



Philippine
Overseas
Employment
Administration

Republic of the Philippines
Department of Labor and Employment
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GOVERNING BOARD RESOLUTION NO. 10
Series of 2016

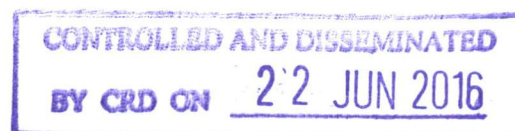
WHEREAS, realizing the need to provide better protection to Overseas Filipino Workers, specially the Household Service Workers, *Section 96(B)(5)* of the Revised POEA Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers of 2016 requires that Foreign Placement Agencies (FRAs) hiring domestic workers shall be required to put up an escrow account aside from the escrow deposit required from the licensed recruitment agency to ensure compliance on the claims of hired workers.

WHEREAS, Section 7 of R.A. 10022 provides that the liability of the principal/employer and the recruitment/placement agency for any and all claims shall be joint and several.

WHEREAS, the Supreme Court consistently held that this joint and solidary liability imposed by law on recruitment agencies and principals/employers is meant to assure the aggrieved worker of immediate and sufficient payment of what is due him.

NOW THEREFORE, the POEA Governing Board, in a meeting duly convened, **HEREBY RESOLVES AS IT IS HEREBY RESOLVED**, to provide the following guidelines and schedule of payment based on the current standing of the principal/employer applying for accreditation or the renewal of its accreditation:

1. Upon application for accreditation or renewal thereof, FPAs hiring domestic workers shall be required to put up and maintain an escrow account with a bank authorized by the *Bangko Sentral ng Pilipinas* to handle trust accounts, with a minimum deposit in the amount of Ten Thousand United States Dollars (US\$10,000.00). The escrow deposit shall primarily answer for the settlement of all valid and legal claims and satisfaction of all judgment awards arising from violations of contracts of employment.



2. If the FPA has a pending case during the renewal of its accreditation, the FPA shall be required to put up an additional escrow deposit which shall not exceed Fifty Thousand United States Dollars (US\$50,000.00) and which shall be subject to the following schedule of payment:

NO. OF PENDING CASE/S	AMOUNT OF ESCROW DEPOSIT REQUIRED
1 to 5	US\$3,000.00 per case
6 to 10	US\$4,000.00 per case
11 or more	US\$5,000.00 per case

3. If the FPA is accredited or to be accredited to more than one (1) PRA, it needs to put up only one (1) escrow deposit;
4. If in the succeeding renewal of accreditation, the FPA has no pending DAE case, the Administration shall allow the withdrawal of the additional escrow deposit required that is in excess of the Ten Thousand United States Dollars (US\$10,000.00). Provided, that, in case the FPA voluntarily surrenders its accreditation or allows its accreditation to expire without renewing the same, then the provision of Section 19, on Release of Deposit in Escrow, of the Rules shall apply.

This Resolution shall take effect immediately upon publication in a newspaper of general circulation and submission to the National Administrative Register.

Done in the City of Manila this 21st of June 2016.

Rosalinda Dimapilis-Baldoz
ROSALINDA DIMAPILIS-BALDOZ
 Secretary of Labor and Employment
 Chairperson of the Governing Board

Hans Leo J. Cacdac
HANS LEO J. CACDAC
 POEA Administrator
 Vice-Chairperson

Felix M. Oca
FELIX M. OCA
 Member

Estrelita S. Hizon
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 Member

Milagros Isabel A. Cristobal
MILAGROS ISABEL A. CRISTOBAL
 Member

