor  
*Associate*

Ilaw Rosimo  
*Assistant*

## Support Group

Wesley Villanueva  
*Director*

Mark Anthony Mariano  
*Human Resource Manager*

Maricar Tolosa  
*Corporate Communications Manager*

Alfred Jerald Apura  
*Human Resource Associate*

Reynan Balisacan, C.P.A.  
*Finance Associate*

Jannela Krishna Galias, C.P.A.  
*Finance Associate*

Barbara Jamili  
*Finance Associate*

Patricia Angeline Nable, C.P.A.  
*Finance Associate*

Leovina Ramirez  
*Corporate Communications Associate*

Danielle Anne Cada  
*Human Resource Assistant*

Gilmer Cariaga  
*Admin Assistant*

Ma. Vanessa Ecube  
*Finance Assistant*

## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
The Zuellig Family Foundation, Inc.  
Km. 14, West Service Road corner Edison Avenue  
Brgy. Sun Valley, Parañaque City

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of The Zuellig Family Foundation, Inc. (a nonstock, nonprofit corporation) (the "Foundation"), which comprise the statements of assets, liabilities and fund balance as at December 31, 2019 and 2018, and the statements of revenues and expenses, statements of changes in fund balance and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2019 and 2018, and financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for SEs).

#### Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for SEs, 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Our audits were 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 in Note 12 to the financial statements is presented for 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 The Zuellig Family Foundation, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Maria Pilar B. Hernandez Partner  
CPA Certificate No. 105007  
SEC Accreditation No. 1558-AR-1 (Group A),  
February 26, 2019, valid until February 25, 2022  
Tax Identification No. 214-318-972  
BIR Accreditation No. 08-001998-116-2019,  
January 28, 2019, valid until January 27, 2022  
PTR No. 8125244, January 7, 2020, Makati City

For the complete audited financial statement report and accompanying notes to financial statement, go to <https://zuelligfoundation.org/our-performance/annual-reports/>.

THE ZUELLIG FAMILY FOUNDATION, INC.  
(A Nonstock, Nonprofit Corporation)

## STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCE

	December 31	
	2019	2018
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash (Note 4)	₱32,015,754	₱38,713,479
Receivables (Note 5)	128,142	211,712
Prepayments and other current assets	810,848	796,013
Total Current Assets	32,954,744	39,721,204
<b>Noncurrent Assets</b>		
Property and equipment (Note 6)	4,286,049	4,534,173
Retirement asset (Note 10)	6,141,241	7,605,379
Refundable deposit	37,500	37,500
Total Noncurrent Assets	10,464,790	12,177,052
<b>TOTAL ASSETS</b>	<b>₱43,419,534</b>	<b>₱51,898,256</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Current Liabilities</b>		
Accrued expenses and other payables (Note 7)	₱14,180,051	₱23,453,285
Deferred donations	1,861,800	-
Due to a related party (Note 8)	262,420	-
Total Current Liabilities	16,304,271	23,453,285
<b>Noncurrent Liability</b>		
Deferred donations	1,730,889	-
Total Liabilities	18,035,160	23,453,285
<b>Fund Balance</b>	<b>25,384,374</b>	<b>28,444,971</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>₱43,419,534</b>	<b>₱51,898,256</b>

See accompanying Notes to Financial Statements.

For the complete audited financial statement report and accompanying notes to financial statement, go to <https://zuelligfoundation.org/our-performance/annual-reports/>.

THE ZUELLIG FAMILY FOUNDATION, INC.  
(A Nonstock, Nonprofit Corporation)

## STATEMENTS OF REVENUES AND EXPENSES

	Years Ended December 31	
	2019	2018
<b>REVENUES</b>		
Donations (Note 8)	₱150,717,607	₱114,596,066
Gain from sale of asset (Note 6)	230,984	-
Interest (Note 4)	95,004	160,541
Others	63,375	24
	151,106,970	114,756,631
<b>EXPENSES (INCOME) (Note 9)</b>		
Salaries, wages and other benefits	66,750,905	28,116,788
Trainings and seminars	27,604,482	24,302,170
Transportation and travel	18,237,373	20,916,639
Professional fees	16,089,215	54,929,539
Utilities (Note 8)	13,890,889	11,757,331
Materials and supplies	3,337,947	3,172,279
Representation and entertainment	2,363,716	2,338,427
Depreciation and amortization	1,746,218	2,176,447
Retirement cost (income) (Note 10)	1,249,572	(4,079,242)
Donations and contributions	1,022,823	684
Unrealized foreign loss (gain) - net	427,883	(316,871)
Taxes and licenses	57,376	92,733
Other expenses	1,174,602	1,728,020
	153,953,001	145,134,944
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<b>₱2,846,031</b>	<b>₱30,378,313</b>

See accompanying Notes to Financial Statements.

For the complete audited financial statement report and accompanying notes to financial statement, go to <https://zuelligfoundation.org/our-performance/annual-reports/>.

THE ZUELLIG FAMILY FOUNDATION, INC.  
(A Nonstock, Nonprofit Corporation)

## STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Deficiency of revenues over expenses	(P2,846,031)	(P30,378,313)
Adjustments for:		
Depreciation and amortization (Notes 6 and 9)	1,746,218	2,176,447
Unrealized foreign exchange loss (gain) - net	427,883	(316,871)
Interest income (Note 4)	(95,004)	(160,541)
from sale of asset (Note 6)	(230,984)	-
Movements in retirement asset (Note 10)	1,249,572	(4,917,023)
Revenues (expenses) before working capital changes:		
Decrease (increase) in:		
Receivables	83,570	9,851
Prepayments and other current assets	(14,835)	53,090
Increase (decrease) in:		
Accrued expenses and other payables	(9,273,234)	275,003
Deferred donations	3,592,689	-
Due to a related party	262,420	-
Net cash used in operations	(5,097,736)	(33,258,357)
Interest received	95,004	160,541
Net cash used in operating activities	(5,002,732)	(33,097,816)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property and equipment (Note 6)	(1,537,939)	(1,446,479)
Proceeds from sale of transportation equipment (Note 6)	270,829	-
Net cash used in investing activities	(1,267,110)	(1,446,479)
<b>NET DECREASE IN CASH</b>	<b>(6,269,842)</b>	<b>(34,544,295)</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH</b>	<b>(427,883)</b>	<b>316,871</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>38,713,479</b>	<b>72,940,903</b>
<b>CASH AT END OF YEAR (Note 4)</b>	<b>P32,015,754</b>	<b>P38,713,479</b>

See accompanying Notes to Financial Statements.

For the complete audited financial statement report and accompanying notes to financial statement, go to <https://zuelligfoundation.org/our-performance/annual-reports/>.

2019 ZUELLIG FAMILY FOUNDATION ANNUAL REPORT  
Corporate Communications - Zuellig Family Foundation  
Concept and Design: Studio 5 Designs Inc.  
Writers: ZFF Corporate Communications Unit  
Blanche Fernandez - page 12

Photographers: Revoli Cortez - cover page, 8, 13, 17, 19, 20, 23, 25, 26, 27, 28  
Chito Vecina - 14  
Agusan del Sur provincial government - 33  
Sarangani provincial government - 13



This Annual Report was printed on Forest Stewardship Council (FSC)-certified paper. In order to reduce consumption of resources from printing and distributing hard copies, an electronic copy of this report with complete 2019 audited financial statements may be downloaded from <https://zuelligfoundation.org/our-performance/annual-reports/>.



Duly accredited partner civil society organization by the  
Department of Interior and Local Government (DILG)

Accredited by the Philippine Council for NGO Certification (PCNC)

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