MEMORANDUM CIRCULAR NO. 26
(Series of 1994)

TO : ALL CONCERNED

SUBJECT : Guidelines for the Pre-qualification and Accreditation of Licensed Taiwan Manpower Agencies

Pursuant to Department Orders No. 11 and 11-A (series of 1994) and in order to establish an effective mechanism in monitoring Taiwan manpower agencies and therefore ensure maximum protection of Filipino workers bound for Taiwan, the POEA hereby issues the following guidelines for the pre-qualification and accreditation of Taiwan manpower agencies:

I. GENERAL PROVISION

Only Taiwan manpower agencies which have been pre-qualified by the Philippine Labor Center (PLC) in Taiwan shall qualify for authorization and accreditation by POEA.

II. PRE-QUALIFICATION/AUTHORIZATION PROCEDURES

1. The applicant-agency shall submit to the PLC the following requirements for pre-qualification:

   a. Council of Labor Affairs (CLA) license to recruit foreign workers with English translation and notarized by the Taiwan District Court.

   b. Approved business license/permit; proof of financial capability with English translation and notarized by the Taiwan District Court;

   c. Affidavit of Undertaking assuming responsibility over their hired workers, faithful compliance of Philippine-government prescribed fees, faithful implementation of the employment contract and compliance with additional requirements as may be prescribed by the POEA.

   d. PLC certification that the agency has no pending cases or derogatory record.
e. Particulars of the Taiwan agency owner which includes his name, complete address, telephone and fax numbers, telex number, specimen signature, and other relevant information. The owner's pictures and list of authorized representatives/liaison officers and their specimen signatures and pictures shall be attached to the profile.

2. As part of the pre-qualification process, the PLC shall verify with the CLA the status of the Taiwan manpower agency.

3. A POEA authorization to participate in the Special Hiring Program for Taiwan may be issued to the agency upon review of the recommendation by the Philippine Labor Center in accordance with the pre-qualification requirements.

The authorization certificate shall be valid for one year and co-terminus with the validity of the Taiwan agency's CLA license.

III. ACCREDITATION AT POEA

1. The POEA may accredit, as employer, the authorized Taiwan manpower agency together with the direct employer.

2. The following are the documentary requirements for the accreditation of the authorized Taiwan manpower agency.

   a. Special Power of Attorney (SPA) issued by the Taiwan direct employer to the Philippine recruitment agency and an SPA issued by the Taiwan direct employer to the Taiwan manpower agency, authenticated and verified by the Manila Economic and Cultural Office (MECO) and PLC.

   b. Master employment contract verified by the PLC;

   c. CLA approval for client-companies verified by the PLC;

   d. Recruitment Agreement executed between the authorized Taiwan manpower agency or its representative and the Philippine agent, stating, among others:

      o that placement fee shall be in accordance with the Philippine Department of Labor and Employment (DOLE) Order No. 2 (Series of 1993);

      o airfare shall be borne by the employer;

      o there shall be no deduction from the worker's salary other than the compulsory contributions prescribed by the laws of the Taiwan government;

      o that the employment contract shall be implemented faithfully by the employer.

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3. Additional Manpower Requirements: Approval of additional manpower requirements shall be based on the CLA approval for client-companies of the authorized Taiwan manpower agency, duly verified by the PLC.

IV. CONTRACT PROCESSING

The existing requirements for contract processing shall prevail.

V. SUSPENSION/CANCELLATION OF AUTHORIZATION/ACCREDITATION OF TAIWAN MANPOWER AGENCIES

1. The POEA or the PLC shall impose preventive suspension against an authorized/accredited Taiwan manpower agency where there is a prima facie evidence against the latter for violating any of the applicable rules and regulations governing overseas employment.

2. The duration of suspension shall be consistent with existing rules and regulations on overseas employment.

3. Cancellation of the authorization/accreditation of the Taiwan manpower agency shall be made by POEA after due investigation.

4. The authorization/accreditation of a Taiwan manpower agency shall be deemed automatically suspended/cancelled when the agency's CLA license is suspended/cancelled.

VI. LIABILITY

Accredited Taiwan manpower agencies shall be jointly and severally liable with the Philippine lead or co-agent in case of contract violation or any other violation prejudicial to the worker.

This Circular shall take effect immediately.

For strict compliance.

[Signature]

FELICISIMO D. ISON, JR.
Administrator

14 April 1994
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