



# *Memorandum of Understanding*



*between*

*the Department of Labor and Employment, Republic of the Philippines  
and the Ministry of Employment and Labor, Republic of Korea  
on the Sending and Receiving of Workers  
under the Employment Permit System of Korea*

The Department of Labor and Employment of the Republic of the Philippines and the Ministry of Employment and Labor of the Republic of Korea (hereinafter referred to as the "Parties"),

*RESPECTING* the principle of equality and mutual benefit;

*DESIRING* to enhance the existing friendly relations between the two countries through cooperation in the fields of employment and labor affairs, and human capacity building; and

*RECOGNIZING* the benefits to be derived from such cooperation by both countries;

*HAVE REACHED* the following understanding:

## *Paragraph 1. Purpose*

The purposes of this Memorandum of Understanding (hereinafter referred to as "MOU") is to sustain a viable framework for cooperation between the Parties and to maintain transparency and efficiency in the process of sending and receiving of Filipino workers under the Employment Permit System for Foreign Workers (hereinafter referred to as the "EPS") of the Republic of Korea (hereinafter referred to as "Korea").

## *Paragraph 2. Definitions*

For the purpose of this MOU,

- (a) the term "employer" refers to a business owner who obtains permission from the Ministry of Employment and Labor of Korea (hereinafter referred to as the "MOEL") to employ foreign workers pursuant to the Act on Foreign Workers' Employment of Korea (hereinafter referred to as "the Foreign Employment Act");
- (b) the term "jobseeker" refers to a Filipino national who has passed the EPS-Test of Proficiency in Korean (hereinafter referred to as the "EPS-TOPIK") and the medical examination pursuant to the Foreign Employment Act;
- (c) the term "worker" refers to a Filipino national who has accepted the employment offer and signed a labor contract with an employer in Korea pursuant to the Foreign Employment Act;
- (d) the term "sending agency" refers to a government agency authorized to recruit and send workers to Korea, including pre-screening and pre-qualifying of job seekers and cooperating in all matters with the receiving agency pursuant to the Foreign Employment Act;
- (e) the term "receiving agency" refers to an agency which has the authority to manage the job seekers' roster, to receive Filipino workers from the sending agency and to coordinate with the sending agency on all matters pertaining to entry process for Filipino workers pursuant to the Foreign Employment Act;
- (f) the term "test agency" refers to an agency authorized and entrusted by the MOEL with the overall management of the EPS-TOPIK, including making test announcements, receiving applications, preparing test questions, and conducting the test pursuant to the Foreign Employment Act; and
- (g) the term "resident officer" refers to a representative of the receiving agency or sending agency who is dispatched to the Philippines or Korea, on behalf of the receiving agency or the sending agency pursuant to the Foreign Employment Act to provide support for the sending or receiving process.

### *Paragraph 3. Sending Agency and Receiving Agency*

1. The Department of Labor and Employment of the Philippines (hereinafter referred to as the "DOLE") is the government agency primarily responsible for recruiting and sending Filipino workers to Korea under the EPS.
2. The Ministry of Employment and Labor is the government agency primarily responsible for receiving Filipino workers who are sent to Korea under the EPS. The MOEL will actively exclude Employers not-qualified under the Foreign Employment Act.
3. Upon agreement of the Parties, the DOLE designates the Philippine Overseas Employment Administration (hereinafter referred to as the "POEA") an attached agency thereof, to exclusively serve as the sending agency.
4. Upon agreement of the parties, the MOEL designates the Human Resources Development Service of Korea (hereinafter referred to as the "HRDK"), an affiliated agency thereof, to exclusively serve as the receiving agency.

### *Paragraph 4. Sending and On-site Fees*

1. The POEA, in consultation with the MOEL, undertakes to publicly inform the workers of the legitimate fees/expenses to be paid/incurred as follows:
  - a. Pre-deployment
    1. Application fees
      - a) EPS-TOPIK fee
    2. Inclusion in the roster
      - a) Medical Examination fee
  3. Upon acceptance/signing of employment contract

3.1 Re-medical Examination fee  
(only for those with lapsed medical certification)

3.2 Pre-departure education cost

3.3 processing and other fees

a) visa fee

b) POEA processing fee

c) OWWA Membership

d) Philhealth

e) Airfare

f) Pag-Ibig Membership Fee

b. On-site fees:

1. Return Cost Insurance fee

(Full refund upon departing from Korea)

2. Casualty Insurance fee

2. The POEA will consult the MOEL in advance when changes in fees, which have been previously agreed upon by the DOLE and the MOEL, are inevitable due to inflation or other reasons, and the DOLE will inform the MOEL of its decision on the matter.

