NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

23 AUG 23 A10:53

RECEIVED BY

SENATE S. No. <u>2421</u>

Introduced by Senator MANUEL "LITO" M. LAPID

AN ACT

PROVIDING FREE INSURANCE FOR COVERED APPLICANTS OF OVERSEAS EMPLOYMENT CERTIFICATES, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Overseas Filipino Workers (OFWs) play a significant role in boosting our economy and increasing our financial resources. Inflows from the OFWs have become a crucial driver of our economic growth. In December 2022, the total remittances from OFWs reached a new monthly record of USD 3.49 billion, resulting in an annual total of USD 36.14 billion, up by 3.6% and the highest figure recorded.

The Philippine Statistics Authority reported that about 1.83 million Filipinos were employed overseas from April to September 2021. It must be noted that this figure does not include undocumented workers. The presence of undocumented OFWs has resulted to numerous abuses and instances of being taken advantage of, as their lack of government recognition exposes them to exploitation and vulnerability.

The Philippine Overseas Employment Authority (POEA) issues an Overseas Employment Certificate (OEC) to Filipino workers leaving the country for employment abroad. The OEC acts as a travel exit pass for OFWs at airports, exempting them from payment of travel tax and airport terminal fees, and assuring government protection for the OFWs.

However, many OFWs perceive the acquisition of the same as a burdensome step that serves only to impede their efforts in pursuing overseas employment.

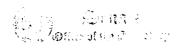
To promote the application for an OEC among Filipinos, an effective approach would be to educate them about the advantages and protections they can get and enjoy by possessing the appropriate documentation.

Thus, this bill aims to enhance compliance among OFWs by providing free insurance coverage to eligible individuals who apply for an OEC. This bill offers incentives for undocumented Filipino workers to obtain the necessary documentation, enabling them to access the benefits and protections guaranteed by the State. This bill will be mutually beneficial for both OFWs and the government.

In view of the foregoing, early passage of this bill is earnestly requested.

MANUEL "LITO" M. LAPID

Senator



NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

23 AUG 23 A10:53

SENATE

s. No. 2421



Introduced by Senator Manuel "Lito" M. Lapid

1 AN ACT

2

3 4

10

11

12

13 14

15

16

17

18

PROVIDING FREE INSURANCE FOR COVERED APPLICANTS OF OVERSEAS EMPLOYMENT CERTIFICATES, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

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

- 5 **SECTION 1**. *Short Title*. This Act shall be known as the "Protektadong OFW 6 Act."
- **SECTION 2.** Declaration of Policy. The State shall afford full protection to labor, local and overseas, organized, and unorganized. The State shall also recognize the rights and contributions of Overseas Filipino Workers (OFWs).
 - Towards these ends, the State shall provide adequate and timely social, legal, and economic services to OFWs. Pursuant thereto, the State shall ensure that all overseas Filipino workers are properly monitored and accounted for with due regard for their protection and welfare, and that overseas Filipino workers are incentivized to make themselves known to Philippine authorities abroad.
 - **SECTION 3**. *Coverage*. The benefits under this Act shall apply to applicants of overseas employment certificates (OECs); Provided, That the applicant-migrant worker is abroad; Provided further, That he/she has no prior record with the Philippine Overseas Employment Authority (POEA), or if he/she has a prior record, is working in

a vulnerable sector, as may be determined by the POEA, in consultation with relevant government agencies and other stakeholders.

SECTION 4. Benefits. – Covered migrant workers shall, upon securing an overseas employment certificate from the POEA or the Philippine Embassy or consular offices abroad shall be given a free one-year insurance with the same or similar coverage as required under Republic Act No. 8042, as amended, otherwise known as the "Migrant Workers and Overseas Filipinos Act."

SECTION 5. Funding. – The payment for the premium of the insurance provided under this Act shall be funded partly by the budget of the Department of Foreign Affairs (DFA) earmarked for the Assistance to Nationals and partly by the appropriations in the General Appropriations Act as included in the budget of the POEA. For the first year of the implementation of this Act, an initial amount of Thirty Million Pesos (P30,000.000.00) is hereby appropriated. Thereafter, such amount necessary for its continued implementation shall be included in the annual General Appropriations Act.

SECTION 6. *Implementing Rules and Regulations.* - The Department of Labor and Employment (DOLE), DFA, POEA, OWWA, Insurance Commission and other relevant stakeholders shall issue the implementing rule and regulations of this Act within sixty (60) days from the effectivity of this Act.

To ensure the proper implementation of this Act, DOLE, POEA and DFA shall establish a system that shall facilitate the processing and issuance of OECs abroad.

SECTION 7. Separability Clause. - If any part or provision of this Act is held unconstitutional or invalid, the other parts or provision hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 8. Repealing Clause. - All laws, executive orders, presidential decrees, rules and regulations or parts thereof contrary to or inconsistent with any provisions of this Act are hereby repealed, amended, or modified accordingly.

- SECTION 9. Effectivity. This Act shall take effect fifteen (15) days after its
- 2 publication in the Official Gazette or in two (2) national newspapers of general
- 3 circulation.
- 4 Approved,