

Switzerland

AGREEMENT

BETWEEN

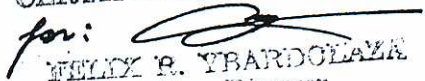
**THE GOVERNMENT OF
THE REPUBLIC OF THE PHILIPPINES**

AND

THE SWISS FEDERAL COUNCIL

ON EXCHANGE OF PROFESSIONAL AND

TECHNICAL TRAINEES

CERTIFIED TRUE COPY
for: 
FELIX R. YBARDOLAZA
Acting Director
Central Records Division
Department of Foreign Affairs
JUL 1 8 2002

The Government of the Republic of the Philippines and the Swiss Federal Council (hereinafter jointly referred to as the Parties)

RECOGNIZING the special importance of cooperation and good relations between the two countries through the exchange of human resources at the professional and technical levels:

HEREBY AGREE as follows:

Article I

The authorities responsible for implementing this Agreement shall be:

For the Swiss Federal Council, the Department of Justice and Police, through the Swiss Federal Aliens Office in Bern;

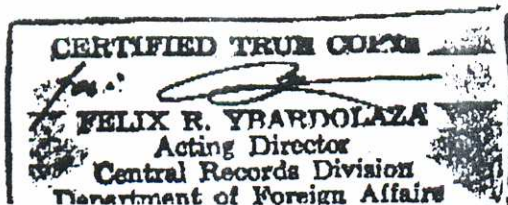
For the Republic of the Philippines, the Department of Labor and Employment and the Department of Justice, through the Bureau of Immigration in Manila.

Article II

1. This agreement shall apply to the exchange of Swiss and Filipino citizens, hereinafter referred to as "trainees" who will be trained and employed in their own profession for a limited period in the other country in professional and technical occupations for purposes of professional development, cultural exposure, and language skills development.
2. Trainees may be engaged in any professional and technical occupations in which there are no legal restrictions.
3. In the case of professions or occupations which require special permit/license, such permit license must be obtained from the proper government agencies prior to employment.

Article III

The minimum age for trainees shall be 18 years while the maximum shall be 35 as a general rule.



Article IV

1. The necessary temporary immigration and employment permits shall be granted with a term of validity of 18 months maximum in accordance with the domestic laws of the Party granting such permits.
2. Applications, along with all the necessary particulars, shall be submitted to the authority in the trainees' home country responsible for implementing this Agreement.
3. An extension of the immigration and employment permits in accordance with sub-article 1 hereof is possible within the limits of the maximum term of validity and shall not be regarded as newly approved permit.

Article V

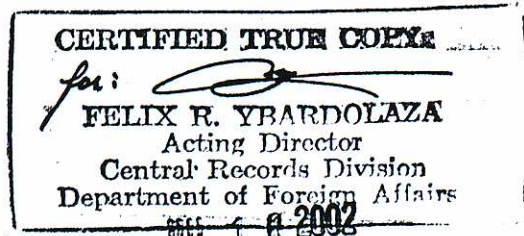
The temporary immigration and employment permits granted within the framework of the quota referred in sub-article 1 of Article VIII shall be granted independently of the labor market situation in the host country.

Article VI

Trainees shall not be permitted to exercise any gainful activity or accept any employment other than that for which the permit was granted; provided that for justifiable reasons, the competent authorities of the Party granting the permit may authorize a change of employment.

Article VII

1. The rights and responsibilities of the trainee and employer, which includes salary, living, health and accident insurance, taxes, working allowances, among other things, shall be in accordance with the domestic law in force in the host country.
2. Unless otherwise agreed, the trainee's cost of travel shall be borne by either the trainee or the employer.



Article VIII

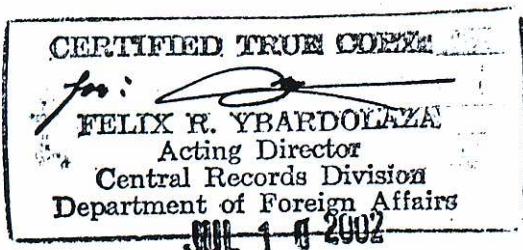
1. The number of trainees permitted by each of the Parties shall not exceed the quota of 50 per calendar year.
2. Any quota units not utilized shall not be carried over to the following year.
3. This quota may be utilized to the full, irrespective of the number of trainees already present in the host country under the present Agreement.
4. Failure to fully utilize the quota referred to in sub-article 1 by either Party shall not be used by the other Party as a ground to restrict the said agreed quota.

