

**[ MEMORANDUM CIRCULAR NO. 08, S. 2018, May 10, 2018 ]**

**IMPLEMENTING GUIDELINES ON THE REGISTRATION OF DIRECT-HIRE OVERSEAS FILIPINO WORKERS (OFWS)**

*Adopted: 26 April 2018*

*Date Filed: 10 May 2018*

Pursuant to DOLE Administrative Order No. 196, Series of 2018, in relation to Article 18 of the Labor Code of the Philippines (Ban on Direct Hiring), Republic Act 10022, and the Revised Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers of 2016, while observing the fundamental principle of deployment of workers only to countries with certification as compliant destination for our workers, the following guidelines shall govern the registration of Direct-Hire OFWs by this Administration.

**I. Coverage.** No employer shall directly hire an overseas Filipino worker for overseas employment. The following, however, are exempted from the ban:

- a. Members of the diplomatic corps;
- b. International organizations;
- c. Heads of state and government officials with the rank of at least deputy minister; or
- d. Other employers as may be allowed by the Administration, such as:
  1. Those provided in a., b., and c. above who bear a lesser rank, if endorsed by the Philippine Overseas Labor Office (POLO), or Head of Mission in the absence of the POLO;
  2. Professionals and skilled workers with duly executed verified/ authenticated contracts containing terms and conditions over and above the standards set by the POEA. The number of professionals and skilled OFWs hired for the first time by the employer shall not exceed five (5). For the purpose of determining the number, workers hired as a group shall be counted as one; or
  3. Workers hired by a relative/family member who is a permanent resident of the host country, except domestic workers (live-in caregiver/care worker or household service workers).

**II. Employment Standards.** Pursuant to Section 134 of the 2016 Revised POEA Rules, the Administration shall secure the best possible terms and conditions of employment for OFWs. As such, it shall develop and continually review

employment standards in accordance with policy thrusts and market developments, including Direct-Hire OFWs.

**a. Life and insurance coverage.** It is the primary responsibility of the employer that the Direct-Hire OFW is provided with a compulsory insurance coverage. The repatriation insurance of an OFW and his/her remains, and the transport of his/her personal effects shall be the obligation of the employer to cover actual repatriation cost and other attendant costs, including airfare and immigration fines/penalties.

**b. Minimum Provisions of Employment Contracts.** Pursuant further to Section 135 of the same Rules, the following shall be the minimum provisions in employment contracts for all Direct-Hire OFWs:

1. Complete name and address of the employer/company;
2. Position and jobsite of the Overseas Filipino Worker;
3. Basic monthly salary, including benefits and allowances and mode of payment. The salary shall not be lower than the prescribed minimum wage in the host country or prevailing minimum wage in the National Capital Region of the Philippines, whichever is higher;
4. Food and accommodation or the monetary equivalent which shall be commensurate to the cost of living in the host country, or off-setting benefits;
5. Commencement and duration of contract;
6. Free transportation from and back to the point of hire, or off-setting benefits, and free inland transportation at the jobsite or off-setting benefits;
7. Regular work hours and day off;
8. Overtime pay for services rendered beyond the regular working hours, rest days and holidays;
9. Vacation leave and sick leave for every year of service;
10. Free emergency medical and dental treatment;
11. Just/valid/authorized causes for termination of the contract or of the services of the workers, taking into consideration the customs, traditions, norms, mores, practices, company policies and the labor laws and social legislations of the host country;
12. Settlement of disputes;
13. Repatriation of worker in case of imminent danger due to war, calamity, and other analogous circumstances, at the expense of employer; and

14. In case of worker's death/repatriation of Overseas Filipino Workers human remains and personal belongings, at the expense of the employer.

**c. Standards for Professionals and Skilled Direct-Hire OFWs.** For professionals and skilled Direct-Hire OFWs, the employment offer should be over and above the minimum provisions of employment contract stated above, and may include provisions such as, but not limited to:

1. Basic compensation package above the minimum prescribed minimum wage in the host country;
2. Provision of secured conveyance to and from the work site;
3. Bonuses;
4. Annual vacation with full pay and free airline tickets;
5. Gratuity pay;
6. End of service award benefits;
7. Free education for OFW children who are 18 years old or younger;
8. Stock option program.

The Administration may likewise formulate country or skill specific policies and guidelines for Direct-Hire OFWs based on the following:

- Existing labor and social laws of the host country;
- Relevant bilateral and multilateral agreements or arrangements with the host country; and
- Prevailing conditions/realities in the market

**IV. Medical Examination.** Direct-Hire OFWs shall undergo and pass the pre-employment medical examination (PEME) by a hospital or a medical clinic accredited by the Department of Health (DOH) for the conduct of such examination in accordance with the medical requirements of the host country.

A Direct-Hire OFW may be exempted from PEME if the worker has undergone a medical examination as a requirement for issuance of visa by the country of destination. A copy of the medical certificate shall be submitted to the POEA.

**V. Pre-Employment and Pre-Departure Orientation Seminar (PEOS and PDOS).** All Direct-Hire OFWs are required to undergo Pre-Employment Orientation Seminar (PEOS) and Pre-Departure Orientations Seminar (PDOS), Comprehensive Pre-Departure Orientation Program and submit their Certificates as part of the documentary requirements in their registration a copy of the certificates for completing the said seminars. However, OFWs with previous legal deployment and can present their valid Certificates of completion of the said seminars and will be returning to the same jobsite shall be exempted from this requirement.