### *Paragraph 5. Implementation of the EPS-TOPIK*

1. The MOEL designates the HRDK as the test agency to conduct the EPS-TOPIK for an objective selection of jobseekers, pursuant to the Foreign Employment Act of Korea.

2. The DOLE and the POEA will provide assistance and support in the following areas for the smooth implementation of the EPS-TOPIK:

(a) distributing and receiving the EPS-TOPIK application form;

- (b) providing the sites for receiving duly accomplished application forms and test permits, and conducting the tests, and maintaining order at the sites;
  - (c) requesting expeditious clearance by the Bureau of Customs of EPS-TOPIK materials and endorsing the request of HRDK for their exemption from duties, in accordance with applicable laws;
  - (d) supporting request for visa issuance for personnel implementing the EPS-TOPIK as necessary;
  - (e) supporting the request for tax exemption of the EPS-TOPIK fee and facilitating remittance within the framework of existing laws; and
  - (f) other assistance as may be agreed upon by the Parties.
3. The HRDK will provide assistance and support as requested by the POEA, for the fair and efficient conduct of the EPS-TOPIK.
4. The following are the qualification and disqualifications for those who may register with the POEA to be qualified to take the EPS-TOPIK:

Qualification:

- (a) persons aged from 18 to 38 (not exceeding 38 on the test date based on reckoning of birthdates in the Philippines).

Disqualifications:

- (a) persons who have been convicted of a crime punishable by imprisonment; or
  - (b) persons who have record of deportation or departure orders from the Republic of Korea; or
  - (c) persons who are restricted from departure from the Philippines; or
  - (d) persons with derogatory record as defined by the regulations of the POEA.
5. The EPS-TOPIK certificate will be valid for two (2) years from the date when the test result is announced. The Parties will consult on possible measures to reduce unnecessary burden on workers related to the EPS-TOPIK, such as exemption from the EPS-TOPIK of workers who have satisfactorily worked for at least three (3) years under the EPS.

6. The HRDK and the POEA will hereafter sign an EPS-TOPIK Service Commitment Agreement which will regulate specific matters regarding the implementation of the EPS-TOPIK.
7. The HRDK, after prior consultation with the POEA, may designate a public agency to carry out EPS-TOPIK related work decided upon by the HRDK and the POEA.
8. If there is any disruption in implementing the EPS-TOPIK or if the EPS-TOPIK cannot be implemented for any reason, the MOEL and the DOLE may, after thorough consultation, take necessary measures, including the suspension of the EPS-TOPIK.

### *Paragraph 6. Recruitment of Jobseekers*

1. The POEA will prepare the list and profiles of jobseekers who have passed the EPS-TOPIK and the medical examination determined by the MOEL. If the number of qualified job seekers exceeds the allocated number of the Filipino job seekers in the roster, the selection will be made according to a methodology jointly decided upon by the Parties.
2. When preparing the job seekers' list and profiles, the POEA will include only the following:
  - (a) persons who have made a job application and passed the EPS-TOPIK;
  - (b) persons who hold a passport that is valid for at least one (1) year; and
  - (c) persons who have taken and passed the medical examination set by the MOEL in the Philippines.
3. The jobseekers list and profiles prepared by the POEA will include the following information:
  - (a) job seeker's personal information (including name, nationality, gender, date of birth, EPH identification number, and physical condition)
  - (b) a copy of the jobseeker's passport;

- (c) desired employment conditions (including wage and type of occupation);
  - (d) personal and career background (including education, work experience, and certificates); and
  - (e) information on the EPS-TOPIK taken by the job seeker (including test date and score)
4. The POEA will immediately transfer the list and profiles of jobseekers to HRDK for inclusion in the job seekers' roster.
  5. The HRDK draws up the job seekers' roster (hereinafter referred to as the "roster"). If there is any error in the list and profiles, HRDK will return it for corrections to the POEA which will send it back within 2 weeks from the request for correction.
  6. The POEA will inform the jobseekers that their inclusion in the roster will not guarantee them a job in Korea.
  7. The POEA will maintain the Information Technology (IT) infrastructure of Sending Public Agency System (SPAS) for sending the jobseekers list and profiles to the HRDK.

### *Paragraph 7. Management of Jobseekers' Roster*

1. The roster will be valid for one (1) year. When the roster expires, job seekers can be registered again within the valid period of his/her EPS-TOPIK certificate.
2. When changes are made in the information on the roster, including jobseekers' willingness to find jobs, their contact details, names, change of status, etc., the sending agency will inform the receiving agency of such changes and the reason for the changes.
3. The MOEL will inform the DOLE at the beginning of the year of the ceiling of the allocated number of Filipino jobseekers that can be included in the roster and the types of occupations that may be offered to foreign workers.

