


Republic of the Philippines

**BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO
BANGSAMORO TRANSITION AUTHORITY**

FOURTH Regular Session

Bangsamoro Autonomous Region in Muslim Mindanao
Parliament
BILLS AND INDEX DIVISION
RECEIVED
Name: ADILAH DAKTUN Signature: 
Date: 09/20/20 Time: 3:00 PM

BANGSAMORO AUTONOMY ACT NO. 190

Begun and held in BARMM Compound, Cotabato City

Introduced by: MP ROMEO K. SEMA, DPA

Atty Maisara Dandamun- Latiph, Atty. Rasol Mitmug, Jr., MP Hatimil Hassan, MP Sahie Udjah, MP Ubaida Pacasem, MP Mussolini Lidasan, MO Muslimin Jakilan, MP Bainon Karon, MP Narciso Yu Ekey, MP Aida Silongan, MP Abdullah Hashim, MP Zesar Alil, MP Suwaib Oranon, MP Al-Syed Sali, MP Ali Salik, MP Rasul Ismael

**AN ACT PROVIDING FOR BANGSAMORO MAGNA CARTA FOR
WORKERS IN THE INFORMAL ECONOMY, PROVIDING
MECHANISMS FOR RECOGNITION, INTEGRATION, AND
TRANSITION TO THE FORMAL ECONOMY AND FOR OTHER
PURPOSES**

Be it enacted by the Bangsamoro Transition Authority in Parliament assembled:

**Chapter I
GENERAL PRINCIPLES**

SEC. 1. Short Title. – This Act shall be known as the ***“Bangsamoro Magna Carta for Workers in the Informal Economy.”***

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the Bangsamoro Government to:

- (a) Promote, protect and fulfill the right of every Bangsamoro worker in the informal economy to decent work, which includes but is not limited to adequate earnings

and productive work, reasonable working time, equal opportunity and treatment in employment, safe work environment, access to social protection and self-organization and representation in policy making and consultations; the right to stability and security of and in the workplace; and the right to education, lifelong learning and skills development;

- (b) Promote entrepreneurship, micro, small and medium-sized enterprises, and other forms of business models and economic units, such as cooperatives and other social and solidarity economy units;
- (c) Recognize the roles and contributions of workers in the informal economy, including women involved in care work and other broad sections and segments of informal workers;
- (d) Promote gender equality and eliminate gender-based discrimination in entrepreneurship and employment to ensure equal access of women and men to economic resources and to realize equal pay for similar work of equal value; and
- (e) Pay special attention to those who are especially vulnerable to decent work deficits in the informal economy, including but not limited to women, young people, migrants, older people, differently-abled persons, persons living with HIV, indigenous peoples, domestic workers and subsistence farmers.

SEC. 3. Coverage. – This Act shall apply to all workers and economic units, including enterprises, entrepreneurs, and households in the informal economy.

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

- (a) ***“Informal Economy”*** refers to all economic activities by workers and economic units that are, in law or in practice, not covered or insufficiently covered by formal arrangements. It consists of independent or own-account workers and employers, self-employed workers, members of cooperatives or other social and solidarity economy units, small-scale producers, and distributors of goods and services, such as but not limited to:
 - 1. Fishers, farmers, seaweed growers, market gardeners, shoemakers;
 - 2. Small scale traders, street hawkers or vendors;
 - 3. Drivers of habal-habal, tricycle, sikad, and operators of small motorized bancas;

4. Self-employed artisans, tailors, barbers, and shoe-shiners;
 5. Home-based workers or contributing family workers, irrespective of whether they work in economic units in the formal or informal economy;
 6. Workers holding informal jobs in or for formal enterprises or economic units in the informal economy, including those in contract arrangement and/or in supply chains, or as paid domestic workers employed by households; and
 7. Workers in unrecognized or unregulated employment relationships including agricultural workers or fisherfolk in unrecognized or unregulated agricultural or farming endeavors and fishing activities.
- (b) ***“Economic Units in the Informal Economy”*** include, but not limited to units that employ hired labor, units that are owned by individuals working on their own account, either alone or with the help of contributing family workers, cooperatives and other social and solidarity economy units, and informal work that may be found across all sectors of the economy, in households, as well as public and private spaces;
- (c) ***“Informal Employment”*** refers to an employment arrangement in the formal or informal sector or in households that exists either based on casual employment, kinship, or personal and social relations with no formal guarantees on legal protection and social protection benefits;
- (d) ***“Informal Economy Workers’ Organization”*** refers to a group of informal sector workers, whether formally constituted or otherwise, that are organized with the primary objective of promoting the rights and welfare of workers in the informal economy;
- (e) ***“Own-account worker”*** refers to workers who, working on their own account or with one or more partners, hold the type of job defined as a self-employed, and have not engaged, on a continuous basis, any employee to work for them during the reference period;
- (f) ***“Security of and in the Workplace”*** refers to the right of every worker and informal economic units to an enabling environment that guarantees and protects the spaces to undertake their work, including the right to be safe in one’s own work space, security of tenure and freedom from discrimination, risk, danger, or fear of being removed, evicted, or prevented from working;
- (g) ***“Social Protection”*** refers to policies and programs that seek to reduce poverty and vulnerability to risks and enhance the social status of the marginalized by

