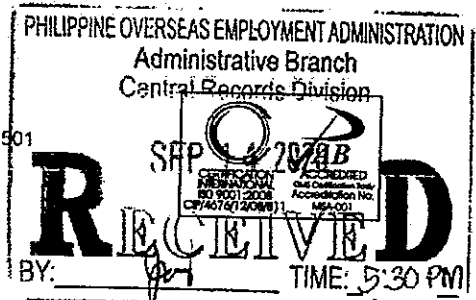




Philippine
Overseas
Employment
Administration

Republic of the Philippines
Department of Labor and Employment
BFO Building, Ortigas Avenue cor. EDSA, Mandaluyong City 1901
Website: www.poea.gov.ph E-mail: info@poea.gov.ph
Hotlines: 722-1144, 722-1155



GOVERNING BOARD RESOLUTION NO. 12
Series of 2020

WHEREAS, Section 3 of Article XIII of the 1987 Constitution declares that the State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all;

WHEREAS, Section 20, Article III of the 1987 Constitution provides that the State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments;

WHEREAS, Article 25 of the Labor Code of the Philippines, as amended, declares as a policy to allow private sector participation in the recruitment and placement of workers, under such guidelines, rules and regulations, as may be issued by the Secretary of Labor and Employment, to harness and maximize the use of private sector resources and initiative in the development and implementation of a comprehensive employment program, pursuant to national development objectives;

WHEREAS, pursuant to the provisions of the Omnibus Rules Implementing the Migrant Workers and Filipinos Overseas Act of 1995, as amended by RA 10022, the Philippine Overseas Employment Administration (POEA) shall regulate the private sector participation in the recruitment and placement by setting up a licensing and registration system;

WHEREAS, Section 10 of Republic Act 8042, as amended, provides that the recruitment/placement agency shall file a performance bond to answer for all money claims or damages that may be awarded to the workers;

WHEREAS, Section 17, Rule II, Part II of the POEA Revised Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers of 2016 and Section 18, Rule II, Part II of the 2016 POEA Revised Rules and Regulations Governing the Recruitment and Employment of the Filipino Seafarers provide that a licensed recruitment/manning agency shall maintain at all times its escrow deposit in the minimum amount of One Million Pesos (Php1,000,000.00);

WHEREAS, on March 8, 2020, His Excellency, President Rodrigo Roa Duterte signed Proclamation No. 922, Series of 2020, placing the entire Philippines under state of public health emergency due to the threat of the corona virus disease 2019 (COVID-19);

WHEREAS, the recruitment industry has been hit hard since March 2020 by the twin impact of lockdowns and closures of businesses in many countries, especially the major markets for Overseas Filipino Workers (OFWs), as a result of

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Administrative Branch
Central Records Division
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Chief, Central Records Division

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BY CRD ON SEP 14 2020

[Handwritten signatures and initials on the left margin]

the global COVID-19 pandemic and they continue to incur costs in their operations even as revenue flows have stopped;

WHEREAS, the recruitment industry, aside from attending to the plight of displaced OFWs onsite and assisting in their repatriation, and providing accommodation and repatriation to applicants stranded locally by the lockdowns, are also incurring additional heavy costs and constraints in their operations that includes providing for PPEs, COVID-19 testing for their own local employees and arranging for work-from-home set ups;

WHEREAS, recruitment agencies will play a crucial role in providing employment opportunities for Filipinos as part of any economic recovery program;

WHEREAS, the Administration must ensure that, in any changes to the rules, the protection and welfare of the Overseas Filipino workers must remain a primordial consideration;

WHEREAS, on August 20, 2020, the POEA Governing Board issued Resolution No. 10, Series of 2020, allowing licensed recruitment/manning agencies with pending Recruitment Violation (RV) cases to withdraw the additional escrow deposit they posted under Section 15 and Section 16 Rule II, Part II of the Revised POEA Rules for Landbased Overseas Filipino Workers and Seafarers, respectively, subject to, among others, their posting of surety bonds in the amount equivalent to the additional escrow deposit to be withdrawn;

