



Philippine  
Overseas  
Employment  
Administration

Republic of the Philippines  
Department of Labor and Employment  
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**GOVERNING BOARD RESOLUTION NO. 10**  
**Series of 2020**

**WHEREAS**, Article 25 of the Labor Code of the Philippines, as amended, declares as a policy to actively pursue and maximize the participation of the private sector in the development and implementation of a comprehensive employment program;

**WHEREAS**, under Republic Act 8042, as amended by Republic Act 10022, it is a declared policy that non-government organizations, trade union, workers' association, stakeholders and other entities duly recognized as legitimate, are partners of the State in the protection of the Filipino migrant workers and in the promotion of their welfare and the significant contribution of the recruitment and manning agencies shall form part of this partnership;

**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 15(b), 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 16(b), Rule II, Part II of the POEA Revised Rules and Regulations of the Filipino Seafarers of 2016 provide that if, in the succeeding renewal of license, the licensed recruitment/manning agency with a pending case shall be required to put up additional escrow deposit, and the Administration shall allow the withdrawal of the additional escrow deposit;

**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, while already heavily impacted by the COVID-19 pandemic, continues to render assistance to OFWs onsite who are affected by the pandemic, especially in their repatriation, including their applicants, many of them stranded locally and needing accommodation and local repatriation assistance; and that, while still burdened with the recurring costs of operations despite disruption in income flows, recruitment agencies are incurring additional financial burdens, such as the cost of PPEs, COVID-19 testing and arranging for work-from-home systems for their own local employees and many are on the brink of closure and bankruptcy;

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PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION  
Administrative Branch  
Central Records Division

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**WHEREAS**, while affording reasonable relief to affected recruitment agencies, the Administration shall continue to ensure that the protection and welfare of the Overseas Filipino workers remain a primordial consideration;

**WHEREAS**, the Administration recognizes the financial predicament of the recruitment industry resulting from the COVID-19 pandemic and the economic repercussions thereof and believes that the rights and welfare of OFWs are sufficiently protected by Section 37-A of R.A. 8042, as amended, Section 188 of the POEA Revised Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers of 2016 and Section 172 of the POEA Revised Rules and Regulations of the Filipino Seafarers of 2016;

**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 15(b) and Section 16(b), 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 additional escrow deposit requirement.

**BE IT FURTHER RESOLVED, AS IT HEREBY RESOLVED**, that those existing (active) licensed recruitment/manning agencies which have already posted additional escrow deposit prior to the effectivity hereof, may be allowed to withdraw the same upon the posting of a surety bond for two (2) years equivalent to the amount of the additional escrow deposit requested to be withdrawn as guaranteed by the insurance company, without prejudice to the return of the appropriate amount pursuant to the abovementioned sections.

Provided, however, that only those existing (active) licensed recruitment/manning agencies with no more than thirty (30) pending Recruitment Violation (RV) cases shall be qualified to request for the withdrawal of additional escrow deposit;

Provided, further, that only the amount of additional escrow deposit in excess of One Million Pesos (Php1,000,000.00) shall be released;

Provided, furthermore, that the following requirements must be complied with and submitted to the Licensing Branch, through email address [evaluation.licensing@poea.gov.ph](mailto: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. Bank Certificate representing the total amount of escrow deposit;
2. Certification from the Adjudication Office indicating the number of pending RV case/s (track record);
3. Board Resolution/Partnership Resolution on the decision to withdraw the additional escrow deposit, indicating the name of

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- the person to process and receive the check representing the additional escrow deposit (for corporation/partnership);
4. Letter of Intent to withdraw additional escrow deposit (for sole proprietorship);
  5. Surety bond for two (2) years equivalent to the total amount of the additional escrow deposit requested to be withdrawn as guaranteed by the insurance company; and
  6. Affidavit of Undertaking executed by the President/Managing Partner or Sole Proprietor, as the case maybe, and herein attached as Annex "A", stating the following undertakings, among others, that:

- a. The agency shall maintain the required minimum amount of One Million Pesos (PhP1,000,000.00) escrow deposit at all times;
- b. Should the required minimum escrow deposit fall below One Million Pesos (PhP1,000,000.00), the agency shall replenish its escrow account within fifteen (15) days from receipt of notice from this Administration, otherwise, suspension on its license shall be imposed pursuant to Section 17 and Section 18, Rule II, Part II of the 2016 POEA Revised Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers and Seafarers;
- c. Only the amount corresponding to the additional escrow deposit of the agency may be withdrawn from its escrow account;
- d. Two (2) years from the effectivity of this GBR and without the need of notice from the Administration, the agency shall return the total amount of withdrawn additional escrow deposit to its escrow account and submit a bank certification;
- e. The agency fully understood that failure to return the total amount withdrawn from its escrow account shall result in the imposition of documentary processing suspension, until compliance; and
- f. The documents submitted must be original and genuine, thus, submission of spurious documents shall be a ground for the outright denial of its request to withdraw the additional escrow deposit, and also a ground for the imposition of appropriate administrative sanction against the agency.

Provided, finally, that the submission of the abovementioned documents is still subject to the approval of the Administrator. Once the Administrator approves the request for the withdrawal of the additional escrow deposit, the Licensing and Regulation Office, through the Licensing Branch, shall then authorize the escrow agent to release the additional escrow deposit to the existing (active) licensed

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recruitment/manning agency, without prejudice to the imposition of suspension of license or documentary processing suspension should the existing (active) licensed recruitment/manning agency violated any of its undertakings as stated in the submitted Affidavit.

This Resolution shall be effective immediately.

Done in the City of Manila, Philippines, this 20<sup>th</sup> day of August 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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