promoting and protecting livelihood and employment, protecting against hazards and sudden loss of income, and improving people's capacity to manage risk, as well as all other interventions that support communities, households, and individuals, both women and men, and realizing their rights as citizens through their full participation in decision-making affecting or which may affect their access to and control over resources necessary to maintain and sustain a decent and secure life; and

- (h) "**Social and Solidarity Economy Units**" refers to enterprises and organizations, including cooperatives as defined under Republic Act No. 9520, otherwise known as the Philippine Cooperative Code of 2008, mutual benefit societies, associations, foundations, and social enterprises which produce goods, services, and knowledge that meet the needs of the community they serve, through the pursuit of specific social and environmental objectives and the fostering of solidarity.

Chapter II RIGHTS AND BENEFITS

SEC. 5. Rights and Benefits of Bangsamoro Workers in the Informal Economy. – All Bangsamoro workers in the informal economy shall be entitled to all the rights accorded to workers by the Philippine Constitution, the Labor Code of the Philippines, as amended, and relevant international human rights instruments and international labor standards. Accordingly, the Bangsamoro government shall guarantee all workers in the informal economy the following:

- (a) Right to security of and in the workplace;
- (b) Right to make a living by work freely chosen or accepted;
- (c) Right to a living wage and equal remuneration for work of equal value without distinction of any kind, especially for women who shall be guaranteed equal wages for work similar or equivalent to those done by men;
- (d) Right to safe and healthy working conditions safeguarding general, occupational, and reproductive health;
- (e) Right to basic services, including affordable medical care, reproductive and other health services, low-cost housing, water, sanitation, cheap and affordable electricity, and efficient and effective transportation system;
- (f) Right to rest, leisure, and reasonable limitation of working hours;

- (g) Right to maternity and paternity benefits, as provided for by law;
- (h) Right to equal access to education, skills training, and economic resources to develop self-reliance, especially for the youth, without any discrimination;
- (i) Right to self-organization and to collectively negotiate with government and other entities in the promotion of their welfare and in the advancement of their interests, free from any political interference;
- (j) Right to adequate food, clothing, shelter and standard of living, and the continuous improvement of such standard;
- (k) Right to be free from any form of discrimination, violence, exploitation, including sexual exploitation, harassment, abuse, and any form of inhumane treatment which debases, degrades, or demeans the intrinsic worth and dignity of the worker as a human being;
- (l) Right to accessible social protection and safety nets, labor market programs, and social welfare interventions such as social security, health care, and insurance;
- (m) Right to participate in policy and decision-making processes and social dialogue, including access to information and resources relevant to the promotion and protection of their rights and welfare; and
- (n) Right to equal and equitable access to justice for redress of grievances, including alternative dispute resolution processes.

SEC. 6. Rights and Benefits of Own-Account Workers. – In addition to the rights of workers in the informal economy, own-account workers and workers in the informal economic units shall be accorded preferential rights by the Bangsamoro Government over the following:

- (a) Infrastructure support, such as farm to market roads, common, affordable, and secure workplaces and facilities, merchandising centers, farmers' markets or *bagsakan* with proper storage facilities, and inventory bulk-buying centers;
- (b) Unimpeded transport of their produce or products;
- (c) Promotion and protection of locally-produced products and services, including enhancement of the local value chain;

- (d) Ease and facilitation of access to markets, including capacity-building to access e-marketing facilities and sale of produce or products directly to the consumers to remove middle men in the transaction;
- (e) Access to affordable, appropriate, and adequate financial services, including, among others, collateral-free and gender-balanced credit at low interest;
- (f) Support for acquisition of appropriate and adequate machinery, equipment, and other technologies, with the end view of increasing productivity and growth;
- (g) Protection from unjust dislocation from places where economic activities are conducted, observing the policy of "relocation before demolition";
- (h) Measures against racketeering, extortion, and harassment, by both Bangsamoro Government and non-government elements;
- (i) Common workplaces, shared facilities, product development and technology support, and adequate and affordable marketing facilities; and
- (j) Affordable and customized social security and insurance programs.

