

21 May 2020

**DEPUTY SPEAKER LOREN B. LEGARDA**

Chairperson  
Subcommittee on New Normal  
House of Representatives  
Constitution Hills, Quezon City

Dear **Deputy Speaker Legarda**:

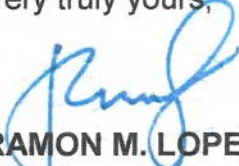
We are pleased to submit the Department's position on House Bill No. 6623, entitled:

**"An Act Establishing Policies and Regulations for the New Normal for the Workplace and Public Spaces and Instituting Penalties for Violations Thereof"**

This is without prejudice to the Department's submission of additional inputs.

With my best regards.

Very truly yours,



**RAMON M. LOPEZ**  
Secretary



OFFICE OF THE SECRETARY

**Draft DTI Position on**

**House Bill No. 6623**

**“An Act Establishing Policies and Regulations for the New Normal for the Workplace and Public Spaces and Instituting Penalties for Violations Thereof”**

The Department fully supports the objective of the House Leadership on the proposed legislation to institutionalize and establish standards and protocols under the new normal setting for the workplace and public spaces, as it would ensure protection of workers, prevent corona virus transmission, restore employment opportunities, and maintain sources of income for all, in particular, the country's poor and daily wage earners.

The COVID-19 crisis has hit many nations across the globe, with the number infections continuously rising every day, paralyzing economies and posing global threat. For the past months, the pandemic has also disrupted movements, businesses, and even government services all over the Philippines. The Asian Development Bank (ADB) reported that the unprecedented crisis will likely present a slowdown in the economic growth, projected at two (2) percent at the end of 2020.<sup>1</sup>

Factoring the importance of continuing business operations in stimulating economic recovery, the proposed legislation will provide necessary guidelines on how enterprises/firms, education institutions and government agencies can resume their own systems of activities and business operations. More so, with Luzon's impending transition from Enhanced Community Quarantine (ECQ) to Modified Enhanced Community Quarantine (MECQ) and to General Community Quarantine (GCQ), and as the Philippines enters the new normal setting, a set of strategic policies and comprehensive courses of action must be developed. These will provide clarity as well as transparency in the directions and courses of action to all citizens, workers, and industry stakeholders as we transition to the new normal.

Relative to the stipulations of the proposed legislation, the DTI submits the following specific comments and recommendations:

<b>Stipulations under HB No. 6623</b>	<b>DTI Comments and Recommendations</b>
Section 3.1. Universal and Mandatory Safety Measures	The Department supports the provisions of bill that are aligned with the universal safety measures to protect each individual and worker as part of the standards of the new normal.

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<sup>1</sup> The Asian Development Bank (ADB). 03 April 2020. Philippine GDP Growth to Slide in 2020 Due to COVID-19, Strong Rebound Seen in 2021 — ADB. Accessed at <https://www.adb.org/news/philippine-gdp-growth-slide-2020-due-covid-19-strong-rebound-seen-2021-adb>

	<p>On Section 3.1 (a), the DTI suggests the possibility of a free distribution of face masks to the general public to guarantee the full cooperation of every citizen, thus, prevention of the violation of said stipulation, in particular, Section 8 (b) of the House Bill.</p> <p>On Section 3.1 (f), we opine that in order to have an effective contact tracing, it is suggested that the government adopt an application system akin to other countries' COVID-19 application system (e.g., Australia, New Zealand and Singapore). The application does a "digital handshake" when individuals come in contact within five (5) feet of each other, notifying users when they have come in contact for longer than fifteen (15) minutes with an infected person. This would enable the authorities determine efficiently the people who have been in contact with or exposed to infected persons, hence, helping contain the spread of the virus.</p> <p>Moreover, we believe that the protocols highlighted in the DTI and DOLE Interim Guidelines on Workplace Prevention and Control of COVID-19<sup>2</sup> dated 30 April 2020 should still be strictly followed especially in strengthening physical and mental resilience, reducing transmission, and minimizing contact and risk of infection.</p> <p>An updated work agreement is suggested to be developed by employers, which would detail COVID19-related initiatives of the organization. However, in implementing these contracts and agreements, the rights and privileges of workers under the Labor Code should continue to be upheld.</p>
<p>Section 3.5. Monitoring of Private Commercial and Industrial Workplaces</p>	<p>Although this is not highlighted in the interim guidelines mentioned above, the DTI supports this recommendation as it will eventually help in contact tracing should an outbreak happen in the workplace. The said information is valuable as it can significantly reduce the time and effort in identifying and</p>

