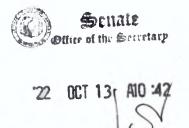
NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session* 

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# SENATE S. No. <u>1385</u>

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### Introduced by Senator Robinhood Padilla

# AN ACT PROVIDING MEASURES TO PROTECT INDIVIDUALS ENGAGED IN DELIVERY SERVICES

#### EXPLANATORY NOTE

Online marketplaces have expanded economic activities and job opportunities in the country. Amid movement restrictions brought about by the COVID-19 pandemic, online retail sales grew dramatically, capping a share of 19% in 2020 from 16% of the total retail sales globally (United Nations Conference on Trade and Development, 2021).

These delivery platforms have successfully emerged because they transform the accessibility, timeliness, and efficiency in providing essential services and goods. Central to these business models are delivery drivers or riders who put value and function to online retail by facilitating the physical delivery of goods.

While the boost of employment opportunities has been a vital economic mover, riders are at a disadvantage amid various issues in online transactions such as cancellation of confirmed orders, hoax orders, and customer refusal to receive unpaid orders.

Based on the survey of the Institute for Labor Services (2021), ninety percent (90%) out of 100 food and service delivery riders have experienced "canceled" food orders or package delivery requests. For such cancellations, a rider spends an average of P441.14 sourced from their own pockets.

The predicament of our food and delivery service workers from unjustified cancellation and hoax orders amid the soaring fuel prices has put them in a very challenging state. To make matters worse, the drivers are left with no recourse in some instances as the perpetrator uses fraudulent means such as fake names and contact details.

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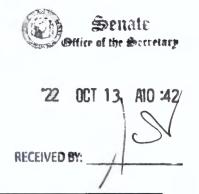
The proposed measure ensures that riders are paid in full by the delivery service provider in cases wherein there is a cancellation of confirmed orders. More so, it mandates proper customer registration with mobile phone applications, websites, or other platforms by providing valid proof of identity and residential address. Lastly, it is paramount that we provide penal provisions that will aim to deter the fraudulent use of personal information, placing of hoax orders, and similar acts that have burdened the already impoverished delivery riders.

In light of the foregoing, the passage of this bill is most earnestly sought.

< **ROBINHOOD PADILLA** Senator

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

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## Introduced by Senator Robinhood Padilla

SENATE S. No. <u>1385</u>

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# AN ACT PROVIDING MEASURES TO PROTECT INDIVIDUALS ENGAGED IN DELIVERY SERVICES

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

1		Section	1. <i>Short Title.</i> – This Act shall be known as "Delivery Services Protection
2	Act".		
3		Sec. 2.	Definition of Terms. – As used in this Act:
4		a)	Delivery Service refers is a service in the form of courier or delivery
5			utilized by a person by accessing a mobile phone application, internet
6			website, or any other similar platform to buy food, grocery,
7			pharmaceutical, and other items from a third-party seller and engages
8			the service of a rider or driver for a fee for the delivery of the purchased
9			item to the buyer. This definition includes a service utilized by a person
10			for purposes of delivering an item from a person to a recipient;
11		b)	Item refers to the subject of the delivery referred to in the preceding
12			definition;
13		c)	Delivery Service Provider refers to a person or entity who engages in
14			the business of delivery service;
15		d)	Delivery Rider or Driver refers to a person engaged by the delivery
16			service provider, regardless of the existing contractual relationship with
17			the service providers, to deliver the item referred to in paragraph a by

receiving the ordered items from the third-party seller, and delivering them to the recipient; and

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4 5 e) *Confirmed Order* refers to the confirmation of an order by a person either directly to the delivery rider or driver or in the application, website, or platform of the delivery service provider.

6 Sec. 3. *Payment of Compensation*. – A delivery rider or driver is entitled to be 7 paid in full on the agreed compensation on the service rendered on the item delivered 8 referred to in Section 2 (a).

9 Sec. 4. *Cancellation of Confirmed Orders.* – The delivery service provider shall 10 pay in full the rider or driver within the same day when a person cancels a confirmed 11 order without prejudice to recovering the amount paid to the latter. The delivery 12 service provider is not excused to pay the rider or driver on account of a pending 13 investigation.

14 Sec. 5. *Customer Registration.* – The delivery service providers shall require its customers, prior to the registration with their mobile phone applications, internet 15 websites, or other similar platforms, to submit a valid proof of identity and residential 16 address. Procedures for verification of identity and residential address. Procedures for 17 verification of identity shall likewise be implemented by the delivery service providers. 18 *Provided,* That the processing of personal information pursuant to this section shall be 19 compliant with the requirements of Republic Act No. 10173, or the "Data Privacy Act 20 of 2012." 21

Sec. 6. *Prohibited Acts.* – Any person who shall commit any of the following prohibited acts shall suffer the penalty of three (3) months imprisonment and/or a fine not exceeding One Hundred Thousand pesos (P100,000.00) without prejudice to any other available remedies under existing laws:

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a) Any act in violation of Section 4 of this Act;

- b) Using Another Person's Personal Information. It shall be unlawful for
  any person to use the name, address, or contact number of another
  when registering with a delivery service provider;
- c) *Placing of Hoax Order.* It shall be unlawful for any person to place an
  order using a fictitious name, address, or contact number; and

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d) *Refusal to Receive Unpaid Order.* It shall be unlawful for any person to
unjustly refuse to receive an order when such order has been placed
by him/her personally or if the order is placed by virtue of his/her
authority.

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5 Licenses and permits of any delivery service provider shall be revoked upon6 performing the prohibited acts falling under paragraph (a) of this Section.

If the prohibited act is committed by a corporation, partnership, association, or
any other kind of business entity that may be created by operation of law, the penalty
provided in this section shall be imposed upon the officers or employees who have
committed the violation.

11 Sec. 7. *Repealing Clause.* – All laws, presidential decrees, executive orders, 12 presidential proclamations, rules, and regulations, or parts thereof contrary to or 13 inconsistent with this Act are hereby repealed, superseded, or modified accordingly.

Sec. 8. *Separability Clause.* – Any portion or provision of this Act that may be declared unconstitutional or invalid shall not have the effect of nullifying other portions or provisions hereof, as long as such remaining portions or provisions can still subsist and be given effect in their entirety.

Sec. 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete
 publication in the Official Gazette or in at least two newspapers of general circulation.
 Approved,