SEC. 7. Rights of Legitimate Organization of Workers in the Informal Economy or Employment. – Workers in the informal economy or employment may organize into unions, cooperatives, social and solidarity economic units' organizations, and mutual benefit associations. Organization of workers in the informal economy or employment shall register with the MOLE and shall have the right to:

- (a) Freely function and act as the representatives of their members in policy and decision-making processes, collective negotiations, tripartite bodies and consultations, multi-sectoral and other similar bodies;
- (b) Establish, join, or affiliate with federations or confederations within or outside the Bangsamoro Region and international trade union organizations;
- (c) Access information from concerned Bangsamoro institutions and other parties that are pertinent to the protection and promotion of the rights and welfare of their members;
- (d) Own property, whether real or personal, for the use and benefit of their organizations and members;
- (e) Sue and be sued under their registered name; and

- (f) Undertake all other activities, not contrary to law, designed to benefit their organizations and members.

SEC. 8. Assistance to Organizations of Workers in the Informal Economy. –

The Bangsamoro Government shall encourage and support the formation of organizations among marginalized farmers, fisherfolk, women, and workers in the informal economy or employment, whether in manufacturing, agriculture, transport, retail, services, or home-based enterprises.

Towards this end, all Bangsamoro Government agencies, government financial institutions, and local government units' plans, programs, and policies shall foster an atmosphere conducive to the exercise of the right to self-organization of the workers in the informal economy. Such policies shall also facilitate and promote access to credit, skills training, and inputs at lower cost. These policies shall also be geared towards assisting such workers in obtaining fair prices for their produce or products and ensuring uninterrupted supply chain for the efficient, effective and economical transport of their products to consumers.

Chapter III
SECURITY IN THE WORKPLACE OF WORKERS IN THE
INFORMAL ECONOMY OR EMPLOYMENT

SEC. 9. Designation of Workplaces. – Local Government Units (LGUs), in coordination with legitimate organization of workers in the informal economy and their members, affected communities, and other relevant groups, shall identify, designate, and design a system of assignment on the following:

- (a) Productivity and merchandizing centers as viable workplaces for informal workers, which may include markets and vacant areas near markets, vacant public spaces and other spaces which may be a private property that the LGU may acquire, lease, or negotiate with legitimate organization of workers in the informal economy for lease under a memorandum of agreement; and
- (b) Routes, terminals, and specific lanes for small transport workers.

SEC. 10. Protection from Eviction and Demolition. – Workers in the informal economy or employment shall not be evicted from their homes and workplaces without legal ground as provided under Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992." They shall also be provided with the same or similar livelihood opportunities, adequate water and electricity, and decent living conditions in accordance with the law. Logistical viability shall be a priority in determining the relocation sites or areas for the displaced.

SEC. 11. Prohibition on Confiscation of Goods and Impounding of Vehicles; Non-violence in Demolition or Eviction. - (a) Unless mandated by law or court order, confiscation of products, goods, or materials of vendors and other affected workers in the informal sector or employment is strictly prohibited. However, in cases where demolition or eviction is with an appropriate court order, the public officer or Bangsamoro agency that conducted the same shall ensure non-violence and issue an itemized receipt of all products, goods, and other materials seized or confiscated from them. In no event shall these products, goods, or materials be destroyed or discarded in such demolition or eviction.

(b) Tricycles, pedicabs, and other modes of transportation shall not be impounded for violations of the license, registration, or traffic regulations unless the said vehicles were utilized in criminal activities. In cases of violation of traffic regulations, a traffic violation ticket shall be issued to the erring driver without impounding the vehicle.

SEC. 12. Notice and Consultation on Closure or Relocation of Vending Sites. -

(a) Before any public market is closed, sold, or demolished, the following shall be observed:

1. The responsible LGU shall issue a notice of intention to close, sell, or demolish any public market to all concerned vendors at least sixty (60) days before the actual transfer or relocation to another market site or temporary or new public market;
2. Within the sixty-day period after issuance of the notice of intention, the LGU shall conduct consultations with all the affected vendors on the proposed relocation site and implementation of the relocation plan; and
3. All market vendors shall be relocated by the LGU to the proposed market site or temporary or new public market.

