

FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

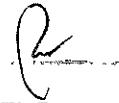
SENATE
OFFICE OF THE SECRETARY

16 JUL 27 10:39

SENATE

S.B. No. 2092

RECEIVED BY



Introduced by Senator FRANCIS G. ESCUDERO

EXPLANATORY NOTE

This bill is the product of rigorous consultations with informal sector groups and leaders from the five informal sub-sectors in Luzon, Visayas and Mindanao in 2008 to seek a way forward for the social protection and empowerment of the poor.

There is an urgent need to provide access to social protection benefits to almost 15 million members of the informal sector and to provide appropriate regulation, due representation in local government agencies and meaningful planning, that will harness their full potentials to become effective economic actors.

This proposed Magna Carta of Members of the Informal Sector is one significant contribution toward fulfilling the Constitutional mandate of social justice and human rights for the informal poor. Both civil society and government are giving their best efforts to make life a little better for the poor. There is a need for the latter to redefine and scale up not only its priorities, political will but more fundamentally, its genuine care for the poor.

The best entities to design culturally sensitive and appropriate social protection and delivery mechanisms are the local government units (LGUs) and their constituencies. Ensuring wider and deepened grassroots participation in improving access to social protection will reduce urban poverty in the Philippines. It is in this regard that several provisions deal with the participation of the local government units as well as the crucial role of the National Economic Development Authority (NEDA).

Aside from the rights, the bill also contains provisions that tackle responsibilities of the members of the sector. Further, this bill also provides for specific recourse mechanisms to the basic sectors so that their grievance can be better redressed and their welfare be given attention.

The 2008 Informal Sector Survey (2008 ISS) conducted by the National Statistics Office (NSO) yielded that there were about 10.5 million informal operators identified. Some sectors however assert that the informal sector is estimated to reach 15 million, or almost fifty (50 percent) of the country's labor force.

Contrary to the usual notion, the informal sector is quite productive. They provide array of services to the public and are engaged in legitimate undertakings. According to the National Statistical Coordination Board (NSCB), forty three (43 percent) of the country's Gross Domestic Product (GDP) in 2006 came from the informal sector.

Sadly, this contribution of the informal sector to the economy is insufficiently recognized. This is proven by the inadequate legal and social protection accorded to this sector. What is worse is that members of informal sector groups have been a source of not only of local revenues such as market taxes; they are also vulnerable to kotong.

Based from 2003 figures of the National Statistical Office (NSO) and the National Statistical Coordination Board (NSCB), at least three out of every ten Filipinos are poor. Using self-rated methods, more than half of the almost 78 million Filipinos view themselves as *kabus*, *pobre*, or *muhirap* (the Visayan and Tagalog word for poor).

Abject situation of the members of the informal sector violates the international laws and the provisions of the Constitution on Social Justice and Human Rights.

Ratified by the Philippine government in 1974, Article 9 of the International Covenant on Economic, Social and Cultural Rights states "*The State Parties to the present Covenant recognize the right of everyone to social security, including social insurance*".

The 1987 Constitution also directs the State to provide social justice and human rights to poor and marginalized sectors such as the informal sector.

It is in this direction that this bill is proposed.



FRANCIS G. ESCUDERO

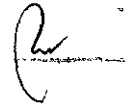
FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

10 JUL 27 AM 39

SENATE

S. B. No. 2092

RECEIVED BY



Introduced by Senator FRANCIS G. ESCUDERO

AN ACT
PROVIDING FOR A MAGNA CARTA OF WORKERS IN THE INFORMAL
SECTOR, INSTITUTIONALIZING MECHANISMS FOR
IMPLEMENTATION THEREOF AND AMENDING FOR THE PURPOSE
CERTAIN PROVISIONS OF REPUBLIC ACT NOS. 7160 AND 8282.

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

Title I
GENERAL PROVISIONS

Chapter I
Framework and Principles

SEC. 1. *Short Title.* This Act shall be known as the "Magna Carta of Workers in
the Informal Sector."

SEC. 2. *Declaration of Policy.* It is hereby declared the policy of the State:

- (a) to promote and improve the total well-being of the poorest of the poor and the marginalized low level income earners who engage in economic activities under the informal sector;
- (b) to nurture and protect the interests of the informal sector by providing them with adequate and timely social, economic and legal services, as well as mechanisms that shall protect their rights and promote benefits that ensure their dignified existence and economic advancement;
- (c) to recognize, promote, protect and fulfill the rights of every worker in the informal sector including the right to self-organization, the right to decent work, just and humane working conditions, access to social protection, and the right to represent their organizations in a continuing process of consultation and dialogue towards maximizing the provision of a comprehensive package of reforms, interventions, and services in accordance with their articulated needs and interests, with focus on the vulnerable groups;
- (d) to recognize the roles and contributions of workers in the informal sector and make them visible in the national and local statistics;

- 1 (e) to develop and enhance their entrepreneurial skills and capabilities so
2 that they can become more productive and self-reliant citizens thereby
3 ensuring participation in mainstream economic activities based on
4 their own pace and self-determination,
5
6 (f) to promote gender equity and equality through elimination of gender
7 stereotypes attached to certain enterprise or occupation in the informal
8 sector and redefining household as not merely male headed but also
9 female headed;
10
11 (g) to protect women workers in the informal sector against gender-based
12 discrimination, exploitation, violence and abuse;
13
14 (h) to advance the women workers' social, political and reproductive
15 rights and provide access to social protection and participation in
16 decision-making bodies;
17
18 (i) to recognize ethnicity in the formulation of programs and mechanisms
19 to promote and protect informal sector's rights;
20
21 (j) to protect vulnerable groups in the informal sector such as children,
22 elderly, differently-abled persons and indigenous people from
23 discrimination, exploitation, abuse and harassment;
24
25 (k) to progressively eliminate child labor in the informal sector through
26 the creation of more quality jobs for adults, effective enforcement of
27 laws against child labor, improved access to universal education and
28 elimination of cultural factors that tolerate child labor;
29
30 (l) to develop the local economy through maximization of the potential
31 and contribution of the informal sector business activities and
32 enterprises.
33

34 *SFC 3 Framework and Principles.* It is the State's responsibility to give the
35 highest priority to the enactment of measures that protect and enhance the
36 rights of all people to human dignity, reduce social, economic and political
37 inequalities and remove cultural inequities by diffusing wealth and political
38 power for the common good and to provide environments at national and local
39 levels that enable all workers to fully develop into productive and responsible
40 citizens. Towards this end, the government shall pursue and implement a
41 comprehensive, rights-based, participatory and gender responsive framework
42 for workers in the informal sector that includes but is not limited to:

- 43
44 (a) putting in place policies and programs that will bring marginalized
45 workers and economic units into the economic and social mainstream
46 and spur entrepreneurial or growth-oriented informal businesses to
47 graduate to formal status based on their own pace and self-
48 determination;
49
50 (b) pursuing structural reforms in all relevant levels of government by
51 creating committees, special offices for development and protection of
52 workers in the informal sector and supporting their representational
53 rights through their organizations;

- 1
2 (c) extending coverage of accessible and affordable social security and
3 health care benefits to workers in the informal sector;
4
5 (d) implementing minimum and simplified regulation to encourage the
6 development of *ingenuity and entrepreneurial spirit* among workers in
7 the informal sector;
8
9 (e) encouraging the organization, establishment, strengthening and
10 expansion of the various business activities or enterprises under the
11 informal sector in the barangay level preferably unified under a
12 municipality, provincial, regional and national federation/association;
13
14 (f) exacting responsibility on the part of the informal sector workers
15 provided that the state shall recognize their rights and put in place
16 responsive, transparent and accountable mechanisms to ensure
17 protection, promotion and realization of those rights.
18

19 SEC. 4. *Definition of Terms.* As used in this Act, the following terms shall mean:
20

- 21 (a) *hazardous work or condition* refers to any activity or circumstance where
22 a worker is exposed to any risk which constitutes an imminent danger
23 to his/her health and safety.
24
25 (b) *ambulant vendors* or peddlers refer to vendors who ply their trades in
26 search of buyers.
27
28 (c) *street vendors* refer to vendors who sell their merchandise on streets
29 and sidewalk.
30
31 (d) *informal sector*
32 (1) For purposes of identification and coverage of the law, the informal
33 sector otherwise known as IS consists of "units", whether
34 individual or group, own-account/self-employed or micro-
35 entrepreneur or *livelihood enterprises regularly employing family*
36 *members, engaged in the production of goods and services with the*
37 *primary objective of generating employment and incomes to the*
38 *units concerned in order to earn a living. These units typically*
39 *operate at a low level of organization, with little or no division*
40 *between labor and capital as factors of production. It consists of*
41 *household enterprises that are market and non-market producers*
42 *of services.*
43 (2) The category of individuals or organization of people involved in
44 any business activity or enterprise whose total assets, inclusive of
45 the capital investments, must not value more than the amount of:
46
47
48
49 i. One hundred fifty thousand pesos (P150,000.00) for small
50 transport;
51 ii. One hundred fifty thousand pesos (P150,000.00) for
52 marginalized farmers;

- 1 iii. One hundred fifty thousand pesos (P150,000.00) for
2 marginalized fisherfolks;
3 iv. Fifty thousand pesos (P50,000.00) for home-based workers;
4 v. One hundred fifty thousand pesos (P150,000.00) for small
5 vendors with designated stalls,
6 vi. Fifteen thousand pesos (P15,000.00) for ambulant and street
7 vendors.

8
9 The aforesated amount shall be adjusted every five years by the
10 Informal Sector Development Council (ISDC), which is created
11 under this Act. Adjustment of the aforesated amount shall be
12 based on prevailing poverty threshold and other established
13 standards in determining subsistence level of living.