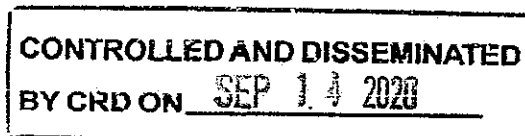
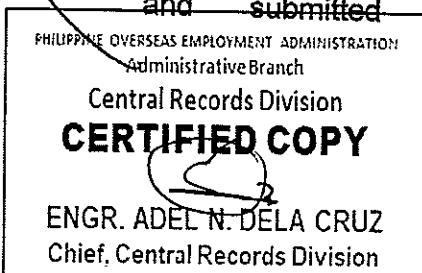
WHEREAS, there are licensed recruitment/manning agencies that have been equally impacted by the COVID-19 pandemic but are without any pending Recruitment Violations cases and are, therefore, even more deserving of some form of relief;

NOW, THEREFORE, the POEA Governing Board, in a meeting duly convened, **RESOLVES AS IT IS HEREBY RESOLVED**, to suspend, for a period of two (2) years from the effectivity of this Resolution, the further implementation of Section 17 and Section 18, Rule II, Part II of the POEA Revised Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers and Seafarers, respectively, on the requirement for the existing (active) licensed recruitment/manning agencies to maintain at all times an escrow deposit of One Million Pesos (Php1,000,000.00).

BE IT FURTHER RESOLVED, AS IT HEREBY RESOLVED, that those existing (active) licensed recruitment/manning agencies that have no pending RV cases will be allowed to withdraw the maximum amount in excess of the Five Hundred Thousand Pesos (Php500,000.00), subject to their compliance with the conditions and requirements set forth herein below.

Provided further, that the PRAs/LMAs that have no pending case as of March 2020 are likewise qualified.

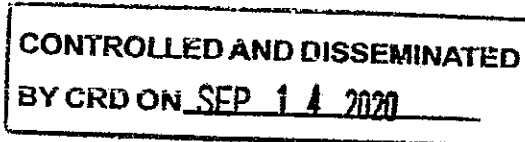
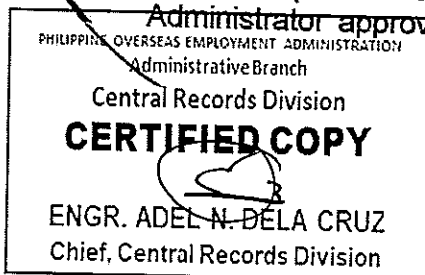
Provided, furthermore, that the following requirements must be complied with and submitted to the Licensing Branch, through email at



evaluation.licensing@poea.gov.ph and the original copies through the designated drop box located at the POEA lobby, by the existing (active) licensed recruitment/manning agencies, for evaluation and review:

1. Covering letter request to be allowed to partially withdraw the escrow deposit up to the maximum amount in excess of Five Hundred Thousand Pesos (Php500,000.00) thereof;
2. Bank Certificate indicating the total amount of escrow deposit;
3. Certification from Adjudication Office, of no pending RV case;
4. Board Resolution/Partnership Resolution on the decision to partially withdraw the escrow deposit (for corporation/partnership), indicating the name of the person authorized to receive the check representing the escrow deposit to be partially withdrawn;
5. Surety bond from a bonding company accredited by the Insurance Commission equivalent to the amount of the escrow deposit requested to be partially withdrawn not to exceed Five Hundred Thousand Pesos (Php500,000.00) of the One Million Pesos (Php1,000,000.00) escrow deposit valid for a period of two (2) years;
6. Duly notarized Supplemental to the Escrow Agreement, hereto attached as Annex "A"; and
7. Affidavit of Undertaking executed by the President/Managing Partner or Sole Proprietor, as the case may be, and hereto attached as Annex "B", stating the following undertakings:
 - a. Two (2) years from the effectivity of this Resolution and even without notice by this Administration, the agency shall return to its escrow account the total amount partially withdrawn therefrom and shall present proof of such return to the Licensing and Regulation Office in the form of a bank certificate showing the total amount of the escrow deposit which should be no less than One Million Pesos (Php1,000,000.00);
 - b. The agency fully understands that failure to return the total amount partially withdrawn from its escrow account shall result in the imposition of documentary processing suspension, until compliance;
 - c. The agency shall replenish its escrow deposit within fifteen (15) days from receipt of notice in case the escrow deposit has been garnished; and
 - d. The documents submitted by the agency must be original and genuine, thus, submission of spurious documents shall be a ground for the outright denial of its request to partially withdraw its escrow deposit, and also a ground for the imposition of administrative sanction against the agency.