(b) Transfer of vendors occupying or selling in public places not designated as vending sites shall be with notice at least fifteen (15) days before the actual transfer to the designated vending area.

(c) Any change in the list of allowable vending sites or withdrawal of vending sites from vendors with permits shall only be made after consultations with the affected vendors on the relocation site and upon notice of withdrawal at least fifteen (15) days before the actual withdrawal, closure or demolition.

(d) In the event that a new public market is constructed in place of an old one, the displaced market vendors with stalls shall be given priority in the assignment of stalls in the new market.

SEC. 13. Relocation of Terminals and Change of Route. – Relocation of designated terminals for tricycles, pedicabs, jeepneys and other similar modes of transportation and any change of route shall not be arbitrarily carried out without prior notice and consultation with the drivers and/or transport groups concerned, legitimate organizations of workers, affected community, and other relevant sectors. The relocation of terminals and change of route shall be implemented through an ordinance, the enactment of which shall be subject to the required consultation and notice as provided in this Chapter.

Chapter IV SOCIAL PROTECTION FOR THE INFORMAL SECTOR

SEC. 14. Role of the Ministry of Social Services and Development. – The Ministry of Social Services and Development (MSSD), in coordination with the Ministry of Labor and Employment (MOLE), shall consolidate social welfare services to address the needs of the workers in the informal economy, including direct assistance, policy development, and community engagement for the workers.

SEC. 15. Role of the Ministry of Labor and Employment in Social Protection for Workers in the Informal Economy. – The MOLE shall engage in labor market interventions that shall provide adequate protection for the workers in the informal economy and ensure timely and immediate action for labor concerns, as well as job generation, and other pertinent concerns.

SEC. 16. Access to Social Safety Nets. – Social safety nets provided or implemented by the MOLE, MSSD, Ministry of Agriculture Fisheries and Agrarian Reform (MAFAR), and other Bangsamoro government agencies shall be made accessible to all workers in the informal economy and to their legitimate organizations.

SEC. 17. Social Insurance. – Social insurance programs including Social Security, Pag-ibig (Home Development Mutual Fund), and PhilHealth shall be made fully available to workers of the informal economy. For this purpose, policies and mechanisms for their full utilization and benefit shall be formulated by the SSS, HDMF, and PhilHealth.

SEC. 18. Employment Transition Assistance (ETA). - An informal sector worker (ISW) shall be entitled to an ETA of Two Thousand Pesos (Php2,000.00) per month for a maximum of two (2) consecutive months or until such time that he or she has found gainful employment, whichever comes earlier. Provided, that the ISW is registered with the MOLE, aged eighteen (18) but not over sixty (60) years of age, and not covered by either the SSS or GSIS. The MOLE shall issue the necessary guidelines for the implementation of the ETA.

Chapter V
LABOR STANDARDS AND ENFORCEMENT OF LABOR LAWS
FOR WORKERS IN THE INFORMAL ECONOMY

SEC. 19. Applicability of the Labor Code of the Philippines. – All labor standards and protection provided by the Labor Code of the Philippines shall apply as minimum standards in any work arrangements in the informal economy regardless of whether an employer-employee relationship exists between an employer and a worker in the informal economy.

SEC. 20. Prohibited Acts Specific to Workers in the Informal Economy. – The following are deemed prohibited:

- (a) **Non-compliance with minimum labor standards and occupational health and safety standards.** The terms and conditions of employment of workers in the informal economy shall not be lower than the minimum standards set by law. The lack of formality of the work arrangement between the employer and the worker or intermittency of work shall not mean the absence of an employment relationship in the informal economy, it is sufficient that there is control on how the work is to be done at the time of the engagement or economic dependence of the worker on the employer is present.

In all cases, the employment agreement shall be explained to the worker and attested to by a representative from the MOLE or LGU or an elected Barangay official in the city or municipality where the worker is designated to work.