14
15 For purposes of exclusion, corporations, quasi-corporations, units
16 with ten or more employees, corporate farms, commercial
17 livestock raising and commercial fishing are excluded from this
18 definition of informal sector.

19
20 (e) *worker* refers to a general term to mean either or both the micro-
21 entrepreneur or own-account/self-employed covered under the
22 provision of this Act as defined in the preceding paragraph.

23
24 (f) *pakyaw basis* refers to the pre-contracted wholesale mode of paying an
25 informal sector worker as bilaterally agreed by the contracting parties.

26
27 (g) *entrepreneurial or growth oriented informal business* refers to those which
28 show potential in increasing productivity, in hiring workers from
29 outside the household, in developing new competencies in areas of
30 production and operations.

31
32 (h) *informal sector sub-groups*- for purposes of this Act, refer to vendors,
33 small farmers, marginalized fisherfolks, small transport, home-based
34 workers and non-corporate construction workers and micro-informals
35 and self/own account.

36
37 (i) *small transport* refers to non-corporate operators of small marine boat or
38 vessel for transport, tricycle, pedicab, *habul-hubul*, *culesa*, *kutiglig*, *balsa* or
39 “trolley” and or community-based mode of transportation

40
41
42 (i) *small farmer* refers to an individual engaged in subsistence farming,
43 including the sale, barter, exchange of agricultural products or
44 processing of agricultural and other by-products produced by
45 him/herself and his/her immediate family, or rural workers who are
46 tenants or sharecroppers or contracted laborers provided they do not
47 fall under the category of agricultural workers under the Labor Code.

48
49 (j) *marginalized fisherfolks* refer to individuals engaged in subsistence
50 fishing such as but not limited to the use of fishing boats less than
51 three (3) tons, use of fishing gear which do not require boats, those
52 who are without fishing boat or gear but share in the first catch of
53 individuals having fishing boats, those engaged in subsistence

1 aquaculture, or those engaged in the processing of marine and other
2 by products in subsistence level. This also includes immediate family
3 members, especially women, who engage in the preparation of fishing
4 gears and other needs before fishing activity and who engage in the
5 sale, barter or exchange of marine products produced. Also included
6 in this category are fishport workers, porters and batillo.
7

8 (k) *non-government organizations* (NGO) refers to any aggrupation of
9 individuals, not subsidized by government funds or organized for
10 religious purposes or partisan politics, and whose primary ends are
11 advocacy of issues or the realizations of specific developmental
12 objectives for the community or a sector thereof.
13

14 (l) *people's organization* (PO) refers to any cooperative, union, business
15 group or any aggrupation of at least twenty-five (25) individuals
16 belonging to the same sector or sharing a common interest, not
17 subsidized by government funds or organized for religious purposes
18 or partisan politics, and whose primary concern is the advocacy of
19 sectoral issues; and/or the realization of specific developmental
20 objectives for their sector or the promotion of their common interest.
21

22 (m) *Informal Sector One-Stop Shop Center* refers to the office at the local
23 government units (LGUs) where all transactions needed in the
24 processing of business permits and other business requirements of the
25 Informal Sector workers shall be conducted.
26

27 (n) *Workers of minor age* refer to children fifteen (15) to seventeen (17) years
28 of age who are engaged in productive employment.
29

31 Chapter II

32 Coverage, Qualifications and Accreditation

33
34 SEC. 5. *Coverage*. This Act shall cover members of the informal sector who are
35 operating, employed or working either as micro-entrepreneur or self-
36 employed/own account as defined herein. Provided, however, that the
37 aforesaid micro-entrepreneur, self-employed, qualifies in the minimum
38 requirements set forth in this Act.
39

40 For purposes of this Act, the term "informal sector" shall cover the following:
41

42 (a) micro-entrepreneurs and self-employed:

43 i. vendors, whether with stalls or without including ambulant
44 vendors, street vendors or those plying their goods and trades in
45 streets and those engaged in sari-sari stores which conform with the
46 total asset value requirements as mentioned in Section 4 (d) of this Act;

47 ii. small farmers;

48 iii. marginalized fishertolks;

49 iv. home-based workers who are independent producers of goods or
50 services and whose total asset value conforms with that mentioned in
51 Section 4 (d) of this Act;

52 v. small transport such as but not limited to non-corporate operators
53 of small marine boat or vessel for transport, tricycle, pedicab, *habal-*

1 *habul, kalesa, kuliglig, balsa* or "trolley" whose total asset value conform
2 with the requirement as mentioned in Section 4 (d) of this Act.
3

4 (b) own-account/self-employed:

5 i. on call domestic and service workers such as live-out cleaners,
6 laundry men and women and *plantsadora*;

7 ii. barbers, manicurists, pedicurists

8 iii. drivers of tricycle, pedicab, *habul-habul, kalesa, kuliglig*, "trolley" or
9 small marine vessel/boat;

10 iv. "barkers", fare collectors, dispatchers and other workers who share
11 in the income of the non-corporate operators;

12 v. welders and mechanics;

13 vi. non-corporate constructions workers such as but not limited to
14 carpenters, plumbers, electrician, mason or house painters;

15 vii. appliance technicians including but not limited to television, radio,
16 air conditioner, computer and refrigeration technicians;

17 viii. scavengers
18

19 SEC. 6. *Registration.* There shall be a simple standard of registration system in
20 accordance with the framework and principles of this Act. Informal sector
21 business activities or enterprises shall, upon registration, pay one hundred pesos
22 (P100.00) to the municipality or city where they intend to operate during their
23 initial year of operation. The said fee shall cover the cost of the issuance of the
24 license to operate. No other fees shall be exacted from the informal sector
25 business activities or enterprise other than the registration fee as mentioned
26 above
27

28 Informal sector business activities or enterprises which are in operation and
29 registered, pursuant to applicable laws or local ordinance, prior to the enactment
30 of this Act shall be recognized as having complied with the registration
31 requirement of this Act and shall no longer be required to pay the registration fee
32 as mentioned in the preceding paragraph.
33

34 The registration shall entitle the informal sector business activities or enterprise
35 to development programs and benefits under this Act.
36

37 All local government units shall establish an Informal Sector One-Stop Shop
38 Center which shall handle all transactions and processing of the business permit
39 applications within their respective jurisdiction. The Center shall ensure that the
40 processing of the business permit of informal sector business activities or
41 enterprises shall be done on the day of their application and the registration shall
42 be released within thirty six (36) hours upon submission of the complete
43 requirements based on its checklist. To facilitate efficient and expeditious
44 registration of informal sector business activities or enterprise, the local
45 government units shall formulate a uniform and simple checklist of requirements
46 for registration such as valid proof of identity (barangay clearance, certificate of
47 residency, etc.) and flowchart of the procedure of registration. The local
48 government must ensure the recognition and registration of women workers in
49 the informal sector through appropriate activities. The local government unit
50 shall be responsible in translating the checklist of requirements and flowchart of
51 procedure of registration in their own local dialect. The local government unit
52 shall cause the posting of the checklist and flowchart of procedure of registration

1 in at least three (3) conspicuous areas, preferably public areas, in the community
2 and cause the publication of the same in the local newspaper if there be any

3
4 Further, the Center shall maintain a comprehensive database of informal sector
5 business activities and enterprises which have been issued licenses to operate.
6 The database shall take into account the different sub-classifications of informal
7 sector in terms of geography (urban or rural based), premises (home-based or
8 non home-based), gender (male or female), ethnicity (ethno-linguistic group or
9 indigenous community), vulnerability (children, elderly or person with
10 disability), industry (industrial, commercial, services or agricultural), occupation
11 (fisherfolks, farmers, construction, drivers, vendors, laborers or sales personnel),
12 nature of employment (casual, contractual, seasonal, permanent/regular or
13 pakyaw/commission basis/boundary system) and roles/functions (own-
14 account/self-employed or subsistence/marginal employment). The database
15 shall also indicate those informal businesses which may be categorized as
16 livelihood enterprises and those entrepreneurial or growth oriented informal
17 business.

18
19 The aforesaid comprehensive database of the informal sector shall be a basis of
20 the assessment and monitoring of the growth of the informal sector.

21
22 SEC. 7. *Annual dues.* Informal sector business activities or enterprises shall pay
23 annual dues to the Informal Sector One-Stop Shop Center or Treasurer of the
24 municipality or city where they are registered and accredited, starting on their
25 second year of operations, based on the following schedule:

- 26
- | | |
|--|------------|
| (a) those with net worth amounting to less than P 25,000.00 | P 250.00 |
| (b) those with net worth amounting to P 25,000.00 but less than P 50,000.00 | P 500.00 |
| (c) those with net worth amounting to P 50,000.00 but less than P 75,000.00 | P 750.00 |
| (d) those with net worth amounting to P 75,000.00 but less than P 100,000.00 | P 1,000.00 |
| (e) those with net worth amounting to P 100,000.00 but less than P 125,000.00 | P 1,250.00 |
| (f) those with net income amounting to P 125,000.00 but less than P 150,000.00 | P 1,500.00 |

27
28
29 A financial statement as proof of the net worth must be provided.

30
31 The collected fee shall accrue exclusively to the municipality or city and shall be
32 used for informal sector development programs approved by the municipal or
33 city council.

34
35 Additional Sources of Funds for LGUs - The following shall be tapped by LGUs
36 as additional sources of funds for informal sector focused development
37 initiatives:

- 38
39 (a) ninety percent (90%) of fees and annual dues collected from small
40 transport - for programs for workers in the small transport industry;

1
2 (b) ninety percent (90%) of collected fees and annual dues from business
3 establishments and entrepreneurs falling under the category of
4 informal sector - for programs focusing on micro-entrepreneurs and
5 their workers;

6
7 (c) ninety percent (90%) of collected fees and annual dues from small
8 vendors - for programs focusing on vendors;

9
10 (d) ninety percent (90%) of fees and annual dues collected from small
11 farmers - for programs focusing on small farmers;

12
13 (e) ninety percent (90%) of fees and annual dues collected from
14 marginalized fisherfolks - for programs focusing on marginalized
15 fisherfolks.