Article IX

Persons who wish to be admitted as trainees shall be primarily responsible for finding employment for themselves in the country of the other Party; provided, that the authorities in charge of implementing the Agreement help trainees to find employment through appropriate channels and measures.

Article X

1. This Agreement shall enter into force on the date of the latter written notification by the Parties, through diplomatic channels, indicating compliance with its internal legal requirements for the entry into force of the Agreement.
2. Any amendment or revision to the text of this Agreement shall be done by mutual consent of the Parties. This amendment or revision shall enter into force in accordance with the preceding paragraph.
3. This Agreement shall remain in full force and effect unless one Party, through diplomatic channels, expresses its desire to suspend or terminate this Agreement. In such a case, the Agreement shall remain valid until six (6) months after the date on which one Party receives an official notification from the other Party expressing the desire of the latter to suspend or terminate the validity of this Agreement.
4. In the event of termination, permits granted under the terms of this Agreement shall remain valid until the end of the period originally authorized.



IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed and sealed this Agreement in duplicate in the English and German languages, both texts being equally authentic.

Done at *Mambo*....., on *9 July 2002*

For and on behalf of the Government
of the Republic of the Philippines

Armas A. G. Som

For and on behalf of the
Swiss Federal Council

[Signature]

CERTIFIED TRUE COPY
for: *[Signature]*
FELIX R. YBARDOLAZA
Acting Director
Central Records Division
Department of Foreign Affairs
JUL 10 2002



OFFICE OF EUROPEAN AFFAIRS



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Madam:

Hereunder are the major comments raised by officials of the Federal Office for Immigration, Integration and Emigration (IMES), formerly the Swiss Federal Aliens Office (SFAO), during a meeting on 16 July 2003 with officials of the Philippine Embassy in Berne concerning the implementing guidelines of the ***RP-Swiss Agreement on the Exchange of Professional and Technical Trainees***:

1. On *Item II (d) payment of deployment fees* – According to IMES officials, Swiss companies which accept trainees under bilateral trainee agreements do not pay any fee relating to the deployment of trainees. The trainees defray all costs, including transportation expenses to and from Switzerland. **IMES officials emphasized that this provision could jeopardize the successful implementation of the Agreement since Swiss companies may forego hiring trainees from the Philippines because other partner countries do not require payment of such fees.**

IMES is proposing that the trainees could be made to fund these costs since salaries in Switzerland are high, hence the trainees themselves could very well shoulder these expenses. As an example, IMES officials cited that for trainees such as nurses, the monthly salary is about CHF 3,500 – CHF 4,500 (or US\$ 2,700 – US\$ 3,460 at the current exchange rate of CHF 1.3 to US\$ 1), depending on the qualifications.

// yes -
post
rules
allow
further
benefit

2. *Application of the Alien Employment Permit (AEP) and Working Visa through the Philippine Embassy in Berne* – **IMES deems it more appropriate that Swiss trainees file their application for AEP and working visa with the Philippine Embassy in Berne rather than for them to leave for the Philippines as temporary visitor.** IMES cited that it is trying to avoid the possibility that a Swiss trainee who had arrived in the Philippines with a tourist visa would either be unable to obtain the AEP and the working visa within a reasonable period of time or experience difficulties in obtaining said permit and visa while in the Philippines.

IMES requests information on the estimated period that such AEP and working visa will be obtained if application will be made through the Philippine Embassy in Berne.

Page 2/ On the query on...