## *Paragraph 8. Labor Contract*

1. The MOEL and DOLE will make efforts to ensure observance of foreign workers' legitimate rights.
2. There will be a Standard Labor Contract (SLC) to be used by employers and workers under the EPS, as provided for under the Foreign Employment Act. Each employer will draw up a labor contract after selecting a worker on the roster and the HRDK will send the contract to the POEA.
3. The Parties will make effort to ensure the rights of workers and maintain just and humane terms of employment including satisfaction of valid claims and repatriation, taking into consideration their respective existing laws.
4. The POEA will, upon receipt of the Labor Contract offered by the employer from the HRDK, review the terms and conditions, and if the same are compliant with the minimum standard, explain to the jobseeker so that he/she can fully understand it and decide whether or not to accept the offer based on his/her own free will.
5. The POEA will inform HRDK that the worker has accepted the job offer so the system could allow the POEA to print the contract for signature of the worker. After the worker has signed the contract, the POEA will prepare the worker for sending to Korea.
6. Within 14 days of receiving the labor contract, the POEA will inform the HRDK whether the contract has been signed by the worker or not. If the latter is the case, the reason for not signing it will be provided to the HRDK. And then, it may declare the contract not concluded, after consultation with the employer.
7. The HRDK can exclude from the roster any job seeker who cancels an accepted labor contract or does not accept a labor contract twice without any valid reason. The HRDK will notify the POEA of the list of job seekers who have been excluded from the roster.
8. After the worker has signed the contract, the POEA will start the preparation for sending the worker to Korea and provide the original copy of the labor contract to the worker to carry it with him/her when entering Korea.

9. The Parties will exert sustained efforts, through close mutual cooperation, to find workable solution(s) to minimize labor contract cancellations by either employers or foreign workers and inform each other of measures that they have taken.

### *Paragraph 9. Pre-departure Education*

1. The POEA will promptly conduct pre-departure education for the workers who have signed labor contracts so that they can enter Korea in a timely fashion
2. The POEA will decide the content and length of education through prior consultation with the MOEL.
3. The POEA will either conduct the pre-departure education by itself or select a public agency(s) to be entrusted with the pre-departure education through prior consultation with the MOEL.

### *Paragraph 10. Visa Issuance*

1. The POEA will inform the workers immediately after receiving the Certificate for Confirmation of Visa Issuance (hereinafter referred to as the "CCVI") from the HRDK and apply for their visas at the Korean Embassy in the Philippines with the required documents.
2. The HRDK may cancel the labor contract of any worker who does not apply for a visa within the three (3) months validity period of the CCVI.
3. If any worker with CCVI decides not to go, or is unable to go to Korea due to reasons such as the employer's cancellation of the labor contract, the POEA will cooperate in taking measures to cancel the CCVI as requested by the HRDK.
4. The POEA under the EPS, is the only organization authorized to assist with visa applications.

## *Paragraph 11. Entry, Receiving and Re-entry of Workers*

1. The POEA will input the required information in the EPS Network as necessary to keep employers informed on the progress of the workers' preparation for their entry to Korea.
2. The POEA and the HRDK will confirm the expected entry date for workers who are issued the CCVI at least one (1) week prior to their entry, taking into account the post-arrival education schedule in Korea.
3. The POEA will take necessary measures, including making flight reservations, to ensure that workers enter Korea on the scheduled date.
4. The POEA and the HRDK will continue to streamline the sending process to prevent unnecessary delay before entering Korea.
5. The POEA and the HRDK will work closely together to facilitate the entry and re-entry of Filipino workers who are employed and re-employed pursuant to the Foreign Employment Act.

## *Paragraph 12. Placement of Workers*

1. The MOEL will conduct the post-arrival education and medical examination for workers before they start their employment. The organization(s) in charge of the post-arrival education and medical examination will be determined by the MOEL.
2. Workers who failed the medical examination due to medical problems discovered during the examination in Korea will be sent back to the Philippines.
3. The HRDK will immediately inform the POEA and the POLO of the name of workers who must be repatriated due to medical problems discovered during the medical examination in Korea.