16
17 (e) ninety percent (90%) of fees and annual dues collected from the
18 Philippine Amusement and Gaming Corporation (PAGCOR) and
19 Philippine Charity and Sweepstakes Office (PCSO).

20
21
22 An Informal Sector Development Fund shall be established in every municipality
23 and city for their supervision and management subject to accounting and
24 auditing procedures by the Commission on Audit (COA).

25
26 SEC 8. *Monitoring of growth.* The local government unit in cooperation with the
27 Informal Sector Local Development Office shall monitor the growth of the
28 informal sector business activities or enterprises three (3) years after the
29 enactment of this Act and every three (3) years thereafter.

30
31
32
33
34 **Title II**

35 **RIGHTS AND BENEFITS OF WORKERS IN THE INFORMAL SECTOR**

36
37 **Chapter I**
38 **General Rights**

39
40 SEC. 9. *Basic Rights.* The rights of Informal Sector workers shall be actively
41 protected, promoted and upheld. These include the right to:

42
43 (a) self-organization to collectively negotiate with the government and
44 other entities in the promotion of their welfare and advancement of
45 their interests free from any political interference or favor;

46
47 (b) informed participation in decision-making processes relevant to the
48 concerns of Informal Sector workers through their legitimate
49 organizations;

50
51 (c) equal treatment before the law;

- 1 (d) safe conditions in the workplace that will safeguard their general and
2 reproductive health;
3
4 (e) accessible and affordable medical care and reproductive health
5 services;
6
7 (f) accessible social protection and basic services including but not limited
8 to health services and low-cost housing to enable Informal Sector
9 members to have a humane quality of life;
10
11 (g) equal access to education, skills training, and economic resources to
12 develop their self-reliance;
13
14 (h) equal access to information technology, especially those affecting their
15 welfare and interests;
16
17 (i) freedom from any form of discrimination, violence, sexual exploitation,
18 harassment and abuse;
19
20 (j) common workplaces, merchandising centers, and inventory bulk-
21 buying centers;
22
23 (k) freedom from deprivation of property without valid cause and due
24 process of the law,
25
26 (l) alternative dispute resolution mechanisms and processes; and
27
28 (m) equal access to justice through appropriate mechanisms.
29
30

31 SEC. 10. *Rights to Medical Care and Humane Treatment.* Every worker has a right to
32 good quality health care, without any discrimination and within the limits of the
33 resources available for health and medical care. Attention must be given to
34 women's health. In the course of such care, the human dignity, culture,
35 convictions and integrity of the informal sector workers shall be respected
36

37 Any person who engages informal sector workers shall, at all times, treat the
38 latter in a just and humane manner. In no instance shall abusive language,
39 physical violence or any act which debases, degrades or demeans the intrinsic
40 worth and dignity of the worker as a human being be used upon the latter.
41

42 SEC.11. *Progressive Land Tax.* LGUs shall impose a progressive land tax to
43 landholdings above three (3) hectares. The collected progressive land tax shall be
44 allocated for the local agriculture support services. Public agricultural lands
45 within the territory of the LGU and/or all the LGU-owned agricultural lands
46 beyond five (5) hectares shall be distributed to small landless farmers in their
47 territory.
48

49 SEC 12. *Local Fisheries Support Services.* The Municipality/City shall provide
50 capacity building training, access to collateral-free and gender-balanced credit,
51 marketing assistance and infrastructure development for marginalized
52 fisherfolks within their jurisdiction. LGUs are mandated to establish a fishers'

1 market or a *Bagsakan* where the marginalized fisherfolks can directly sell their
2 products to the public.

3
4 **Chapter II**
5 **Empowerment of Informal Sector Workers**
6

7 SEC.13. *Informal Sector Workers' Organization* Informal Sector workers shall be
8 encouraged to organize themselves for their mutual aid, benefit and protection
9 and for other legitimate purposes. Towards this end, the government shall
10 encourage and assist the Informal Sector workers in the formation of their self-
11 help organizations, associations, federations and confederations. The
12 government shall encourage the formation of cooperatives among marginalized
13 farmers, marginalized fisherfolks and home-based workers, with attention to the
14 organization and formation of women and other vulnerable identities, in order to
15 enable members to purchase inputs at lower cost and obtain fair prices for their
16 produce.

17
18 Informal Sector workers engaged in farming, fishing, manufacturing, transport,
19 retail and services are encouraged to form cooperatives in every municipality
20 and city to enable members to avail of credit assistance and skills training which
21 will help improve their quality of life.

22
23 SEC. 14. *Assistance to Informal Sector Workers' Organization.* All concerned
24 national government agencies, government financial institutions and local
25 government units shall include in their plans, programs, projects and activities
26 efforts that are supportive of the concerns of Informal Sector workers'
27 organizations.

28
29 SEC. 15. *Representation in Policy Making Bodies.* It shall be the responsibility of the
30 local government units to ensure the participation of Informal Sector workers in
31 public decision-making processes. Informal Sector workers have the right to
32 participate at all levels of decision-making.

33
34 The State shall therefore ensure that Informal Sector workers shall be given
35 mandatory representation in policy-making bodies and other legislative councils.

36
37 For this purpose, Sections 446, 457 and 467 of the Republic 7160 is hereby
38 amended to read as follows:

39
40 SEC. 446 *Composition.*

41 (a) The sangguniang bayan, the legislative body of the municipality, shall
42 be composed of the municipal vice mayor as the presiding officer, the
43 regular sanggunian members, the president of the municipal chapter of
44 the liga ng mga barangay, the president of the pambayang pederasyon ng
45 mga sangguniang kabataan, and the sectoral representatives, as members.

46 (b) In addition thereto, there shall be three (3) sectoral representatives
47 one (1) from the women, and, as shall be determined by the sanggunian
48 concerned within ninety (90) days prior to the holding of local elections,
49 one (1) from the agricultural or industrial workers or **INFORMAL**
50 **SECTOR WORKERS**; and one (1) from the other sectors, including the
51 urban poor, indigenous cultural communities, or disabled persons.

1 (c) The regular members of the sangguniang bayan and the sectoral
2 representatives shall be elected in the manner as may be provided for by
3 law.

4
5 xxx

6
7 SEC. 457. *Composition.*

8 (a) The sanggunian panglungsod, the legislative body of the city, shall be
9 composed of the city vice mayor as presiding officer, the regular
10 sanggunian members, the president of the city chapter of the liga ng mga
11 barangay, the president of the panlungsod na pederasyon ng mga
12 sangguniang kabataan, and the sectoral representatives, as members.

13 (b) In addition thereto, there shall be three (3) sectoral representatives:
14 one (1) from the women; and, as shall be determined by the sanggunian
15 concerned within ninety (90) days prior to the holding of local elections,
16 one (1) from the agricultural or industrial workers or **INFORMAL**
17 **SECTOR WORKERS**; and one (1) from the other sectors, including the
18 urban poor, indigenous cultural communities, or disabled persons.

19 (c) The regular members of the sangguniang panlungsod and the sectoral
20 representatives shall be elected in the manner as may be provided for by
21 law.

22
23 xxx

24
25 SEC. 467. *Composition.*

26 (a) The sangguniang panlalawigan, the legislative body of the province,
27 shall be composed of the provincial vice-governor as presiding officer, the
28 regular sanggunian members, the president of the provincial chapter of
29 the liga ng mga barangay, the president of the panlalawigang pederasyon
30 ng mga sangguniang kabataan, the president of the provincial federation
31 of sanggunian members of municipalities and component cities, and the
32 sectoral representatives, as members.

33 (b) In addition thereto, there shall be three (3) sectoral representatives:
34 one (1) from the women; and, as shall be determined by the sanggunian
35 concerned within ninety (90) days prior to the holding of local elections,
36 one (1) from the agricultural or industrial workers or **INFORMAL**
37 **SECTOR WORKERS**; and one (1) from the other sectors, including the
38 urban poor, indigenous cultural communities, or disabled persons.

39 (c) The regular members of the sangguniang panlalawigan and the
40 sectoral representatives shall be elected in the manner as may be provided
41 for by law.

42
43 SEC. 16. *Enactment of ordinance* The Local Government units shall enact an
44 ordinance implementing Section 14 of this Act within three (3) years from the
45 effectivity thereof.

