

REPUBLIKA NG PILIPINAS  
TANGGAPAN NG SANGGUNIANG PANLUNGSOD  
LUNGSOD NG BAKOLOD  
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CITY ORDINANCE NO. 432  
March 22, 2007

AN ORDINANCE INSTITUTIONALIZING PROGRAMS AND POLICIES  
FOR THE PROTECTION AND PROMOTION OF THE INFORMAL SECTOR IN  
BACOLOD CITY.

WHEREAS, the Social Development Committee (SDC) under the National Economic and Development Authority (NEDA) state that the Informal Sector (IS) constitutes a significant number of the country's total employed population;

WHEREAS, informal employment in the Philippines is growing and due to shutdowns and retrenchments as firms downsized to cope with the impact of globalization and the recent Asian economic crisis have contributed to this growth;

WHEREAS, more people are entering into the informal economy, finding ways to support themselves and survive through street hawking, market vending, pedicab and tricycle, small construction work, and home-based industries and services;

WHEREAS, the pilot action programme entitled Support for Policy and Programme Development (SPPD) supported by the United Nations Development Programme (UNDP) and with technical assistance from the International Labor and Employment in 2001 identified as the strategic issues for the Informal Sector: invisibility in government statistic and representation, hence, the need for an official definition; lack of access to social protection and Occupational Safety and Health (OSH); lack of access to productive resources; and the need to be organized;

WHEREAS, in the said study, Local Government Units (LGU's) are encouraged to create its own informal sector office and develop programs to strengthen the informal sector organizations through provision of organizational development, resource mobilization, leadership and management trainings;

WHEREAS, Bacolod City believes that there is a need to recognize and address the problems of the workers in the informal sector by establishing a system for promoting cooperation, self-reliance and empowerment, discourages illegal practices, promotes full recognition and protection of the rights of the informal sector workers and prevent cases of human rights abuses and the like.

WHEREFORE, let it be ordained, as it is hereby ordained, by the Sangguniang Panlungsod in session assembled that:

Article 1. TITLE. This ordinance shall be known as "INFORMAL SECTOR (IS) ORDINANCE OF BACOLOD CITY".

Article 2. DEFINITION OF TERMS. The following definition of terms is hereby adopted for purposes of this Ordinance:

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**Section 1. WORKERS IN THE INFORMAL SECTOR** refers to individuals who operate businesses that are very small in scale and are not registered with any national government agency, and to the workers in such enterprises who sell their services in exchange for subsistence level wages or other forms of compensation, including volunteer workers receiving small honoraria or allowances.

**Section 2. NON-GOVERNMENT ORGANIZATIONS (NGO)** refers to duly registered non-stock, non-profit organizations focusing on the upliftment of the basic or disadvantaged sectors of society by providing advocacy, training, community organizing, research, access to resources, and other similar activities.

**Section 3. PEOPLE'S ORGANIZATION (PO)** refers to a self-help group belonging to the basic sectors and/or disadvantaged groups composed of members having a common bond of interest who voluntarily join together to achieve a lawful common social or economic end.

**Sector 4. INFORMAL SECTOR PROGRAMS DESK (ISPD)** refers to the desk appointed by the city mayor under this Ordinance in order to implement and achieve its objectives.

**Section 5. PARTNER AGENCY** refers to national or local agencies, which can serve as a source of assistance and partnership in the implementation of this Ordinance.

**Article 3. RIGHTS OF THE INFORMAL SECTOR.** The City of Bacolod recognizes the following as the rights of workers in the informal sector, among others:

- a) The right to organize into non-government organizations, people's organization, cooperatives, networks and other forms of organizations;
- b) The right to have access to programs and trainings to improve their conditions and access to social services;
- c) The right to have access to healthier and safer workplaces;
- d) The right to have representation in the local government pursuant to law such as but not limited to RA 7160 or any duly -approved ordinance;

**Article 4. OBJECTIVES.** This Ordinance will have the following objectives.

- a) To encourage and promote self-reliance and social responsibility among all sectors of society, most especially those in the informal sector;
- b) To strengthen the capacity of the informal sector to manage and project their resources, rights and welfare in a sustainable manner;
- c) To increase access to social protection schemes of the informal sector such as protecting workers from work-related injuries and illnesses;
- d) To increase opportunities and availment of basic services of the informal sector anchored on a sustained development of livelihood skills and community linkages with government agencies.

non- government organizations and the private sector to facilitate access to productive resources and other social services like housing :

- e) To improve the capacity of the city and informal sector organizations to create an IS-responsive policy environment and effectively administer, design and implement development programs for workers in informal employment.

**Article 5. SCOPE AND APPLICATION.** This ordinance shall cover all workers in the informal sector who are organized as Non-Government Organizations, People's Organizations and cooperatives, and similar groups recognized by law, and duly-accredited by the city through the Sangguniang Panlungsod who shall have submitted all documents required.

**Section 1.** The Ordinance shall address the need of the workers in the informal sector based on the following areas:

- a) social protection
- b) productive resources
- c) capability-building, organizing and representation
- d) policy development and statistics
- e) resource mobilization and advocacy

**Section 2.** The City shall undertake an evaluation and assessment of all groups and individuals classified to belong under the informal sector for purposes of planning and to serve as basis for the effective implementation of this Ordinance.

