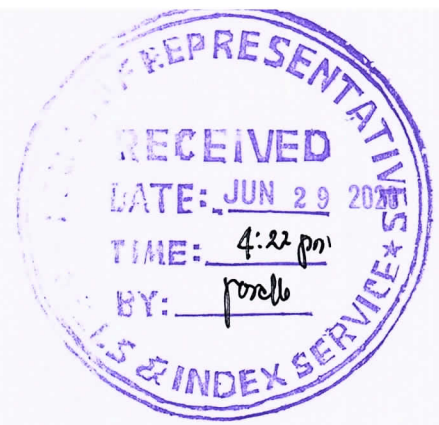


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 7038



Introduced by **HON. JOY MYRA S. TAMBUNTING**

EXPLANATORY NOTE

With the onslaught of COVID-19 pandemic, online shopping has become the new normal for buying various goods and products, including food and groceries. As we enter a new normal, food and grocery deliveries are increasingly becoming a popular and preferred way of shopping for households as they offer the ease of buying food without leaving the safety of their homes.

In most of these food and grocery deliveries such as GrabMart, GrabFood, Angkas Pabili and other similar services, consumers order food or groceries through an application or website, and delivery riders purchase and deliver the orders to consumers' doorsteps for a fixed delivery fee. Thus, the food and grocery delivery sector not only offer consumers a safe and convenient way of shopping, it also gives riders and drivers from ride-hailing apps the opportunity to earn since ride-hailing services such as motorcycle taxis are not allowed to operate yet.

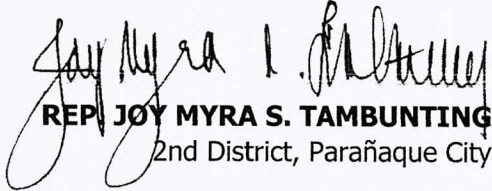
Most of these food and grocery delivery services operate on a reimbursement basis wherein a delivery rider will have to cover the cost of transaction and be reimbursed by the customers after they deliver the goods. Food and grocery delivery service providers usually offer cash-on-delivery as a payment scheme, which leaves delivery riders vulnerable to fraudulent schemes such as unreasonable cancellation of orders after rider has already paid for the orders and/or in possession of the order, giving out wrong delivery addresses and other pranks.

As it is, there currently are pages and groups in social media devoted to helping delivery riders who have been victimized by such activities or pranks. In these groups, delivery riders sell items which are already in their possession but were not received by their customers, usually without charging a delivery fee. This is so they could regain the money which they need to cover future transactions. These activities are extremely burdensome to the delivery riders as it wastes their time (with the original transaction and the succeeding transaction wherein they would have to look for potential takers of the unreceived items) and they lose capital to engage in further transactions.

In such a time where staying at home is a privilege, we acknowledge and salute the people whose hard work makes staying at home possible. More importantly, it is imperative that we find ways to protect these people.

It is in this light, that this measure aims to protect delivery riders from such inconveniences by penalizing unreasonable cancellation of confirmed orders that have already been paid for by the delivery riders. This bill also requires service providers to reimburse delivery riders the amount covering the cancelled order, plus the delivery fee for the transaction.

On behalf of the people of Parañaque City's Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.


REP. JOY MYRA S. TAMBUNTING
2nd District, Parañaque City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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EIGHTEENTH CONGRESS
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HOUSE BILL NO. 7038

Introduced by **HON. JOY MYRA S. TAMBUNTING**

AN ACT PROVIDING PROTECTION TO INDIVIDUALS ENGAGED IN THE FOOD AND GROCERY DELIVERY SERVICES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* – This Act shall be known as Food and Grocery Delivery Services Protection Act.

SEC. 2. *Definition of Terms.* – Whenever used in this Act, the following terms shall have the respective meanings hereafter set forth:

- a) Food and Grocery Delivery Services – Services where the service provider buys food and grocery items from a third party seller and advance the payment for said purchase for a fee;
- b) Food and Grocery Delivery Service Providers – persons or entities who are engaged in the business of food and grocery services by way of mobile phone applications, internet webpages or similar platforms. Online marketplace are expressly excluded from the foregoing definition;
- c) Delivery Riders – persons who directly advance and deliver food and/ or grocery items on behalf of the Food and Grocery Delivery Service Providers and in favor of Customers;
- d) Customers – any person, individual, group of individuals, business establishment, partnership, association, and corporation availing the services of Food and Grocery Delivery Services under their name or through another person for their benefit; and
- e) Confirmed Order – There shall be a confirmed order once the Customer sent his confirmation to the Delivery Rider with respect to the order for the purchase of food and/ or grocery items.