46
47
48
49 • Chapter III
50 Social Protection

51
52 SEC. 17. *Medical/Health Insurance.* An accredited Informal Sector worker,
53 regardless of age and compensation level, shall be covered by 50 percent of the

1 lowest rate of medical/health insurance under the Philippine Health Insurance
2 Corporation (PHILHEALTH), and be entitled to all the benefits provided for
3 under the law. The free medical/health insurance coverage shall also extend to
4 Informal Sector workers who are contracted/self-employed, as defined herein,
5 and who are earning below the minimum wage.
6

7 SEC. 18 *Social Security Coverage.* An accredited Informal Sector worker,
8 regardless of age and compensation levels, shall be covered by social security
9 and be entitled to all the benefits provided under Republic Act No. 8282;
10 provided, that the corresponding monthly contributions of small farmers shall be
11 remitted every six months scheduled every post harvest of farm produce. For
12 this purpose, Section 22-A of Republic Act 8282 is hereby amended to read as
13 follows:
14

15 SEC. 22-A. *Remittance of Contributions of Self-employed Member.* Self-
16 employed members shall remit their monthly contributions quarterly on
17 such dates and schedules as the Commission may specify through rules
18 and regulations. HOWEVER, FARMERS ENROLLED AS SELF-
19 EMPLOYED MEMBERS SHALL REMIT THEIR MONTHLY
20 CONTRIBUTIONS EVERY SIX MONTHS SCHEDULED EVERY POST
21 HARVEST OF FARM PRODUCE; provided, that no retroactive payment
22 of contributions shall be allowed, except as provided in this Section.
23

24 For purposes of this Section, the Social Security System shall, within
25 ninety (90) days from the effectivity of this Act, promulgate guidelines for
26 the mechanism of collecting the aforesaid premiums.
27

28 SEC. 19. *Alternative Schemes of Providing Social Security.* To further widen access to
29 social security of Informal Sector workers especially in poor urban and rural
30 areas, indigenous and alternative social protection schemes such as: "damayan",
31 "tulongan", "saranay", small mutual benefit associations, and micro-finance
32 organizations as well as community-based micro-health insurance schemes
33 initiated or participated by informal sector workers shall be supported and
34 strengthened by concerned national agencies and LGUs so that these can be
35 sustained, systematized and upscaled.
36

37 An enabling environment for such organizations and schemes shall be
38 developed. Toward this end, the Insurance Commission (IC) is hereby mandated
39 to review its policies to make them more supportive of alternative schemes of
40 providing social security.
41

42 Other mechanisms to support such schemes shall be outlined by the
43 Implementing Rules and Regulation of this Act.
44

45 Chapter IV

46 Prohibited Acts Concerning Engagement of Informal Sector Workers

47 SEC. 20. *Prohibition Against Night Work.* Worker of minor age shall not be
48 allowed to render work between ten o'clock in the evening and six o'clock in the
49 morning of the following day.
50
51
52

1 SEC. 21. *Prohibition Against Work to be Undertaken.* Worker of minor age shall not
2 be allowed to render work beyond their mental and physical capabilities.

3
4 SEC. 22. *Prohibition Against Bonded Labor.* A worker shall not be allowed to use
5 his/her future services as collateral for any loan or advances made or to be made
6 by said worker with the person who contracted his/her services. Likewise, no
7 person shall be allowed to bind the worker to his/her continued employ as a
8 form of payment for any loan or advances which he/she may have made with
9 the former. Should there be an outstanding loan incurred and he/she decides to
10 unilaterally terminate engagement, said loan or advance shall be paid by
11 him/her to the person who contracted his/her services under the terms or
12 conditions of their agreement.

13
14 SEC. 23. *Prohibition Against Labor Sub-Contracting.* In no instance shall the person
15 who engaged the services of an informal sector worker sub-contract the services
16 of the latter to any third party.

17
18 SEC. 24. *Prohibition Against Recruitment or Finders' Fees.* Regardless of whether
19 the worker was sourced either through an employment agency or a third party,
20 said worker shall neither be charged nor levied a recruitment fee or finder's fee
21 by the aforementioned employment agency or third party

22
23 SEC. 25. *Prohibition Against Hazardous Work and Conditions.* Any worker shall not
24 be engaged to work in any hazardous work, activity or undertaking, and neither
25 shall he/she be exposed to hazardous working conditions.

26
27 For purposes of this Section, hazardous work or conditions shall include, but not
28 be limited to the following:

- 29
30 (a) any work which requires workers to render services beyond eight (8)
31 hours without commensurate compensation;
32
33 (b) any work or activity which exposes the worker to physical, emotional
34 or sexual abuse;
35
36 (c) any work which involves manual handling or transport of heavy loads;
37
38 (d) any work in an unhealthy environment which exposes workers to
39 hazardous substances, agents or processes, or to temperature, noise
40 levels, or vibrations damaging to their health;
41
42 (e) any work which requires workers to continuously render service
43 during late nights;
44
45 (f) any or all forms of slavery or practices similar to slavery, such as the
46 sale and trafficking of persons, forced or compulsory labor, debt
47 bondage and serfdom;
48
49 (g) any use, procuring or offering of the worker for prostitution or
50 pornography;
51

- 1 (h) any use, procuring or offering of the worker for the commission of any
2 offense or crime, particularly for the production and trafficking of
3 narcotic drugs and substances as defined in the Dangerous Drugs Act;
4
5 (i) any other type of work or activity which, by its nature or the
6 circumstances in which it is carried out, is likely to jeopardize the
7 health, safety, or morals of the worker; and
8
9 (j) any other type of work, activity, condition or undertaking that maybe
10 hereinafter be defined as hazardous by the Department of Labor and
11 Employment
12

13 SEC 26. *Prohibition Against Interference and Coercion.* Any person is prohibited
14 from committing any of the following acts of interference and coercion:
15

- 16 (a) to prevent a worker from upholding or exercising his/her rights;
17
18 (b) to prevent workers from joining or assisting organizations for
19 purposes not contrary to law, in order to protect and defend their
20 mutual interests and to obtain redress of grievances through peaceful
21 concerted efforts;
22
23 (c) to prevent a worker from carrying out his/her duties or functions in an
24 organization, or to penalize the same for any lawful action performed
25 in that capacity;
26
27 (d) to make calculated, serious and pre-meditated harassment and
28 interference with the intention of intimidating or preventing the
29 worker from performing his/her duties and functions,
30
31 (e) to make calculated, serious and pre-meditated harassment against, or
32 to transfer, penalize or terminate the services of a worker without valid
33 or legal ground; and
34
35 (f) to perform acts calculated to diminish the independence and freedom
36 of workers' organization to direct its own affairs.
37
38
39

40 **Chapter V**
41 **Security in the Workplace of Vendors**
42

43 SEC 27. *Designation of Workplaces* The Municipality or City, in coordination with
44 their respective Informal Sector Local Development Office, after consultation
45 with the vendors, the affected community, and other sectors or groups, shall
46 identify and designate viable workplaces, and design a system of assigning
47 spaces to registered vendors. In case the vendors shall prefer to conduct their
48 business or enterprise within an identified private property, the local
49 government unit shall negotiate with the owner of the identified private property
50 for possible vending site and assist the parties in forging a memorandum of
51 agreement in case they reach such agreement.

1
2 Workplaces include markets, vacant areas within the vicinity of markets and
3 other vacant public spaces which may be designated as allowable vending sites
4

5 The Municipal or City, within 60 days from the effectivity of this Act, shall cause
6 the conduct of a survey to identify vacant area(s) for vending in their respective
7 locality.
8

9 The Sanggunian Panglungsod or Bayan shall, within 90 days after the survey and
10 pursuant to the recommendation of the Informal Sector Local Development
11 Office, pass an ordinance designating the workplace or workplaces. No
12 workplace for vending purposes, however, shall be designated as such without
13 prior consultation with the vendors, the affected inhabitants and other sectors.
14

15 Local Government Units which have already established or designated viable
16 workplaces for vendors prior to this Act is deemed to have complied with this
17 provision of the Act provided that the aforesaid establishment or designation of
18 the viable workplace have been undertaken after consultation with the vendors,
19 the affected community and other sectors or groups.
20

21 SEC 28. *Policy on Eviction and Demolition.* Registered vendors who have no
22 permanent or temporary vending site shall not be arbitrarily deprived of their
23 livelihood by being unjustly ejected from their workplaces nor their stalls
24 demolished without prior notice and consultation and provision of relocation to
25 another viable workplace. The local government units, government agencies and
26 instrumentalities shall not conduct demolition or eviction of the registered
27 vendors without prior designation of their viable workplace. In case demolition
28 or eviction is conducted without compliance with the requirements under this
29 Section, the responsible person or officer who conducted or ordered the conduct
30 of the same shall be held administratively liable under this Act. Any responsible
31 person or officer who caused or ordered the destruction of any goods or
32 products during the demolition or eviction shall also be administratively liable
33 under this Act. In case demolition or eviction is warranted, the person or officer
34 who conducts the same shall issue receipt of the itemized products, goods and
35 other materials seized from the affected registered vendor. Any person or officer
36 who fails to issue receipt shall be administratively liable under this Act. No
37 violence or unreasonable force shall be committed against women, children,
38 senior citizens, persons with disabilities and other identities similarly situated in
39 the course of eviction or demolition. Nothing herein shall deprive the aggrieved
40 vendor the right to file criminal or civil action, whenever applicable, against the
41 responsible person or officer
42

43 SEC 29 *Relocation of Vendors.* Before any public market is closed, sold or
44 demolished, all market vendors with stalls and market vendors without stalls
45 shall first be relocated by the city government or municipal government to a
46 temporary or new public market. Notice of the intention to close, sell, or
47 demolish any public market shall be made to all concerned vendors at least sixty
48 (60) days before the actual transfer or relocation to another market site. Within
49 the sixty (60)-day period, the city government or municipal government shall
50 conduct consultations with the affected vendors on the selection of the relocation
51 site and the implementation of the relocation
52

53 SEC 30. *Temporary Vending Site.* Pending the designation of a viable vending area

1 or areas, vendors occupying a public place or places not previously designated as
2 vending site or sites shall be provided with a viable temporary site or sites by the
3 city government or municipal government. Notice of temporary transfer shall be
4 given to the vendors at least fifteen (15) days before the actual transfer. This shall
5 likewise cover and apply to vendors who are granted with permits but whose
6 workplaces are withdrawn from the list of allowable vending sites. Any change
7 in the list of allowable vending sites shall only be done after consultations with
8 the affected vendors.

9
10 SEC. 31. *Priority in the Assignment of Stalls.* In the event that a new public market
11 is constructed in place of an old market that is closed, sold, or demolished,
12 market vendors with stalls displaced from their workplaces shall be given
13 priority in the assignment of stalls in the new market.

14
15 SEC. 32. *Penalty for Non-compliance.* Failure to implement the foregoing
16 requirements and provisions of Sections 25, 26, 27, 28 and 29 shall render the
17 responsible official administratively liable pursuant to Republic Act 7160 and
18 other pertinent laws and criminally liable whenever applicable.