<sup>2</sup> DTI and DOLE Joint Issuance on Interim Guidelines on Workplace Prevention and Control of COVID-19, issued 30 April 2020

	prioritizing individuals to be tested and placed under quarantine.
Section 5. Workplace-Specific Protocols and Measures	In addition to the provisions stipulated under Section 5 (a), (b), and (d) along with the specified requirements in Section 3 of the House Bill, we recommend the continuous adherence to guidelines posted under Section 2 of the DTI Memorandum Circular No. 20-21 <sup>3</sup> , issued 04 May 2020, specifically, the strict protocols for malls and shopping centers and the establishments located there in to discourage loitering and avoidance of unnecessary foot traffic inside the mentioned establishments.
Section 6. The Role of the Private Sector – The New Normal Workforce and Workplace Management Plan	<p>In terms of the proposed “New Normal Workforce and Workplace Management Plan,” the government should provide forms to businesses to ensure uniformity of data and all necessary information collected. Aside from highlighting compliance with necessary safeguards and the Universal Safety Measures prior to the businesses’ resumption of operations, the format should be akin to that of a Business Continuity Plan (BCP), which should answer five (5) critical questions:</p> <ol style="list-style-type: none"> <li>1. Which departments and processes are most critical?;</li> <li>2. What are the priorities to resume operations?;</li> <li>3. How soon must time-sensitive production resume?;</li> <li>4. What resources are needed to support time-critical operations and minimize potential business interruptions?; and</li> <li>5. What are the operational and financial impacts of extended downtime?</li> </ol> <p>In relation, the DTI strongly suggests the inclusion of the following additional provisions under this Section, to wit:</p> <ul style="list-style-type: none"> <li>• Section 6 (g). If feasible, companies shall adhere to the provision of</li> </ul>

<sup>3</sup> DTI Memorandum Circular No. 20-21, series of 2020 – Guidelines on the Operations of Malls and Shopping Centers in Areas Declared Under General Community Quarantine (GCQ), issued 04 May 2020

	<p>shuttle service and or/decent accommodation location to workers as stipulated under the DTI and DOLE Interim Guidelines on Workplace Prevention and Control of COVID-19. This will lessen the travel and movement of workers in getting to their respective work location, thus, mitigating the spread of the corona virus while ensuring the health and safety of workers.</p> <ul style="list-style-type: none"> <li>• Section 6 (h). If viable, lessors are enjoined not to charge rent for stores and establishments that are not allowed to operate during the set community quarantines (ECQ and GCQ). On the other hand, lessors shall pursue and charge a proportionate payment basis to other establishments that are not operating in full capacity.</li> </ul>
<p>Section 7.3. Establishment of E-Government Systems</p>	<p>The DTI has long been supporting the establishment of e-government systems in its transactions as well as operations (i.e., from Ease of Doing Business (EODB) to Anti-Red Tape Act (ARTA)). Aside from the stated assistance in containing the spread of the coronavirus (i.e., minimizing face-to-face contact and physical travels), the employment of digital governance in public service delivery is highly likely to promote an effective and efficient government service leading to smoother and faster flow of transactions and would put a stop to unscrupulous provision of public service. In line with this, we suggest that the DICT fast track its plans to build the necessary infrastructure to promote and facilitate digitization of government and interoperability of government services and systems, especially those located in the provinces and rural areas.</p> <p>In Section 7.3 (a), the DTI supports the proposal of a program that will help the Micro, Small, and Medium Enterprises (MSMEs) take advantage of e-commerce and other online platforms.</p>

As part of its manufacturing repurposing and revitalization efforts, DTI is proposing to provide special support programs that will aid the digital transformation and innovation for MSMEs and startups in order to support business recovery and resiliency:

- Capacity-building in digital skills – MSMEs will be offered with opportunities to upskill/reskill by enrolling in/taking online courses;
- Support for digitalizing operations – MSMEs will be partnered with startups or digital enterprises that can provide digital solutions for their operations, such as in e-payments, chatbot for customer management, human resource and payroll management, and others;
- Knowledge transfer and information-sharing with MSMEs – Promote and/or organize webinars such as on business continuity and supply chain management; online events/conferences; and training such as on intellectual property conducted by partners in government, academe, and industry/private sector; and
- Startup and MSMEs Innovation Aid – Organizations that will manufacture new products, develop new services and processes particularly, those in response to COVID-19, and other related produce will be given support through technology upgrade subsidies, soft loans, incubation, in-depth entrepreneurship counseling, acceleration programs, and technical support to help firms meet regulatory standards and obtain certification.

Moreover, the DTI, in coordination with the Department of Information and Communications Technology (DICT) should take into consideration how to successfully capitalize on the digital readiness of MSMEs cognizant at the same time of the various challenges they face in bringing their businesses into an online setting (i.e., online adaptability, internet connection, online skills and capacity, etc.).

	<p>The DICT, in partnership with the DTI, could benchmark with other countries' digitalization and teleworking policies on MSMEs, including:</p> <ul style="list-style-type: none"> <li>• Italy's 'Digital Solidarity' initiative, where MSMEs/ freelancers can enter a portal and register to access without costs various digital services from large private sector company; and</li> <li>• China's digitalization and teleworking efforts including government's support to MSMEs' cloud computing and purchase of cloud technology as well as infrastructure support in setting up remote/home office, video conferencing, online training, and collaborative R&amp;D and e-commerce.</li> </ul> <p>In Section 7:3 (b), the Department likewise supports the provision of funding mechanisms for manufacturing industries including MSMEs engaged in the production of health- and medical-related goods and services stipulated under this Section. The provision of support could come in the form of: (1) integrated and uninterrupted supply chain networks; (2) reliable online market platforms; (2) stable universal broadband; (3) digital IDs or digital signature infrastructure; and (4) secured mobile payment channels, among others.</p>
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The Department reiterates its support for the proposed legislation that takes into consideration its specific comments and recommendations.

*Luzap Tinchoy*  
**Bureau of Trade and Industrial Policy Research**  
**12 May 2020**  
 Ref: BTIPR-052020-25