SEC. 3. *Prohibited Acts.* – The below listed acts are expressly prohibited, as follows:

- a) Unless otherwise provided in this Act, it shall be unlawful for any Customer to cancel confirmed orders for the delivery of food and/ or grocery items when the said items have already been paid by or is already in the possession of the Delivery Rider or otherwise is in transit to the Customer. This also covers instances wherein Customers order food and/ or grocery items for the purpose of pranking or those who has no genuine intention of availing of the service which causes damage and undue duress to the Delivery Riders and their corresponding Service Providers; and
- b) It shall be unlawful for any Customer to shame, demean, embarrass, or humiliate the Delivery Riders across any platform.

SEC. 4. *Exception.* – The following shall be considered as exemptions from the prohibited cancellation of confirmed orders mentioned in Section 3, Paragraph (a), as follows:

- a) When the Customer uses credit card services as a mode of reimbursement and payment and any such reimbursement and payment will still be credited to the Food and Grocery Delivery Service Provider notwithstanding the cancellation;
- b) The Customer remits to the Food and Delivery Service Provider any such reimbursement and payment as a pre-condition for the cancellation of order; and
- c) The delivery of ordered food or grocery items will be or was delayed for at least one (1) hour from the expected time of arrival given by the Delivery Rider upon confirmation of order except when the Customer was previously notified by the Delivery Rider or the Service Provider of the impending delay and such delay was not caused by the fault or negligence of the Delivery Rider.

SEC. 5. *Penalties.* – Violation of the prohibited acts under Section 3 shall be accorded the below listed penalties, to wit:

- a) Violation of Section 3, Paragraph (a) herein mentioned shall result to a penalty of Prison Correccional in its medium period. The violator shall likewise be liable for a fine ranging Fifty Thousand Pesos to One Hundred Thousand Pesos. The violator shall likewise reimburse the Food and Delivery Service Providers for the value of the food and grocery items advanced by the Delivery Rider and be made to pay said Food and Grocery Deliver Service Provider an amount of money double the fee pertinent to the cancelled transaction; and
- b) Violation of Section 3, paragraph (b) herein mentioned shall result to a penalty of Arresto Mayor in its maximum period.

SEC. 6. *Application of other Laws.* – All prohibited acts defined and penalized by this Act, if committed by, through and with the use of information and communications technologies shall be covered by the relevant provisions of R.A. 10175 also known as the Cybercrime Prevention Act of 2012. Therefore, the penalty to be imposed shall be one (1) degree higher than that provided for in this Bill.

SEC. 7. *Role of Food and Grocery Delivery Services Providers.* – In case of violation of this Act, the Service Provider shall reimburse the Delivery Riders for all amounts of money advanced by the Delivery Riders resulting from the cancelled order, plus the delivery fee, within twenty four (24) hours from the unlawful cancellation by way of bank deposit or such other acceptable fund transfer mechanism. Violation of this role shall render the Food and Grocery Services Provider liable to the Delivery Rider for a penalty of Five Thousand Pesos. This penalty shall be in addition to whatever penalty to be imposed by the applicable regulatory agency.

SEC. 8. *Mandatory requirement for proof of identity and residential address.* – The Food and Delivery Service Provider shall require its Customers, prior to registration with the applicable mobile phone applications, internet webpages or similar platforms, to submit a valid proof of identity and residential address or proof of billing. It shall likewise endeavor to verify the identity of the customer through video call verification. Violation of this role shall render the Food and Grocery Services provider liable for a fine of One Million Pesos per violation. This penalty shall be in addition to whatever penalty to be imposed by the applicable regulatory agency. The Food and Grocery Delivery Service Providers shall also be required to comply with the pertinent provisions of the Data Privacy Act of 2012 before processing the personal information of the Customers for their database. Any violation of the Data Privacy Act shall be dealt with by the National Privacy Commission in its own instance.

SEC. 9. *Separability Clause.* – If any of the sections or provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

SEC. 10. *Repealing Clause.* – All laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Act are hereby repealed, amended, or modified accordingly.

SEC. 11. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,