19
20
21
22 **Chapter VI**
23 **Security in the Workplace of Small Transport**
24

25 SEC. 33. *Designation of Workplaces.* The Municipality or City, in coordination with
26 their respective Informal Sector Local Development Office, after consultation
27 with the small transport groups, the affected community, and other sectors or
28 groups, shall identify and designate viable routes and terminal of tricycle and
29 pedicab within the municipality or city. Municipalities where *habal habal* is the
30 only mode of transportation shall also designate viable routes and terminal for
31 the same

32
33 Viable terminal shall be in proximity to public buildings, public markets, private
34 markets, commercial districts or commercial establishments and other places
35 which the public frequently visits.

36
37 The Municipal or City shall, within 60 days from the effectivity of this Act shall
38 cause the conduct of a survey to identify vacant area(s) for terminals in their
39 respective locality.

40 For access and safety, specific lanes within the road and routes will be
41 designated for use by tricycle, pedicabs and padyak.

42
43 The Sanggunian Panglungsod or Bayan shall, within 90 days after the survey and
44 pursuant to the recommendation of the Informal Sector Local Development
45 Office, pass an ordinance designating the viable terminal of tricycle, pedicab,
46 *habal-habal* and other members of the small transport as specified in Section 7 (a)
47 (v) of this Act. However, no designation of terminal shall be conducted without
48 prior consultation with the small transport groups, the affected inhabitants and
49 other sectors.

50
51 Local Government Units which have already established or designated routes
52 and terminals of tricycle and pedicab prior to this Act is deemed to have
53 complied with this provision of the Act provided that the aforesaid

1 establishment or designation of terminals have been undertaken after
2 consultation with the small transport groups, the affected community and other
3 sectors or groups.

4
5 SEC 34. *Relocation of Terminals.* Designated terminals for tricycle and pedicab
6 shall not be arbitrarily relocated without prior notice and consultation with the
7 small transport groups, the affected community and other sectors or groups.
8 Aside from the aforementioned requirements, relocation of terminals shall only
9 be effective if the same is done through an ordinance. After the enactment of the
10 ordinance relocating terminals for tricycle and pedicab, notice of intention to
11 relocate terminals shall be made to all small transport groups and the affected
12 community at least sixty (60) days before the actual relocation.

13
14 SEC 35. *Policy on Impounding of Vehicle.* The tricycle, pedicab, *habal-habal* and
15 other similar mode of transportation shall not be impounded for mere violation
16 of license or registration or traffic rules and regulations unless the said vehicle
17 was utilized to perpetuate or in the conduct of criminal activity/ies. In case of
18 mere violation of traffic rules and regulations, a traffic violation ticket shall be
19 issued to the erring driver without impounding the said vehicle. The responsible
20 person or officer who violated this Section shall be administratively liable under
21 this Act. Nothing herein shall prohibit the aggrieved member of the informal
22 sector from initiating a criminal or civil action against the responsible person or
23 officer whenever such action is applicable.

24
25 SEC. 36. *Penalty for Non-compliance.* Failure to implement the foregoing
26 requirements and provisions of Sections 61 and 62 shall render the responsible
27 official administratively liable pursuant to Republic Act 7160 and other pertinent
28 laws and criminally liable whenever applicable.

29
30
31
32 **Chapter VII**
33 **Security in the Workplace of Home-Based Workers**
34

35 SEC 37. *Policy on Eviction and Demolition.* A home-based worker shall not be
36 evicted from his/her home, which is his/her workplace, without valid or legal
37 ground as provided in Republic Act 7279. However, in case eviction or
38 demolition is warranted under Section 28 of Republic Act 7279, the same shall be
39 conducted after compliance of the following:

- 40 (a) notice upon the affected persons or entities at least thirty (30) days
41 prior to the date of eviction or demolition;
- 42 (b) adequate consultations on the matter of resettlement with the duly
43 designated representatives of the families to be resettled and the
44 affected communities in the areas where they are to be relocated;
- 45 (c) presence of local government officials or their representatives during
46 eviction or demolition;
- 47 (d) proper identification of all persons taking part in the demolition;
- 48 (e) execution of eviction or demolition only during regular office hours
49 from Mondays to Fridays and during good weather, unless the
50 affected families consent otherwise;
- 51 (f) no violence or unreasonable force shall be committed against women,
52 children, senior citizens, persons with disabilities and other identities
53 similarly situated in the course of eviction or demolition

- 1 (g) no use of heavy equipment for demolition except for structures that are
2 permanent and of concrete materials;
- 3 (h) proper uniforms for members of the Philippine National Police (PNP)
4 who shall occupy the first line of law enforcement and observe proper
5 disturbance control procedures, and
- 6 (i) adequate relocation, whether temporary or permanent, provided,
7 however, that in cases of eviction and demolition pursuant to a court
8 order involving underprivileged and homeless citizens, relocation
9 shall be undertaken by the local government unit concerned and the
10 National Housing Authority (NHA) with the assistance of other
11 government agencies within forty-five (45) days from service of notice
12 of final judgment by the court, after which period the said order shall
13 be executed; provided, further, that should relocation not be possible
14 within the said period, financial assistance in the amount equivalent to
15 the prevailing minimum daily wage multiplied by sixty (60) days shall
16 be extended to the affected families by the local government unit
17 concerned.

18
19 SEC 38. *Penalty for Non-compliance.* Failure to implement the foregoing
20 requirements and provision of Section 34 shall render the responsible official
21 administratively liable pursuant to Republic Act 7160 and other pertinent laws
22 and criminally liable whenever applicable.

23 24 25 26 Chapter VIII

27 Rights and Benefits of Non-Corporate Construction Workers, Own Account or 28 Self-employed Informal Sector Workers

29
30 SEC. 39. *Right to Fees Earned.* While there is no standard rate for the fees of
31 informal sector workers, the fees, in whatever mode it is made, shall not be
32 below the applicable minimum wage of the region where they are covered.
33 Payment of fees shall be made directly to the Informal Sector worker. No
34 deductions from said fees shall be made by the person who contracted the
35 informal sector worker except those specifically authorized by the latter. The
36 expressed written consent of the informal sector worker shall first be secured
37 before any deduction is made.

38
39 For non-corporate construction workers, security in the workplace primarily
40 refers to the principle of First-Priority Hiring by the Municipal and City
41 government for infrastructure and construction activities and projects.

42
43 SEC 40. *Fees Rate.* The Bureau of Working Conditions-DOLE shall develop and
44 implement capacity building program on the conduct of time and motion studies
45 as a basis of standardizing rates of fees. Likewise, the Regional Wage Boards
46 shall do the same to determine fees of workers of the informal sector micro-
47 entrepreneurs.

48
49 SEC. 41. *Access to Education and Training.* An Informal Sector worker shall not be
50 deprived of formal or non-formal education during day-off or any other time
51 mutually agreed by the parties

1 The Department of Education (DepEd) or Commission on Higher Education
2 (CHED) shall extend its services of Study-Now, Pay-Later Program to the
3 Informal Sector worker and his/her dependents.
4
5

6 **Chapter IX**
7 **Security in the Workplace of Small Farmers**
8

9 SEC. 42. *Protection of Agricultural Lands.* The Municipality/City in coordination
10 with the Department of Agrarian Reform shall protect all agricultural lands from
11 conversion or reclassification to non-agricultural uses. Special Economic Zones
12 Sites, Tourist Sites or Socialized Housing Sites shall not be allowed in irrigated
13 and irrigable lands. The Municipality/city shall include in their Comprehensive
14 Land Use Plan (CLUP) all the agricultural lands as protected zones
15

16 SEC. 43. *Local Agriculture Support Services.* The Municipality/City shall provide
17 capacity building training, access to collateral-free and gender-balanced credit,
18 marketing assistance and infrastructure development for small farmers and
19 agrarian reform beneficiaries within their jurisdiction. LGUs are mandated to
20 establish a farmers market or a *Bagsakan* where the local farmers can directly sell
21 their products to the public.
22

23 SEC. 44. *Protection for Tenants.* The LGUs shall provide assistance and protection
24 to tenants in agricultural lands whose landowners are not following the
25 provision in RA 3844. There should be no eviction of tenants from the farm if the
26 landowner unilaterally denies or terminates the tenancy relationship. The LGUs
27 shall make an inventory of all agricultural lands under leasehold. LGUs shall
28 enforce the security of tenure of tenants, right of redemption and right of first
29 refusal on the subject land.
30

31 SEC. 45. *Promotion of Sustainable Agriculture.* LGUs shall encourage and provide
32 incentives to their constituents who want to engage or is engaging in sustainable
33 and/or organic farming. All idle private or public lands within their jurisdiction
34 shall be cultivated or planted with organic food crops like corn, root crops or
35 vegetables.
36
37
38

39 **Chapter X**
40 **Security in the Workplace of Marginalized Fisherfolks**
41

42 SEC. 46. *Establishment of Fisherfolk Settlement Areas.* LGUs in coordination with
43 NHA, shall establish and create fisherfolk settlement areas on private or public
44 lands, specifically near the fishing grounds, for municipal fisherfolk with
45 security of tenure.
46

1 SEC. 47. *Preference to Marginalized Fisherfolks.* The use of the municipal waters shall
2 be exclusive for marginalized fisherfolks. Marginalized fisherfolks shall be given
3 priority in the application of permits and licenses for the establishment of fish
4 pens, fish corrals, fish traps, shellfish culture or similar structure for culture of
5 marine products within the municipal waters. There should be no demolition of
6 the abovementioned structures owned by marginalized fisherfolk without
7 providing advance notice and an alternative source of income.