Provided, finally, that the request for the partial withdrawal of the escrow deposit is subject to the approval of the Administrator. Once the Administrator approves the request for the partial withdrawal of the escrow

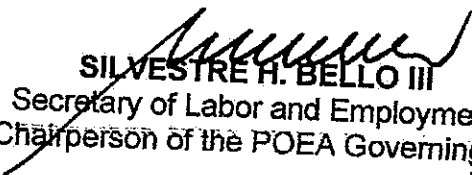


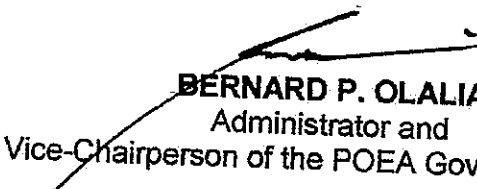
deposit, the Licensing and Regulation Office, through the Licensing Branch, shall then issue a letter addressed to the escrow agent, copy furnished the agency, authorizing and directing the escrow agent to release a check equivalent to the portion of the escrow deposit to be withdrawn to the existing (active) licensed recruitment/manning agency. The escrow agent shall notify the Licensing Branch of the date of the agency's receipt of the check representing the amount of the deposit partially withdrawn.

Likewise, the POEA Administrator is authorized to issue guidelines clarifying or implementing any provisions of this Resolution.

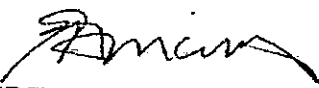
This Resolution shall be effective immediately.


Done in the City of Manila, Philippines, this 8th day of September 2020.



SILVESTRE H. BELLO III
Secretary of Labor and Employment
and Chairperson of the POEA Governing Board


BERNARD P. OLALIA
Administrator and
Vice-Chairperson of the POEA Governing Board


ESTRELITA S. HIZON
Member
Private Sector Representative


ALEXANDER E. ASUNCION
Member
Landbased Sector Representative


FELIX M. OCA
Member
Seabased Sector Representative

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Administrative Branch
Central Records Division
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ENGR. ADEL N. DELA CRUZ
Chief, Central Records Division

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BY CRD ON SEP 14 2020

Annex "A"

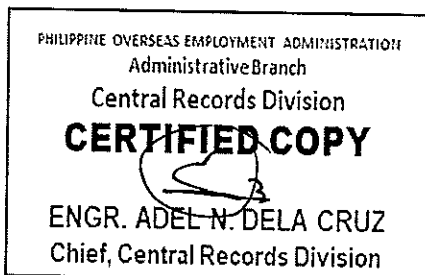
SUPPLEMENTAL TO THE ESCROW AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

Further to the Escrow Agreement entered into by the Parties on _____, do hereby acknowledge and agree on the following:

1. That a Governing Board Resolution No. __, Series of 2020 was issued and became effective on _____;
2. That the above-mentioned Resolution allows the licensed recruitment/manning agencies that have no pending RV cases as of March 202 to withdraw part of their escrow deposit;
3. That the agencies may withdraw a maximum amount in excess of the Five Hundred Thousand Pesos (Php500,000.00) of the escrow deposit of One Million Pesos (Php1,000,000.00) subject to their compliance with the conditions and requirements set forth therein;
4. That after two (2) years from the effectivity of Governing Board Resolution No. __, Series of 2020, the licensed recruitment/manning agencies that avail of the withdrawal of the escrow deposit the agency shall return to its escrow account the total amount partially withdrawn therefrom and shall present proof of such return to the Licensing and Regulation Office in the form of a bank certificate showing the total amount of the escrow deposit which should be no less than One Million Pesos (Php1,000,000.00);
5. That after the same period provided in the preceding paragraph, only the Escrow Agreement will be valid and govern the relationship of the parties and this Supplemental to the Escrow Agreement will be rendered invalid and will no longer be implemented.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands at _____ this _____, 2020.