Administrator ROSALINDA D. BALDOZ

Philippine Overseas Employment Administration

3rd flr. POEA Bldg., Ortigas Ave. corner EDSA, Mandaluyong City**Attention: Director Ricardo Casco**

Welfare and Employment

727 77 81

On the query on the employee contributions to the Swiss social security and health insurance schemes, raised by POEA during a meeting with Minister Marilyn Alarilla held on 19 June 2003 at this Office's Conference Room, IMES officials stated that such contributions could reach about 15 to 20% of the employee's salary, depending on the canton where the company is located, the age of the employee and the health insurance system that is being implemented by the company. The specific social security and insurance contributions are: old age insurance, health insurance, accident insurance, pension contribution and income tax. It is possible that an employee could redeem his old age insurance and pension contributions (and in the case of pension contribution, as well as the employer's contribution) upon completion of the training program. The Department will submit a more detailed report on this matter at a later date.

With respect to the repatriation of the remains in the event of death of a trainee, IMES officials stated that they would have to look into this matter since such an event has yet to occur during their tenure at IMES.

The other comments of IMES on the implementing guidelines of subject Agreement are attached as **Annex A**, while **Annex B** is an information sheet on the new agency name of SFAO.

The Department of Foreign Affairs would appreciate receiving an early reply to the queries and comments of IMES.

Very truly yours,
For the Secretary of Foreign Affairs:


JAIME J. YAMBAO
Assistant Secretary

ANNEX A

**COMMENTS RAISED BY IMES ON
THE ADMINISTRATIVE GUIDELINES ON THE PHILIPPINES -
SWITZERLAND AGREEMENT ON THE EXCHANGE OF PROFESSIONAL
AND TECHNICAL TRAINEES**

(Meeting held at the IMES Office, Bern, on 16 July 2003)

PART I. ON THE ADMINISTRATIVE GUIDELINES

1. I.C., From the Philippine Side, item 2. – on the dispatch of trainers and middle level managers/supervisors for skills enhancement – IMES sought clarification on its interpretation is that such trainers will train in Switzerland rather than that they are not to train Swiss employees.

2. I.C. From the Swiss side, item 2. - Clarification on "Entry of Swiss volunteers for transfer of technology to selected education/training institutions and assistance to industry."

IMES clarified that under this agreement, Swiss trainees are given salaries and benefits similar to those received by Filipino employees.

(Embassy explained that initially, it was TESDA that formulated the guidelines hence this item was included as TESDA has had experience working with Swiss volunteers under an arrangement with Swisscontact, a Swiss NGO. Embassy suggests that item 2 be deleted since this Agreement is not meant to cover Swiss volunteers entering the Philippines.)

3. I.D. Implementing Agencies - Since 1 May 2003, the Swiss Federal Aliens Office has changed its name. It is now the Federal Office of Immigration, Integration and Emigration (IMES).

4. II. A. 1. Type of Exchange – propose the deletion of volunteer i.e. should be "1. Type of exchange arrangement (i.e. traineeship or employment) ~~or as volunteer~~

5. II. A, 6 Salary, Replace with:

The salary should be the same as the Swiss with the same education and experience.

6. II. B. Pilot Implementation - Comments on the second sentence: While expressing openness on alternative ways of management of project implementation, IMES expressed preference for the continuation of a centralized management of project implementation since based on their experience with other countries, implementation on a regional basis became more cumbersome and the process of screening and approval of applicants was longer.

REVISED DRAFT

**IMPLEMENTING GUIDELINES ON THE
RP-SWISS AGREEMENT
ON THE EXCHANGE OF PROFESSIONAL AND TECHNICAL TRAINEES**

I. GENERAL PROVISIONS

A. Rationale

These operational guidelines are hereby prepared in keeping with the agreement signed between the Republic of the Philippines and the Swiss Federal Council in Manila on July 9, 2002.

The agreement recognizes the special importance of cooperation and good relations between the Republic of the Philippines and Switzerland through the exchange of human resources at the professional and technical levels.

B. Purpose

The guidelines aim to develop a system in:

1. Sourcing and selecting trainees/workers who could be deployed in the host country for training and eventually for employment in their respective professions for a maximum period of 18 months in the other country in professional and technical occupations, for purposes of professional development, cultural exposure and language skills development;
2. Deploying trainees/workers in the host country or accepting trainees/workers from the sending country;
3. Monitoring the status of trainees/workers both in the host and sending countries; and
4. Conducting post-evaluation report on returning trainees/workers.