8
9 SEC. 48. *Requirement for Establishment of Marine Protected Area.* Consent from the
10 affected fisherfolks shall be required before an area be declared a marine
11 protected area or a fish sanctuary by the national or local government unit.

12
13 SEC. 49. *Protection of Mangrove Forest.* Conversion of any mangrove forest to
14 residential, commercial or industrial use shall be prohibited. LGUs must allocate
15 their local funds for mangrove reforestation.

16
17 SEC. 50. *Regulation of Beach Fronts.* LGUs shall ensure that no beach within their
18 jurisdiction is exclusive for the use of resort guests or private persons only. Beach
19 fronts and foreshores are public domain and may be accessed and used by any
20 person especially marginalized fisherfolks.

21
22
23
24 **Title III**
25 **INSTITUTIONAL MECHANISM**

26
27 **Chapter I**
28 **Special Allocations for Development Initiatives**

29
30 SEC. 51. *Special Allocations for Development Initiatives.* The national government
31 shall allocate at least ten (10%) percent of its annual national budget to be
32 appropriated proportionately in accordance with the corresponding internal
33 revenue allocation (IRA) of respective local government units. The additional ten
34 percent (10%) allocation is separate from the annual and current IRA of LGUs.

35
36 The additional ten percent (10%) allocation shall be utilized by the LGUs for the
37 implementation of livelihood programs and other social services specifically for
38 the informal sector pursuant to the provisions of this Act. Priority shall be given
39 to income generating programs for the poorest of the poor. The program shall
40 focus on the mobilization of the informal sector with no assets to engage in self-
41 employment and income generating activities.

42
43 SEC. 52. *Sourcing and Adopting Development Initiatives.* Other sources of funds to
44 be used exclusively for initiatives addressing the needs and empowerment of
45 workers in the informal sector shall be identified in the Implementing Rules and
46 Regulations (IRR) of this Act and may include the following:

- 47
48 (a) Government financial institutions and mechanisms such as the Land
49 Bank of the Philippines (LBP), Development Bank of the Philippines
50 (DBP), National Livelihood Support Fund (NLSF), Quezon Rural
51 Credit and Guarantee Corporation (QCGC) shall set aside a specific
52 percentage of their loan portfolio to informal sector enterprises and
53 shall give priority to women-led informal sector enterprises by

1 providing loans at an interest of not more than twelve percent (12%)
2 per annum consistent with the spirit of Republic Act 7882. The
3 aforementioned government financial institutions shall formulate
4 guidelines within ninety (90) days from the effectivity of this Act to
5 facilitate the application of informal sector business or enterprises of
6 the aforesaid loan portfolio. The guidelines shall provide simple
7 procedure and requirements in the application of informal sector
8 business or enterprises in accordance with the framework and
9 principles of this Act.

10
11 (b) The Department of Social Welfare and Development (DSWD) shall
12 strengthen its Self-Employment Assistance Program (SEAP) to uplift
13 and empower women in poverty, particularly those in the informal
14 economy, by adopting an integrated, credit-plus approach to micro-
15 finance.

16
17 (c) The Small Business Guarantee and Finance Corporation (SBGFC)
18 created under Republic Act (R.A.) No. 8289 shall assist in the sourcing
19 and adopting of development initiatives for competitive enterprises in
20 terms of finance, technology, production, management and business
21 linkages. It shall also provide and promote, develop and widen in both
22 scope and service reach various alternative modes of financing for
23 informal economy business activities or enterprises, including but not
24 limited to: direct and indirect project lending, venture capital, financial
25 leasing, secondary mortgage and/or rediscounting of loan papers to
26 such business activities or enterprises, and crop production financing.
27 The Corporation shall guarantee loans obtained by the qualified
28 worker or business activity or enterprise, under such terms and
29 conditions adopted by its Board.

30
31 (d) The Department of Agriculture, through the Agricultural Credit Policy
32 Council (ACPC), created pursuant to Republic Act 7607, shall give
33 subsidies for the education and training of small farmers on credit
34 awareness, loan acquisition and loan repayment. Pursuant to
35 aforesaid law, a portion of all loanable agricultural funds shall be
36 utilized for direct lending to small farmers for their production,
37 processing, post harvest and marketing requirements.

38
39 (e) The Department of Trade and Industry (DTI) shall contribute to
40 enable the development of business environment that shall include
41 initiatives such as supply chain and market outlets, and schemes to
42 develop Special Credit Window/s to upscale informal sector
43 enterprises.

44
45 (f) The Department of Science and Technology (DOST) shall support
46 technology-related initiatives for workers in the informal economy.

47
48 SEC. 53. *Eligibility for Government Assistance.* To qualify for assistance, incentives
49 and grants, a worker or business activity or enterprise should be:

50
51 (a) duly registered with the appropriate agency in the LGU where they
52 are actively operating and has paid the necessary fees for registration

1 and accreditation from the office of the municipal or city treasurer
2 concerned;

3
4 (b) one hundred percent (100%) owned and capitalized by Filipino
5 citizens, be it single proprietorship or a partnership venture; and
6

7 (c) fall under the above-mentioned sub-categories of Informal Sector;
8

9 SEC. 54. *Exclusivity of Government Programs.* The government shall ensure that
10 programs of financing, grants and other similar incentives shall be exclusively
11 extended to an accredited Informal Sector worker and business activity or
12 enterprise.
13

14 SEC. 55. *Entitlement of Government Procurements.* The government shall work for a
15 mechanism to ensure that duly accredited Informal Sector worker or business
16 activity or enterprise is entitled to a share of at least ten percent (10%) of the total
17 value of procurement of goods and services supplied to the government, its
18 bureaus, offices and agencies annually: provided, that prices and quality of
19 goods offered by the above-mentioned accredited Informal Sector worker or
20 business activity or enterprise are competitive.
21

22 SEC. 56. *Coordination with LGUs.* Pursuant to the provisions of Republic Act No.
23 7160, the local chief executives in coordination with Informal Sector
24 representatives and appropriate agencies shall formulate specific plans that will
25 address the socio-economic needs of the informal sector and incorporate them in
26 their respective provincial, city and municipal development plans.
27

28 NGOs whose primary ends are advocacy of issues or realizations of specific
29 developmental objectives for the informal sector workers shall be accredited as
30 such by the local sanggunian of the LGU where they operate. Such accreditation
31 shall afford the aforementioned NGO the right to participate in the election of
32 non-government organizations' representative in the local development councils
33 of the barangay, municipality, city and province pursuant to Section 108 of
34 Republic Act 7160.
35

36 The local development councils shall recognize workers in the informal sector as
37 one of the sectors that they may call or form as a sectoral committee to assist
38 them in the performance of their functions pursuant to Section 112 of Republic
39 Act 7160.
40

41 SEC. 57. *Tax Exemption.* A duly registered Informal Sector worker or business
42 activity or enterprise shall be exempted from all taxes, national or local,
43 including all imposts, fees, licenses and permits (including building permits)
44 except real property taxes and capital gains from sale of real property (and
45 shares of stocks), and duties and taxes on importations.
46
47
48
49
50

51 **Chapter II**
52 **Informal Sector Development Council**
53

1 SEC. 58. *Creation of an Informal Sector Development Council.* There is hereby
2 created an Informal Sector Development Council (ISDC), herein otherwise
3 referred to as the Council, which shall be attached to the National Economic
4 Development Authority (NEEDA) and shall be constituted within sixty (60) days
5 after the approval of this Act.

6
7 The Council shall be the primary agency responsible for the promotion, growth
8 and development of the Informal Sector in the country by way of facilitating and
9 coordinating national efforts to promote the sector's viability and growth,
10 including the provisions of an integrated program for skills enhancement,
11 literacy and education, health services, social welfare and services, assistance in
12 the tapping of local as well as foreign funds, and other functions relative to the
13 attainment of the objectives and policy of this Act

14
15 The Council shall be separate and distinct from the National Fisheries and
16 Aquatic Resources Management Council (NIFARMC) created under Republic Act
17 8550.

18
19 SEC. 59. *Composition.* The Council shall be headed by the Director General of the
20 National Economic Development Authority (NEEDA) as Chairperson, and elect
21 from among themselves a Vice-Chairperson to preside over the Council meetings
22 in the absence of the Chairperson. The members shall be the following:

23
24 *In Officio* members:

- 25
26 (a) Secretary of Department of Trade and Industry (DTI);
27 (b) Secretary of Department of Agriculture (DA),
28 (c) Secretary of Department of Labor and Employment (DOLE);
29 (d) Secretary of Department of Social Welfare and Development (DSWD);
30 (e) Secretary of the Department of Interior and Local Government (DILG);
31 (f) Secretary of Department of Science and Technology (DOST);
32 (g) Lead Convenor of the National Anti-Poverty Commission (NAPC);
33 (h) Director General of the Technical Education and Skills Development
34 Authority (TESDA),
35 (i) Director of the Bureau of Fisheries and Aquatic Resources (BFAR);
36 (j) Director General of National Statistics Office (NSO);
37 (k) Chairperson of the Social Security System (SSS);
38 (l) Chairperson of Philhealth;
39 (m) Chairperson of the National Commission on the Role of Filipino
40 Women (NCRFW);
41 (n) Chairperson of the National Commission on Indigenous People
42 (NCIP),
43 (o) Chairperson of the Philippine Commission on the Urban Poor (PCUP);

44
45
46
47 Regular members:

- 48
49 (p) Fifteen (15) representatives from People's Organizations (POs) of
50 workers in the informal sector, five (5) each to represent Luzon,
51 Visayas and Mindanao with representation of the informal sector
52 subgroups of vendors, small transport, marginalized farmers,
53 marginalized fisherfolks and home-based worker or non-corporate

- 1 construction workers to be elected in a National Assembly of informal
2 sector organizations duly called for that purpose; provided that at
3 least fifty percent (50%) of the fifteen (15) representatives are women;
- 4 (q) Six (6) representatives from non-government organizations (NGOs)
5 working with Informal Sector, two (2) each to represent Luzon,
6 Visayas and Mindanao to be appointed by the Chairperson from
7 among those recommended by members of the informal sector;
8 provided that at least fifty percent (50%) of the six (6) representatives
9 are women; and
- 10 (r) One representative from the private sector at large who has a proven
11 track record in catering to the needs of the informal sectors and to be
12 appointed by the Chairperson from among those recommended by
13 members of the informal sector.