**Section 3.** The City shall promote and increase informal sector access to productive resources for enterprise growth and build trade opportunities in the barangays.

**Section 4.** The City shall tap private business development service providers, accessible to the micro-entrepreneurs in their barangays.

**Section 5.** The City shall encourage, increase and sustain the informal sector membership to SSS and Phil Health through awareness building on SSS and Phil Health membership and range/quality of services among informal sector workers and stakeholders; development and identification of innovative and non-traditional approaches in marketing of social protection systems in the informal sector, among other things.

**Section 6.** The City shall promote the health and safety of informal sector workers and link Occupational Safety and Health among informal sector workers and stakeholders, advocate for policies and programs on OSH, and develop and identify innovative, non-traditional approaches and preventive programs to address OSH concerns in the informal sector, and to build competence and capability on OSH among informal sector workers.

**Section 7.** The City shall promote the strengthening of the informal sector by encouraging formation of associations, cooperatives and other community-based groups through training and capacity building.

**Section 8.** The City shall provide direct assistance to existing groups through provision of training and education program covering areas such as leadership, organization development, resource mobilization and management .

**Section 9.** The City shall prepare local development action plans towards the institutionalization of programs and policies for the informal sector.

**Article 6. COVERAGE.** This Ordinance shall cover and benefit all workers in the informal sector who are operating or conducting their work legitimately and without violating any law according to the following sub-sectors:

- a) vendors
- b) small transport workers
- c) farmers
- d) fisherfolks
- e) small scale freelance professionals such as photographers, beauticians, barbers, waiters and the like
- f) domestic workers or "kasambahays"
- g) small construction workers
- h) home-based industry workers
- i) sector-based cooperatives
- J) small-service providers
- k) Overseas Filipino Workers (OFWs)
- l) barangay-based volunteer workers receiving small compensation

**Article 7. INFORMAL SECTOR PROGRAMS DESK.** The City Mayor shall create an Informal Sector Programs Desk (ISPD) under its sectoral concerns office or cluster any related executive arm that shall formulate a comprehensive informal sector program and set of policies and guidelines to provide assistance to the informal sector workers, particularly in the following areas:

- a) Organizing their association in consonance with the accreditation process.
- b) Generating and building up official data and statistics using the lawful tools allowed under various ordinances and laws such as, but not limited to, voluntary registration, to ascertain the current number of workers in the informal sector in Bacolod City classified according to the sub-sectors mentioned as basis for providing support to said sectors under this ordinance.
- c) Extending assistance to facilitate the election officers of every association that signified accreditation likewise assist them in the formulation of their rules and regulations applicable to their respective associations.
- d) Giving all the necessary and vital information dissemination and orientation program as to the role of the IS in the community development likewise how to access on basic services that the government can extend to their sector.
- e) Conducting regular meeting with IS associations' Officers/representatives at least once every two (2) months or as often as necessary.

- f) Preparing comprehensive report to the City Mayor as to the monitoring of association status and various activities;
- g) Forming of sectoral or functional committees within the different ISW organization to assist them in the performance of the functions; make suggestions on sectoral requirements under the government rules and regulations;
- h) Reviewing policies, programs and projects proposed by ISW organizations in accordance with existing laws;
- i) Promoting the establishments and operation of ISW organizations to become active partners in the delivery of certain basic services, capability building and livelihood projects to enhance the economic and social well-being of the ISW.


**Section 1.** The City Mayor shall designate a personnel to man the Informal Sector Programs Desk.

**Section 2.** The Informal Sector Programs Desk shall be directly under the office of the Mayor and shall work in coordination with the following offices which can be convened by the City Mayor upon the recommendation of the ISPD:

- a) Sangguniang Panlungsod
- b) City Planning and Development Office
- c) Department of Social Services and Development
- d) Socio-Economic Enterprise Unit
- e) City Cooperatives and Livelihood Development Office
- f) Urban Basic Services Office
- g) Public Affairs and Assistance Division
- h) Three (3) NGO working for the rights and welfare of the informal sector

**Article 8. PARTNER AGENCIES.** The City of Bacolod recognizes the following as partner agencies, which can serve as a source of assistance and partnership in the implementation of this Ordinance:

**Section 1.** The City recognizes the importance of proper coordination with and the vital roles of various government agencies and offices in the implementation of this Ordinance, as follows:

- a) Office of the President
  - b) Department of Labor and Employment (DOLE)
  - c) National Economic Development Authority (NEDA)
  - d) Social Development Committee (SDC) Sub-Committee for the Informal Sector
  - e) Bureau of Rural Workers (BRW)
  - f) Department of Interior and Local Government (DILG)
  - g) Occupational Safety and Health Center (OSHC)
  - h) Department of Health (DOH)
  - i) Department of Agriculture (DA)
  - j) Department of Agrarian Reform (DAR)
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- k) National Statistic Office (NSO)
- l) National Statistic Coordination Board (NSCB)
- m) Technical Education and Skills Development Authority (TESDA)
- n) Social Security System (SSS)
- o) Philippine Health Insurance Corporation (Phil Health)
- p) Employees Compensation Commission (ECC)
- q) Department of Trade and Industry (DTI)
- r) Department of Social Welfare and Development (DSWD)
- s) Department of Budget and Management (DBM)
- t) Department of Finance (DOF)
- u) Department of Science and Technology (DOST)
- v) National Anti-Poverty Commission (NAPC)
- w) Commission on Human Rights (CHR)
- x) Presidential Commission for the Urban Poor (PCUP)