C. Coverage

The guidelines cover the selection of skilled personnel applicants and deployment of trainees/workers to host country under the following arrangements:

From the Philippine Side

1. Dispatch of technical/skilled personnel for further training/employment
2. Dispatch of middle level managers/supervisors for skills enhancement
3. One-on-one professional exchange for manpower development program

From the Swiss Side

1. Entry of Swiss professionals for short term employment
2. Entry of Swiss experts to provide training
3. One-on-one professional exchange for manpower development purposes

It shall also cover guidelines of the training/employment program, monitoring of trainee/worker status and the management of project implementation.

D. Implementing Agencies

The Philippine Overseas Employment Administration (POEA) shall be the focal agency for implementing these operational guidelines in the Philippines and the Federal Office for Immigration, Integration and Emigration Suisse (IMES) shall be the counterpart of the POEA in Switzerland.

II. SPECIFIC PROVISIONS

A. Program (Training/Employment Contract)

A training/employment contract shall bind the trainee/employee and the host company or institution on their respective responsibilities for the implementation of the exchange program. Whenever possible, the model contracts prescribed by the host country shall be used. However, the accepting company may use its own contract form, provided that the following information shall be contained in the said contract:

1. Type of exchange arrangement (i.e. traineeship or employment)
2. Duration of the program (which shall not exceed 18 months)
3. Date of start and end of program
4. Working hours
5. Program of activities/ expected output
6. Salary
7. Repatriation of workers
8. Other benefits (e.g., board, lodging, insurance, transportation fare, etc.)

B. Sourcing, Selection and Documentation of Filipino Trainee/Worker-applicants from the Philippine side

1. To qualify, the following basic requirements must be complied with:
 - a. Resident Filipino citizen
 - b. Be in the age range of 18 – 35 years old
 - c. Finished basic skills training, or have completed an academic or technical education training, or with at least two (2) years work experience relevant to the occupational area being applied for training/employment
 - d. Physically and mentally fit
 - e. Be of good moral character

2. Based on the priority sectors identified by the Swiss government (where Filipinos may be accepted as trainees/workers), applicants shall be sourced from the following sectors:
 - a. Health care
 - b. Information technology
 - c. Hotel and restaurant (tourism)
 - d. Engineering Industries
 - e. Other areas where Swiss industries are globally competitive such as banking and finance, pharmaceuticals, etc.
3. Swiss companies who have expressed interest and endorsed by IMES are obliged to provide the Philippine side with information about their company and a description of their training program for purposes of orienting the applicant/trainee. (See attachment 1 – Swiss Model Employment Agreement)
4. Applications may be sent directly to the POEA by the individual applicant or through the nomination/endorsement of sending public and private educational/training institutions, government/non-government organizations or private enterprises/ companies.
5. Whenever possible, priority shall be given to trainers from educational and training institutions to acquire the highest value from the program. Likewise, supervisors/middle level managers from government and non-government organizations shall be targeted for skills enhancement.
6. An applicant shall submit the following to the POEA: Two (2) copies of the application form (see attachment 2) together with the original copy of the NBI clearance, curriculum vitae, photocopies of diploma(s) (original copy to be presented upon submission) and photograph.

The POEA then assesses if the applicant meets the requirements of the program contract/agreement.
7. If the applicant meets the requirements of the agreement, the POEA fills up the lower portion of the back of the application form and endorses to the IMES the following: one (1) copy of the application, one (1) copy of the proposed program contract, original copy of the NBI clearance, curriculum vitae, and photocopy of diploma to the IMES.
8. IMES further assesses the application. If the applicant fulfills the requirements, the IMES sends the Swiss Embassy in Manila a *Visa Authority*. The IMES shall also furnish the POEA a copy of the authority for the trainee/worker applicant.
9. POEA instructs trainee/worker to go to POEA for documentation and to the Swiss Embassy for visa Application.
10. Upon receipt of visa from the Swiss Embassy, the trainee/worker proceeds to POEA for documentary processing. The trainee/worker should submit the following documents to POEA 1) visa stamped in the passport, 2) employment agreement, 3) PDOS Certificate, and 4) Medical Certificate.
11. POEA issues e-card to the worker upon payment of POEA processing fee, OWWA membership and Medicare premiums.