- (b) **Recruitment or Finders' Fees.** Regardless of whether the worker was sourced either through an employment agency or a third party, workers in the informal economy shall neither be charged nor levied a recruitment fee or finders' fee by the aforementioned employment agency or third party.
- (c) **Hazardous Work and Conditions.** Workers shall not be engaged to do hazardous work, activity, or undertaking, or be exposed to hazardous working conditions. The rights of all workers under Republic Act No. 11058, otherwise known as An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof, shall be respected.
- (d) **Interference and Coercion.** Any person is prohibited from committing any of the following acts of interference and coercion:
- (1) Preventing any worker from upholding or exercising his/her rights;

- (2) Preventing any worker from joining or assisting organization for purposes not contrary to law;
 - (3) Preventing any worker from carrying out his/her duties or functions in an organization, or to penalize the same for any lawful action performed in that capacity;
 - (4) Harassing, threatening, coercing, or intimidating any worker that result in preventing him or her from performing his or her duties and functions;
 - (5) Transferring, penalizing, or terminating the services of a worker without valid or legal ground; and
 - (6) Other acts calculated to diminish the independence and freedom of workers' organization to direct its own affairs.
- (e) **Non-compliance with Republic Act No. 7610, as amended by Republic Act No. 9231 in the employment of minors.** In cases where minors are contracted or hired to render work or services in any informal economic activity, the MOLE and the LGU or duly elected Barangay official where the work is to be done shall ensure compliance with Republic Act No. 7610, as amended by Republic Act No. 9231. The employer of the minors shall provide them with access to at least elementary or secondary education, either through traditional schooling or alternative learning systems.

SEC. 21. Visitorial and Enforcement Power of the Minister of Labor and Employment. – The Minister of Labor and Employment, in the exercise of his or her visitorial power, shall conduct inspection on employment and other work engagement in the informal economy.

Chapter VI REGISTRATION OF WORKERS IN THE INFORMAL ECONOMY

SEC. 22. Registration. – The MOLE, in coordination with the Ministry of Interior and Local Government (MILG), MSSD, Bangsamoro Information and Communications Technology Office (BICTO) and other appropriate government agencies, shall establish a system of registration of workers in the informal economy, all economic units and informal economy organizations/associations.

The registry of economic units shall take into account the different sub-classifications in terms of asset size, number of workers, social insurance provided, statutory benefits and wages, industry, geography, premises, sex, ethnicity, vulnerability, and roles and functions. The database shall also indicate informal economic units which

may be categorized as livelihood enterprises and entrepreneurial or growth-oriented informal businesses.

Chapter VII FINAL PROVISIONS

SEC. 23. Penal Provision. –

- (a) Any person who shall willfully interfere with, restrain or coerce a worker in the exercise of his or her rights or shall in any manner commit a prohibited act or violation of any of the provisions of this Act shall, upon conviction, be punished by a fine of not less than FIFTY THOUSAND PESOS (Php50,000.00) or imprisonment of one (1) to six (6) years or both fine and imprisonment at the discretion of the Court.
- (b) If the offender is a public official, the Court, in addition to the penalties provided in the preceding paragraph, may impose an additional penalty or disqualification from public office.
- (c) Any person who violates Section 11 of this Act (*Prohibition on Confiscation of Goods and Impounding of Vehicles; Non-violence in Demolition or Eviction*) shall be penalized pursuant to paragraph (a) without prejudice to award for damages. Nothing herein shall prohibit the aggrieved workers in the informal economy from initiating a criminal or civil action against the responsible person or officer.
- (d) Failure to implement Sections 12 (*Notice and Consultation on Closure or Relocation of Vending Sites*) and 13 (*Relocation of Terminals and Change of Route*) shall render the responsible official/s administratively liable pursuant to Republic Act No. 7160 and other applicable laws, without prejudice to any civil or criminal cases that may be filed against such erring official/s.
- (e) If a private institution/company is found to have violated any provisions of this Act, its business shall be suspended or revoked at the discretion of the Court.

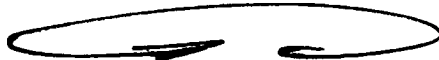
SEC. 24. Implementing Rules and Regulations (IRR). – The MOLE, MILG, MSSD and the Bangsamoro Planning and Development Authority (BPDA), in coordination with other concerned agencies and stakeholders, shall formulate the implementing rules and regulations within 180 days from the effectivity of this Act.

SEC. 25. Separability Clause. – If any provision of this Act is declared unconstitutional or invalid, the provisions not affected shall continue to be in full force and effect.

SEC. 26. Repealing Clause. – All laws, decrees, orders, rules and regulations or other issuances inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly,

SEC. 27. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette.

Adopted,

A handwritten signature in black ink, appearing to read 'ROMEO K. SEMA', enclosed within a hand-drawn oval border.

MP ROMEO K. SEMA, DPA