**Section 2.** The City also recognizes the importance of proper coordination with and the vital roles of various non-government agencies in the implementation of this Ordinance and therefore, encourages partnerships with various existing non-government agencies in the City to promote the rights and welfare of the informal sector.

**Article 9. ACCREDITATION.** In order to maximize the objectives of this Ordinance, the following limitations are set:

**Section 1.** The accredited ISW association must abide with the governance obligation and responsibilities of the ISPD as to the conduct of their business in the community wherein they must exercise their function without violating any national-local ordinances that are disadvantageous to the development of their sector and the local government as well.

**Section 2.** It shall be the responsibility of the officers of the different ISW associations to police their ranks members and to cooperate and coordinate with the Informal Sector Programs Committee or the identified office providing for the particular service as to their plans/activities.

**Section 3.** The accreditation of ISW organizations/association may be suspended, cancelled or revoked if the officers and the association/organization as a whole violated certain laws disadvantageous to the local and national government and the constitution, such as but not limited to the following:

- a) Performance of criminal acts of a substantial number of its members in the performance of their informal sector work.
- b) Violation of any existing national law or local ordinance in the performance of its informal work.
- c) Unreasonable refusal or unwillingness to dialogue with the city government for purposes of resolving issues concerning the general welfare of Bacolod City.
- d) Willful alteration or falsification of any document to obtain accreditation.
- e) Any similar or analogous case.



**Section 2.** No informal sector organization shall be recognized as such and granted any benefit under this Ordinance within one year (1) before a local election and without the endorsement of the Informal Sector Programs Desk and the Sangguniang Panglungsod through the Committee on Labor and Management.

**Section 3.** Benefits and assistance intended for groups under this Ordinance for informal sector workers shall be processed through their respective groups and organizations accredited by the city. While benefits and assistance, not otherwise limited to groups, shall be accessible to individuals who are not necessarily members of accredited organization but a registered informal sector worker.

**Article 10. FUNDING.** This Ordinance shall require an initial funding of at least One Million Pesos (P1,000,000.00) subject to increase and shall be part of the city development plan to be funded from the twenty (20%) percent Annual Investment Plan (AIP) of the city.

**Article 11.** Once constituted, the Informal Sector Programs Desk is hereby tasked to formulate Implementing Rules and Regulations subject to the approval of the Sangguniang Panglungsod as soon as possible to effect full compliance and implementation of the Ordinance.

**Article 12. SEPARABILITY CLAUSE.** Should any portion of this Ordinance be declared ultra vires unconstitutional by competent authority, the remainder not so affected shall continue to be in full force and effect insofar as it is susceptible to enforcement and application.

**Article 13. EFFECTIVITY.** This Ordinance takes effect upon its approval in accordance with law.

**CARRIED BY THE VOTE:**

**Affirmative:**

Councilors: Greg G. Gasataya, Lyndon P. Cuna, Jocelle Batapa-Sigue, Homer Q. Bata, Dindo C. Ramos, Jude Theodorus A. Sayson, Napoleon A. Cordova, Catalino T. Misbo, Reynold I. Bedan, Arturo V. Parreno.

Negative: None.

Absent: None.

Author: Councilor Jocelle Batapa-Sigue.

Co-Author: Councilor Dindo C. Ramos.

Passed: March 22, 2005 (142nd Regular Session)



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Comments : Passed.  
Vice Mayor Renecito S. Novero and Councilors Elmer T. Sy, Al Victor A. Espino and Max Louie S. de la Rosa were not around when this ordinance was passed.

AN ORDINANCE INSTANTLY AMENDING THE TERMS AND POLICIES FOR THE PROTECTION AND PROMOTION OF THE INFORMAL SECTOR IN BACOLOD CITY.

WHEREAS, the Social Development Commission (SDC) under the Economic and Development Authority (EDA) and the National Economic Development Authority (NEDA) state that the informal sector is the largest employed population.

*[Signature]*  
ANA MARIE V. PALERMO  
Acting Presiding Officer (IS)

ATTESTED: *[Signature]*  
ATTY. NILO T. ALEJANDRINO  
Secretary to the Sanggunian

APPROVED: *[Signature]*, 2007  
EVELIO R. LEONARDA  
City Mayor

NTA/HPL/itm



WHEREAS, the program of the United Nations Development Programme (UNDP) and with technical assistance from the International Labor and Employment in 2001 identified as the strategic issues for the Informal Sector: invisibility in government statistics and representation; lack of access to social protection and Occupational Safety and Health (OSH); lack of access to productive resources, and the need for an official definition;

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