14
15 An *ex officio* member of the council who possesses a cabinet rank shall designate
16 an undersecretary or assistant secretary as his/her permanent alternate
17 representative in case he/she fails to attend meetings in the exigency of his/her
18 official function in the department.

19
20 The *ex officio* members of the council shall not have voting rights in any matter or
21 issue subjected to voting of the council as this is a right reserved only to regular
22 members of the council to ensure that decisions shall reflect the sentiments of the
23 informal sector themselves. However, the Chairperson or Vice-Chairperson, in
24 the absence of the former, shall have the right to vote in case of tie.

25
26 The regular members of the council may conduct a meeting excluding the *ex*
27 *officio* members for purposes of voting on matters concerning the informal sector.

28
29 Elected representatives of the private sector, non-government organizations and
30 informal sector organizations shall serve as regular members of the council for a
31 term of three (3) years without re-election. In case of vacancy for whatever cause
32 or reason, the Chairperson shall appoint a representative to fill the vacancy from
33 among those recommended by members of the informal sector. Appointment to
34 any vacancy shall be only for the unexpired term of the predecessor.
35 Appointment for the unexpired term shall not bar the appointee from running
36 during the next regular election.

37
38 The representatives from the private sector, non-government organizations and
39 informal sector organizations shall be entitled to receive a *per diem* of two
40 thousand pesos (P2,000.00) per meeting exclusive of expenses for transportation
41 and accommodation. The Council shall meet once every two months or it may
42 call for special meetings as the need may arise; provided, that the frequency of
43 such special meetings shall not exceed four (4) times annually.

44
45 The NLDA shall allocate five million pesos (P5,000,000) out of its savings for the
46 initial operating expenses of the Council, after which the Council's budget shall
47 be included in the department's annual appropriation.

48
49 The initial election of representatives of the informal sector shall be conducted
50 within six (6) months from the effectivity of this Act. The implementing rules
51 and regulations (IRR) of this Act shall contain the guidelines for the formation of
52 members of the council, the election process, the nomination process, recall

1 procedures and such other mechanisms to ensure accountability of the
2 representatives.

3
4
5
6 SEC 60 *Mandate of the Council.* The Council shall have the following mandates:

7
8 (a) develop a system of registration and accreditation of members of the
9 Informal Sector, with attention to women workers, in accordance with
10 the standards and provisions of this Act;

11
12 (b) provide guidelines for the LGUs' implementation of a fair and credible
13 system of evaluation, accreditation, review and assessment, merit
14 promotion, rendering of grant and incentive awards and other policies
15 relative to the effective and efficient implementation of this Act;

16
17 (c) further develop the existing *Philippine Country Program* for the
18 development and protection of the Informal Sector workers towards
19 institutionalizing comprehensive, rights-based, gender-responsive and
20 child friendly programs and policies for the Informal Sector. Towards
21 this end, the Council must ensure government capacity to undertake
22 and implement this program for the Informal Sector;

23
24 (d) develop rights and gender-based monitoring and evaluation
25 mechanisms to ensure that programs and policies are implemented
26 effectively and efficiently; and ensure gender-responsiveness of
27 interventions toward harnessing full potentials of women Informal
28 Sector workers;

29
30 (e) coordinate with LGUs for the development and implementation of
31 periodic evaluation of all accredited Informal Sector workers, taking
32 into account their accomplishments, capabilities and potentials, the
33 results of which shall be used as bases for evaluation, registration,
34 accreditation for the grant of awards and incentives, training and
35 retraining,

36
37 (f) monitor the income of the LGUs generated from the members of the
38 informal sector through the LGUs' periodic report submitted to the
39 Council;

40
41 (g) establish a performance appraisal system for all accredited Informal
42 Sector workers which shall be the basis for granting or renewal of
43 incentives, rewards and recognition, training and development,
44 including adequate mechanisms to ensure their active participation
45 and involvement;

46
47 (h) ensure effective participation of the Informal Sector workers through
48 the establishment of regular consultations at the national, regional and
49 provincial level among the organizations of Informal Sector workers to
50 determine specific issues and problems affecting their sector and
51 monitor/evaluate implementation of programs and policies.

- 1 (i) establish and develop a centralized and sex-disaggregated database
2 system to effectively guide policy formulation relative to the Informal
3 Sector workers. The databank shall be available for public use and
4 shall include but not be limited to the following:
5
6 i.1. masterlist of workers in the informal sector classified according to
7 geography (urban or rural based), premises (home based or non
8 home based), gender (male, female), vulnerability (children,
9 elderly or person with disability), industry (industrial,
10 commercial, services or agricultural), occupation (fisherfolks,
11 farmers, construction, drivers, vendors, laborers or sales
12 personnel), nature of employment (casual, contractual, seasonal,
13 permanent/regular or pakyaw/commission basis/boundary
14 system) and roles/functions (own-account/self-employed or
15 subsistence/marginal employment).
16 i.2. list of government and non-governmental organizations which
17 provide educational, socio-economic and legal services to the
18 Informal Sector;
19 i.3. sex-disaggregated statistical profile of various Informal Sector
20 workers based on age, location, type of work, average monthly
21 income, number of hours worked, and other statistical
22 information;
23 i.4. statistical data on informal enterprises, including capitalization
24 and sources of capital, number and status of workers, average
25 income;
26 i.5. database of the needs and problems of the informal sector in
27 general and database of particular needs of women and children in
28 the Informal Sector; and
29 i.6. compilation of existing laws and programs affecting the interest
30 and welfare of the Informal Sector.
31
32 (j) develop and implement a communication plan including massive
33 information dissemination activities targeting Informal Sector workers
34 in various regions towards making them understand and appreciate
35 the benefits this Act may bring them;
36
37 (k) make necessary adjustment of the applicable amount of total asset
38 value as provided under Section 4 (d) after five (5) years from the
39 enactment of this Act and five (5) years thereafter, based on prevailing
40 poverty threshold and other established standards in determining
41 subsistence level of living;
42
43 (l) formulate, implement, coordinate and monitor all non-financial
44 government programs, including fee-based services, to support and
45 promote entrepreneurial spirit among the poorest of the poor; and
46
47 (m) develop alternative conflict or dispute resolution systems and
48 mechanisms, which shall aim to promote dialogue, conciliation and
49 mediation while protecting the rights of Informal Sector workers
50
51
52

1 SEC. 61. *Authority of the Council to Solicit Assistance from Various Agencies.* The
2 Council may, from time to time, call upon the participation of any government
3 agency or bureaucracy in its deliberations especially when such agency is
4 directly or indirectly concerned with and/or affecting the growth and
5 development of the Informal Sector in any manner.

6
7 SEC. 62. *Council Secretariat.* The Council, through the Chairperson, shall
8 designate, in his capacity as the Director of the NEDA, any division or bureau
9 within the NEDA to act as the Council Secretariat and shall have the following
10 duties and functions:

11
12 (a) to prepare in coordination with LGUs and other local government
13 agencies, and recommend annual as well as medium-term Informal
14 Sector Enterprise Development Plans for the approval of the Council;

15
16 (b) to coordinate the preparation of position papers and background
17 materials for discussion or approval during Council meetings;

18
19 (c) to assist the Council in coordinating and monitoring the policies,
20 programs and activities of all government agencies with respect to the
21 implementation of this Act;

22
23 (d) to prepare, collate, integrate all inputs to the Council's yearly report on
24 the status of the Informal Sector business activities or enterprises in the
25 country;

26
27 (e) to submit periodic reports to the Council on the progress and
28 accomplishment of its work programs; and

29
30 (f) to perform *ad hoc* functions as authorized by the Council.

31
32 SEC. 63. *Rationalization of Programs.* The Council shall conduct continuing review
33 of government programs for the poorest of the poor and the Informal Sector and
34 submit to Congress and the President a report thereon together with its policy
35 recommendations.

36 37 38 39 Chapter III 40 Informal Sector Local Development Office

41
42 SEC. 64. *Informal Sector Local Development Office.* The Informal Sector Local
43 Development Office (ISLDO) shall be established in every province, municipality
44 and city to enhance the Informal Sector access to assistance and support.

45
46 For this purpose, the DTE, Technical Education and Skills Development
47 Authority (TESDA) and Technology and Livelihood and Resource Center (TLRC)
48 shall develop livelihood programs that will harness the skills of the Informal
49 Sector workers.