4. The worker will bear the general expenses including the airfare for his/her departure from Korea if he/she returns to the Philippines prior to the termination of the labor contract period for reasons such as problems in the medical examination, or unreasonable failure of adjusting to the workplace.
5. The HRDK or the MOEL will actively cooperate with the Labor Attache when workers report their cases of illegal treatment by employer, that makes repatriation inevitable, for the just resolution of the case.
6. The Parties will exert earnest efforts to promote good faith compliance with the contract and address problems at workplace to prevent repatriation of workers before expiration of contract.
7. Workers will have to cover their own returning expenses, if they are denied of their entry due to the unacceptable reasons such as passport forgery.

### *Paragraph 13. Employment and Sojourn Management*

1. A worker will be allowed to work in Korea for up to three years from the date of entry. However, in some cases, workers may be allowed to extend their employment period for the maximum of one (1) year and the (10) months subject to compliance with the pertinent provisions of the Foreign Employment Act.
2. The POEA will educate the workers on the proper observance of Korean Laws, including the Foreign Employment Act and the Emigration and Immigration Control Act. The MOEL and HRDK will protect Foreign workers' rights in accordance with the related labor laws of Korea.
3. The Parties will strongly cooperate to effectively manage the employment and sojourn of the Filipino to prevent unnecessary absences, absence without leave (AWOL), and absconding (running away), and to encourage their voluntary departure from Korea upon the expiration of their employment to reduce the number of irregular workers in Korea.

4. The Parties will cooperate to ensure the smooth implementation of the Returnee Support Program of Korea in the Philippine and the Philippine OFW Reintegration Program. The details of cooperation and complementation will be agreed upon by them.
5. The MOEL may take necessary measures, such as reducing the allocated number of jobseekers in the roster or suspending participation in the EPS, if the number of Filipino workers absenting without leave or staying illegally in Korea exceeds the average for all sending countries.
6. The Philippine Overseas Labor Office (hereinafter referred to as the "POLO") may conduct orientation activity for or provide information materials to Korean employers to help them understand and appreciate the Filipino culture and to promote friendship and cooperation between Korea and the Philippines.

#### *Paragraph 14. Resident Officers*

1. In order to facilitate the process of sending workers to Korea, the HRDK may dispatch resident officers to the Philippines.
2. In order to facilitate the employment process and sojourn management, the POEA may dispatch resident officers to Korea.
3. The POEA and HRDK will cooperate in areas such as securing visa, providing related materials and responding to interview requests in order to facilitate the tasks of the dispatched officers.

#### *Paragraph 15. Ensuring the Transparency, Efficiency and Integrity of the Sending and Receiving Process*

1. The Parties will maintain and support their respective complaints and assistance centers where concerns and irregularities can be reported and acted upon, as appropriate.

2. The POEA will advertise the key contents and employment procedures of the EPS and the sending fee. Specifics, such as the advertising method and dates, will be decided through consultations with the MOEL, the HRDK or resident officer.
3. The POEA will assist the HRDK resident officer in advertising the EPS through means such as holding presentations in the Philippines.

### *Paragraph 16. General Provisions*

1. The Parties will make effort to promote availment of benefits by the workers under the Departure Guarantee Insurance and Return Cost Insurance through the regular procedures before they leave Korea. In case the workers leave Korea without filing Departure Guarantee Insurance and Return Cost Insurance claims, the Philippine government and the MOEL will spare no effort in ensuring the workers to receive insurance payment within the two (2) year expiration period.
2. Any differences or disputes which may arise in the interpretation or implementation of this MOU will be resolved by good faith consultation between the Parties.
3. The Parties may amend or revise this MOU by mutual, written consent, as necessary.

### *Paragraph 17. Entry into Effect and Term of Validity*

1. This MOU will come into effect on the date of signing by the Parties and supersedes all other agreements inconsistent therewith.
2. As soon as this MOU takes effect, the MOU signed between the Parties on the 30th of May 2009 and the Implementing Agreement on the EPS-KLT (now EPS-TOPIK) signed between the Parties on December 3, 2009 will be terminated.

3. This MOU will remain in effect for two (2) years. However, this MOU may be suspended or terminated by either Party if there is any justifiable reason, such as the violation of this MOU. The suspension or termination will be effective upon the mutual consent of the Parties.
4. This MOU will continue to be effective while the negotiation for renewal is ongoing unless one of the Parties requests for its termination.

Signed in duplicate at Manila and Seoul and on the 30th of August 2011 in the English language.

*For the Department of  
Labor and Employment of  
the Republic of the Philippines*

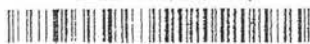
*For the Ministry of  
Employment and Labor of  
the Republic of Korea*




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*Rosalinda Dimapilis-Baldoz*  
*Secretary*

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Office of the Secretary



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