(FIRST PARTY)

By:

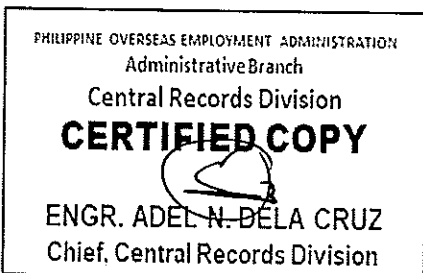
**PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION
(THIRD PARTY)**

ATTY. RIA CORAZON S. LANO
Director IV
Licensing and Regulation Office

(ESCROW AGENT/SECOND PARTY)

By:

SIGNED IN THE PRESENCE OF:




REPUBLIC OF THE PHILIPPINES)
_____) S.S.

AFFIDAVIT OF UNDERTAKING

I, (Name of Affiant), of legal age, Filipino and with residential address at _____, after having been sworn in accordance with law, do hereby depose and state that:

1. I am the President/Managing Partner/Sole Proprietor of (name of agency), a (single-proprietor/partnership/corporation) duly licensed by the Philippine Overseas Employment Administration (POEA) as a (recruitment/manning agency) with official business address at _____;
2. I am duly authorized by the agency to execute this Affidavit of Undertaking for and its behalf and by virtue of the authority vested upon me by the Board of Directors of the partnership/corporation (for partnership/corporation only);
3. The only amount allowed to be withdrawn shall be the maximum amount in excess of the Five Hundred Thousand Pesos (Php500,000.00) of the escrow deposit of One Million Pesos (Php1,000,000.00);
4. Two (2) years from the effectivity of this Resolution and even without notice by this Administration, the agency shall return to its escrow account the total amount partially withdrawn therefrom and shall present proof of such return to the Licensing and Regulation Office (LRO) in the form of a bank certificate showing the total amount of the escrow deposit which should be no less than One Million Pesos (Php1,000,000.00);
5. The agency fully understands that failure to return the total amount partially withdrawn from its One Million Pesos (Php1,000,000.00) escrow deposit shall result in the imposition of documentary processing suspension, until compliance;
6. The agency shall replenish its escrow deposit within fifteen (15) days from receipt of notice in case the escrow deposit has been garnished. Otherwise, suspension on its license shall be imposed pursuant to Section 17 and 18 of POEA Revised Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers and Seafarers;

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Administrative Branch
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Chief, Central Records Division

7. The documents submitted by the agency must be original and genuine, thus, submission of spurious documents shall be a ground for the outright denial of its request to partially withdraw its escrow deposit, and also a ground for the imposition of administrative sanction against the agency;
8. I am executing this Affidavit relative to the agency's request to withdraw the escrow deposit from the One Million Pesos (Php1,000,000.00) escrow deposit; and
9. I am executing this Affidavit to attest to the truth of the above stated facts and for whatever legal purpose it may serve.

AFFIANT FURTHER SAYETH NAUGHT

ACKNOWLEDGMENT

IN WITNESS WHEREOF, I have hereto affixed my signature this ____ day of ____
 2020 in _____ City.

Name	SSS/Passport No. Driver's License No.	Date/Place Issued
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SUBSCRIBED AND SWORN TO BEFORE ME this ____ day of ____
 on _____ in _____, affiant exhibiting to me his/her _____ with No. _____ issued

Notary Public

Doc. No. _____;
 Page No. _____;
 Book No. _____;
 Series of 2020.