50
51 The aforesaid agencies shall conduct human resource development program and
52 management in the following areas:

- 1 (a) adequate facilities and resources to render quality social service;
- 2
- 3 (b) opportunities for Informal Sector workers to grow and develop their
- 4 potentials and experience a sense of worth and dignity in their work;
- 5
- 6 (c) mechanisms for democratic consultations;
- 7
- 8 (d) upgrading of working conditions; and
- 9
- 10 (e) allocation of funds for the participation of Informal Sector workers in
- 11 skills training and workshops and other similar activities as part of
- 12 their continuing advancement.
- 13

14 SEC. 65. *Functions of Informal Sector Local Development Office.* The Informal Sector
15 Local Development Office shall have the following functions:

- 16
- 17 (a) prepare an over-all development plan and work program that will
- 18 address the needs, rights and capacities of the Informal Sector workers
- 19 and incorporate them in their respective provincial, municipal and city
- 20 development plans;
- 21
- 22 (b) in consultation with organizations of Informal Sector workers in the
- 23 area, identify specific needs of the sector and recommend appropriate
- 24 measures to be taken;
- 25
- 26 (c) ensure registration and accreditation of the Informal Sector workers,
- 27 especially women;
- 28
- 29 (d) monitor, assess and evaluate implementation of the plans and
- 30 programs as well as the performance of the sector in the areas;
- 31
- 32 (e) coordinate with other local offices, private sector and other
- 33 organizations with existing programs for the Informal Sector workers
- 34 for integration and convergence;
- 35
- 36 (f) conduct training programs which will provide new ideas to the
- 37 Informal Sector workers and upgrade the technical and
- 38 entrepreneurial skills of others who are already in the field;
- 39
- 40 (g) implement consciousness-raising and capability building activities to
- 41 include information on workers', women's and children's rights and
- 42 leadership training;
- 43
- 44 (h) provide technical support and access to credit, market, technology,
- 45 social security schemes, and training for micro-entrepreneurs, small
- 46 transport, small farmers, marginalized fisherfolks, non-corporate
- 47 construction workers and other skilled workers;
- 48
- 49 (i) train pools of community trainers in business counselling and
- 50 awareness-raising on occupational safety and health hazards, risks and
- 51 social security;
- 52
- 53 (j) support organizing activities among Informal Sector workers;

- 1
2 (k) establish databanks on human resources and skills registry to be used
3 as tools for LGU planning and budgeting,
4
5 (l) provide offices and other necessary resources to support organizing,
6 advocacy, training and other activities of local organizations of
7 Informal Sector workers;
8
9 (m) train Informal Sector workers on negotiation skills and on the
10 conduct of time and motion studies to determine proper wages; and
11
12 (n) provide services, to include but not limited to counselling and legal
13 assistance for the furtherance of this Act,
14
15 (o) ensure that the LGU is capacitated to undertake and implement rights-
16 based and gender-responsive programs for the Informal Sector.
17

18 The Local Government Units shall annually allocate at least two hundred fifty
19 thousand pesos (P250,000.00) or at least five percent (5%) of the twenty percent
20 (20%) Development Fund of their Internal Revenue Allotment or whichever is
21 higher for the operations and maintenance of the ISIDO.
22

23 The LGUs shall submit to the ISDC the annual report of disbursement of the
24 fund allocations for Informal Sector as specified in this section and section 40
25 paragraph (g) of this Act. In case of failure on the part of the LGU to submit the
26 annual report to the ISDC, the local chief executive and other officers of the LGU
27 shall be held administratively liable.
28

29 SEC. 66. *Composition.* The local chief executives shall act as the primary overseers
30 to the overall operations of ISIDO, while Informal Sector workers shall be
31 represented by at least five (5) representatives from POs of IS workers; provided
32 that each sub-group (vendor, small transport, small farmers, marginalized
33 fishersfolks and home-based workers/ non-corporate construction workers) shall
34 have one (1) representative each in the ISIDO, whenever applicable. However,
35 in case of highly urbanized cities, there shall be ten (10) representatives of
36 informal sector in the ISIDO, with two (2) representatives coming from each
37 sub-group.
38

39 The representatives shall be elected in a general assembly of each sub-group duly
40 called for the purpose of election of a representative/s to the ISIDO. The elected
41 representatives shall serve as such for a term of three (3) years without re-
42 election. In case of vacancy for whatever cause or reason, the local chief
43 executive shall appoint a representative to fill the vacancy from among those
44 recommended by members of the informal sector. Appointment to any vacancy
45 shall be only for the unexpired term of the predecessor.
46
47
48

49 **Chapter IV**
50 **Informal Sector Comprehensive and Integrated Plan**
51 **And Inter-Agency Networking**
52

1 SEC. 67. *Comprehensive Plan.* The Informal Sector Development Council or ISDC
2 shall be tasked to formulate a Ten-Year Comprehensive and Integrated Plan on
3 the impact of globalization to the informal sector. It shall determine and
4 recommend the necessary safety nets needed by the informal sector to prepare
5 them for the possible effects of globalization
6

7 SEC. 68. *Inter-Agency Networking.* The NEDA shall provide for and lead the inter-
8 agency networking system among the different departments and
9 instrumentalities of government, should the same be required in the continuing
10 efforts to protect the interests, rights and privileges of Informal Sector workers
11

12 The Council in cooperation with the DepEd and CHED, shall design a
13 comprehensive and integrated program for Informal Sector workers to give them
14 opportunity to pursue free education.
15

16 The cooperatives, through the help of the Department of Trade and Industry
17 (DTI), NEDA and TLRC shall inform Informal Sector workers of opportunities
18 for market and technology access and the availability of livelihood training
19 seminars to respond to Informal Sector needs and potentials.
20

21 The DSWD shall, within a period of one (1) year from the date of effectivity of
22 this Act, institute a program designed specifically to provide emergency services
23 specifically to women and the minor Informal Sector worker who are in need of
24 custody, shelter, counseling, or medical, psychological, legal and rehabilitative
25 services.
26

27 The DSWD shall, upon the recommendation of the DOLE, effect the repatriation
28 of minor-aged Informal Sector workers who voluntarily seek government
29 protection against abuse and exploitation or upon report or discovery of the
30 same. The cost of such repatriation shall be borne by the DSWD. The DSWD and
31 DOLE shall formulate the rules and regulations governing the emergency
32 repatriation of the same.
33

34 For this purpose, a Repatriation Fund is hereby created and established under
35 the administration and control of the DSWD in the amount of five million pesos
36 (P5,000,000) to be taken from the President's Social Fund
37
38

39 SEC. 69. *Consultations with Informal Sector Organizations.* The Informal Sector
40 Development Council or ISDC, in coordination with other concerned agencies
41 and LGUs through the Informal Sector Local Development Office, shall conduct
42 annual national, regional and provincial consultations among the Informal Sector
43 organizations to determine the specific issues and problems affecting their sector.
44 The Council shall channel Informal Sector concerns to the appropriate agencies
45 and provide the necessary recommendations to the executive and legislative
46 departments.
47

48 SEC. 70 *Establishment of Informal Sector Database.* The Council, in coordination
49 with the National Statistical Coordination Board or NSCB, shall establish and
50 develop a centralized database system to effectively work on policy formulation
51 and policy concerns relative to the Informal Sector. The NSCB shall regularly
52 update the said centralized database system. The database shall include but is
53 not limited to the following:

- 1
2 (a) masterlist of workers in the informal sector classified according to
3 geography (urban or rural based), premises (home-based or non
4 home-based), gender (male, female), ethnicity (etcho-linguistic group
5 or indigenous community) vulnerability (children, elderly or person
6 with disability), industry (industrial, commercial, services or
7 agricultural), occupation (fisherfolks, farmers, construction, drivers,
8 vendors, laborers or sales personnel), nature of employment (casual,
9 contractual, seasonal, permanent/regular or pakyaw/commission
10 basis/boundary system) and roles/functions (own-account/self-
11 employed or subsistence/marginal employment).
12
13 (b) List of government and non-governmental organizations which
14 provide educational, socio-economic and legal services to the Informal
15 Sector;
16
17 (c) Sex-disaggregated statistical profile of various Informal Sector workers
18 based on age, location, type of work, average monthly income, number
19 of hours worked, and other statistical information;
20
21 (d) Statistical data on informal enterprises, including capitalization and
22 sources of capital, number and status of workers, average income;
23
24 (e) Database of the needs and problems of women and children in the
25 Informal Sector nationwide; and
26
27 (f) Compilation of existing laws and programs affecting the interest and
28 welfare of the Informal Sector
29

30 The public shall be allowed to have access to the said data provided that they
31 shall abide with the regulations that will be set by the Council.
32

33 SEC. 71. *Establishment of a Shared Government Information System for Informal Sector*
34 An inter-agency committee, composed of the Department of Agriculture (DA),
35 Department of Interior and Local Government (DILG), the Department of Labor
36 and Employment (DOLE), the National Statistics Office (NSO), the Informal
37 Sector Development Council, the Informal Sector Local Development Office,
38 shall be established to implement a shared government information system for
39 the informal sector. The inter-agency committee shall initially make available to
40 itself the information contained in existing data bases/files. The second phase
41 shall involve linking of computer facilities in order to allow free flow of data
42 exchanges and sharing among concerned agencies.
43
44
45

46 **Title IV**
47 **MISCELLANEOUS AND FINAL PROVISIONS**
48

49 SEC. 72. *Violation of Prohibited Acts* Any person who commits the prohibited acts
50 mentioned in Sections 18, 19, 21, 22, 23 and 24 shall be punished by a fine of two
51 hundred thousand (P 200,000) pesos or by imprisonment for six (6) years, or both
52 in the discretion of the court.
53

1 Violations of the prohibited act mentioned in Section 20 shall be punished
2 pursuant to Republic Act 9208.

3
4 SEC. 73 *Implementing Rules and Regulations.* The departments and agencies
5 charged with carrying out the provisions of this Act shall, within ninety (90) days
6 after the effectivity of this Act, formulate the necessary rules and regulations for
7 its effective implementation.

8
9
10 SEC. 74. *Repealing clause.* All laws, decrees, executive orders, rules and
11 regulations, or parts thereof inconsistent with the provisions of this Act are
12 hereby repealed or modified accordingly.

13
14 SEC 75 *Separability of provisions.* If, for any reason, any section or provision of
15 this Act is held unconstitutional or invalid, the other sections or provisions
16 hereof shall not be affected thereby.

17
18 SEC. 76. *Effectivity Clause.* - This Act shall take effect after fifteen (15) days from
19 its publication in the Official Gazette or in at least two (2) national newspapers of
20 general circulation whichever comes earlier.

21
22 Approved.