12. Trainee/worker departs for Switzerland.

C. Deployment

The trainee/worker shall be deployed to pre-determined host/accepting company/institution upon compliance to approved preparatory programs and pre-departure activities and requirements.

The trainee/worker shall bear no travel cost if the host employer in the receiving country agrees to shoulder the trainee's cost of travel. But as a general rule, selected applicants who are unemployed shall bear the direct cost or expense for preparatory and pre-departure activities. On the other hand, the employer of the employed applicants who have been accepted to the exchange program shall, subject to agreement between the employer and employee, bear the direct cost for preparatory and pre-departure activities. Otherwise, these costs, which include:

- a. Medical
- b. Briefing/pre-departure orientation
- c. Cross-cultural and work ethics orientation
- d. Terminal fee
- e. Round trip ticket
- f. Visa fee
- g. POEA processing fee
- h. OWWA membership fee
- i. Employer's Guarantee Trust Fund

could be deducted from the employee's salary, as agreed upon by the employer and employee.

D. Monitoring of Trainee Status

A project monitoring system and a grievance machinery shall be put in place by both the accepting and sending countries. The main instrument will be the questionnaire to be filled up by the trainees themselves. Upon the termination or completion of training/employment, the employer of Swiss trainees/workers in the Philippines is required to surrender the Alien Employment Permit (AEP) to the issuing DOLE Regional Office.

E. Swiss trainees for training/employment in the Philippines

1. Based on the priority sectors identified by the Philippine Authority (as the sectors where Swiss Nationals may be accepted as trainees, employees or professionals), trainee applicants from the Swiss side shall be sourced from the following sectors:
 - a. Agriculture and fishery
 - b. Processed food and beverage
 - c. Tourism (hotel and restaurant)
 - d. Decorative crafts
 - e. Metals and engineering
 - f. Furniture and fixtures

- g. Garments
 - h. Construction
 - i. Health and other social services
 - j. Heating, ventilation, refrigeration, and air conditioning
 - k. Information and communication technology
 - l. Automotive and land transportation
 - m. Footwear and leather goods, and
 - n. Other areas/sector where mutual interests can be served.
2. A list of accepting Philippine based companies/institutions with the corresponding proposed program contract (for training or employment arrangement) shall be submitted by POEA to IMES (see attachment 3- Philippine Model Program Contract).
 3. The following documents shall be submitted by the applicant to the IMES: Two (2) copies of the application form (see attachment 4 - Trainee Information Sheet) together with a police clearance, curriculum vitae, and a copy of the diploma.
 4. IMES then assesses if the applicant meets the requirements and authenticates copies of the document.
 5. If the applicant meets the requirements of the program contract, the IMES endorses one copy of the following to the BLE or directly to the company:
 - a. duly accomplished application form
 - b. program contract
 - c. police clearance, diploma and curriculum vitae of the Swiss applicant
 6. If filed through the BLE, the application form and copy of the contract is forwarded to the company/institution for further assessment.
 7. If the company accepts the applicant, the company sends notice of acceptance to the BLE or directly to IMES.
 8. IMES notifies the successful applicant and forwards application for AEP and working visa to the company.
 9. For Swiss applicants, the following, together with the other documentary requirements, shall be submitted to IMES for transmittal to his employer in the Philippines, for the processing of AEP and working visa:
 - a. three (3) copies of the employment contract of the company or the model program contract (attachment 3)
 - b. two (2) copies of application form for Alien Employment Permit (AEP) together with the documentary requirements- (see attachment 5)
 - c. two (2) copies of application form for working visa (9g) together with the documentary requirements (see attachment 6)
 10. The DOLE Regional Office processes application and issues notice of approval of an AEP to his/her employer, through the BLE, within five (5) working days upon receipt of complete documentary requirements and payment of appropriate fees such as: