

PLACEMENT FEE FOR LANDBASED AGENCY

POEA MEMORANDUM CIRCULAR NO. 05, S. 1997, January 27, 1997

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Pursuant to Department Order No. 34, Series of 1996, which fixes the ceiling of placement fee that a landbased agency may demand and collect from its hired workers in the amount equivalent to one month salary, exclusive of documentation and processing costs, the following implementing guidelines are hereby issued for the guidance and compliance of all concerned:

Documentation costs, to be paid by the worker, shall include expenses for the following:

1. Passport,
2. NBI/Police/Barangay clearance,
3. Authentications,
4. Birth Certificate
5. Medicare,
6. PDOS
7. Trade test (optional)
8. Inoculation (optional) only when required in certain countries and
9. Medical examination fees

It is understood that medical examinations shall be conducted only after the agency and/or its principal shall have interviewed and trade tested or have pre-qualified the worker for an existing overseas position duly covered by an approved job order.

In the event that the recruitment agency offers to perform documentation services, the worker shall pay only the actual costs to the agency, based on the existing government fees. All payments shall be covered by official receipts indicating the correct amount paid by the worker.

Processing costs, which are to be paid by the employer, shall include expenses for the following:

1. Visa
2. Airfare
3. POEA processing fee and
4. OWWA Membership fee

However, the Special Markets of Taiwan and Korea are not covered by this placement fee ceiling. Department Order No. 2, Series of 1993 and Department Order No. 17 and 17-A, Series of 1994 shall remain applicable to the above-mentioned markets.

It is understood that D.O. No. 34 and this Memorandum Circular shall apply only to land-based workers except Overseas Performing Artists (OPAs). It shall not be applicable to those workers who have been pre-qualified, or signed contracts or made payments prior to its effectivity.

The above-mentioned placement fee and documentation costs are the only authorized payments that may be collected from a worker and no other charges in whatever form, purpose or manner whatsoever shall be imposed

on and paid by the worker without prior approval of the POEA.

Agencies found to have violated this Memorandum Circular shall be imposed a penalty in accordance with the existing rules and regulations governing overseas employment without prejudice to the filing of illegal recruitment cases under R.A. 8042.

The foregoing notwithstanding, agencies and employers who are presently non-fee charging are encouraged to continue said practice.

This Memorandum Circular takes effect immediately.

Adopted: 27 January 1997

(SGD.) FELICISIMO O. JOSON, JR.

Administrator

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