NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*



22 AUG -1 P2 57

RECEIVED BY:

SENATE Senate Bill No. <u>977</u>

))

)

Introduced by Senator Aquilino "Koko" Pimentel III

AN ACT PROTECTING INDIVIDUALS ENGAGED IN FOOD, GROCERY, AND PHARMACY DELIVERY SERVICES

EXPLANATORY NOTE

The internet is a lifeline. Access to it is a basic necessity in this day and age. Our experience during the pandemic has shown us a more convenient way of purchasing goods. We would now rather order online some, if not all, of our needs like food, groceries, and medicines.

Technology, like the internet, has made our lives more convenient. However, the "convenience" that is brought by technology and the internet is a double-edged sword. The internet has been the avenue for both legitimate business and illegitimate transactions like scams and other fraud. One form of abuse and misuse of the internet is the rampant fraudulent schemes being done by people who avail of online delivery services.

It is of public knowledge that even Senator Sherwin Gatchalian was a victim of an online delivery scam where his credit card was used to purchase various items without his consent. Also quite alarming are the many incidents of fake booking and hoax orders. One of the several cases involves a student who was surprised to see several delivery riders at his Quezon City home after Php15,000 worth of food items were supposedly ordered under his name but somebody else did it without his knowledge and consent.¹

We are sad for these victims. We are mad for these people whose names and identities have been used for fraud or simply for the enjoyment of the perpetrator. This measure under consideration is for them, but not only for them.

There are other victims in this situation – the online delivery drivers or riders. *Nagtatrabaho sila ng maayos sa gitna ng pandemya, sa panahon ng kalamidad, at sa kabila ng panganib sa daan. Yung iba ay inaabot pa ng madaling araw sa lansangan upang kumita, kahit umuulan pa.* They work tirelessly to cater to customers but are they being taken care of under our present laws?

In light of the rising cases of unjust order cancellations and hoax orders, there is an urgent need for the State to protect delivery drivers and riders of all food, grocery, and pharmacy delivery services. This measure is relevant even after the pandemic because the internet has made all of us accustomed to online transactions and made many of us reliant on delivery services.

In view of the foregoing, the immediate passage of this bill is earnestly sought.

¹ Retrieved from: https://newsinfo.inquirer.net/1415991/nbi-urged-to-probe-fake-bookings-victimizing-food-delivery-riders#ixzz73mmN6w77.

NINETEENTH CONGRESS OF THE)	Senate Office of the Secretary
REPUBLIC OF THE PHILIPPINES)First Regular Session)	22 AUG -1 P2 57
S E N A T E Senate Bill No. <u>977</u>	RECEIVED BY:

Introduced by Senator Aquilino "Koko" Pimentel III

AN ACT PROTECTING INDIVIDUALS ENGAGED IN FOOD, GROCERY, AND PHARMACY DELIVERY SERVICES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Short Title. - This Act shall be known as "Food, 1 Grocery, and Pharmacy Delivery Services Protection Act". 2 3 SEC. 2. Definition of Terms. - For purposes of this Act, these 4 terms are defined as follows: 5 Food, Grocery, and Pharmacy Delivery Service - a form of (a) 6 courier or delivery service where a person through mobile 7 phone application, internet website or any similar platform, 8 orders food, grocery or pharmaceutical items from a third-9 party seller and engages the service of a rider or driver for 10 the delivery of the said order for a fee; 11 Food, Grocery, and Pharmacy Delivery Service Providers -(b) 12 persons or entities who are engaged in the business of 13 providing food, grocery, or pharmacy delivery services by 14 way of mobile phone applications, internet websites or other 15 similar platforms; 16 1

1 (c) Delivery Riders or Drivers – persons who perform delivery 2 services by picking up the ordered items from the third-party 3 seller, and delivering the items to the customers who avail 4 of the service, regardless of the existing contractual 5 relationship with the service providers;

- 6 (d) Confirmed Order there shall be a confirmed order once the 7 customer sends his confirmation to the delivery rider or 8 driver with respect to the order for the purchase of food, 9 grocery and/or pharmaceutical items.
- 10

SEC. 3. *Prohibition Against Advance Payment.* – It shall be prohibited for any food, grocery, and pharmacy delivery service provider to require delivery riders or drivers to advance any monetary amount for the fulfillment of orders.

In case of cancellation of confirmed orders, the food, grocery, and
pharmacy delivery service provider shall still pay the delivery riders or
drivers for the service fee due them as if the transaction was successful.
Service providers shall pursue claims for collection from its
cancelling customers.

Any investigation or inquiry conducted by the service providers on the propriety or validity of the cancellation shall not affect the right of the riders or drivers to collect their respective service fee as provided under this Section.

Any food, grocery, and pharmacy delivery service provider who shall be found to be in violation of the prohibition on requiring monetary advances from delivery riders or drivers shall suffer the penalty of *arresto mayor* and/or fine of an amount not exceeding One Hundred Thousand Pesos (Php100,000.00) and the business licenses and permits of said violator shall be revoked. This is without prejudice to any other available remedies under existing laws.

If the violation is committed by a corporation, partnership, association, or any other kind of business entity that may be created by

2

operation of law, the penalty provided in the next preceding paragraph
 shall be imposed upon its president, director, partner or any responsible
 officer that authorized monetary advances to be required.

4

SEC. 4. Know-Your-Customer Rules for Food, Grocery, and 5 Pharmacy Delivery Service. - The service providers shall require its 6 customers, prior to the registration with their mobile phone 7 applications, internet websites or other similar platforms, to submit a 8 valid proof of identity and residential address. Procedures for 9 verification of identity shall likewise be implemented by the service 10 providers. The processing of personal information done in accordance 11 with this Section shall be fully complaint with the requirements of 12 Republic Act No. 10173, otherwise known as the "Data Privacy Act of 13 2012". 14

15

16

SEC. 5. Prohibited Acts. –

- (a) Using Another Person's Personal Information It shall be
 unlawful for any person to use the personal information of
 another such as but not limited to name, address, and contact
 number when registering for any food, grocery, and
 pharmacy delivery service;
- (b) Cancellation of Confirmed Orders It shall be unlawful for
 any person to cancel a confirmed order unless such option is
 specifically allowed by the food, grocery, and pharmacy
 delivery service hired.
- (c) *Placing of Hoax Order* It shall be unlawful for any person
 to: (1) place an order under the name of another unless the
 latter consented to the same; (2) place an order using
 fictitious name, address or both; and
- (d) *Refusal to Receive Unpaid Order* It shall be unlawful for
 any person to unjustly refuse to receive an order when such

placed by virtue of his authority.
Any person who shall commit any of the prohibited acts as
provided for in this Section shall suffer the penalty of *arresto mayor*and/or fine of an amount not exceeding One Hundred Thousand Pesos
(Php100,000.00) without prejudice to any other available remedies
under existing laws.

order has been placed by him personally or if the order is

8

1

N . J

9 SEC. 6. Separability Clause. – Should any provision or part of 10 this Act be declared unconstitutional or invalid, the other provisions 11 and parts hereof, insofar as they are separable from the invalid ones, 12 shall remain in full force and effect.

- SEC. 7. *Repealing Clause.* All laws, decrees, orders,
 proclamations, rules and regulations, or parts thereof, which are
 inconsistent with this Act are hereby repealed, amended, or modified
 accordingly.
- 18

19 SEC. 8. *Effectivity.* – This Act shall take effect fifteen (15) days 20 after its publication in the *Official Gazette* or in at least two (2) 21 newspapers of general circulation.

Approved,