



Republic of the Philippines
House of Representatives
Quezon City

TWENTIETH CONGRESS

First Regular Session

House Bill No. 5417



Introduced by Representative Jernie Jett V. Nisay

EXPLANATORY NOTE

The proposed Magna Carta for Informal Ambulant Vendors seeks to recognize and protect the rights of informal ambulant vendors (IAVs), who are essential contributors to the Philippine economy. Despite their significant role in providing affordable goods and services, IAVs often face precarious working conditions, lack of social protection, and vulnerability to harassment or eviction. This bill aims to formalize the registration of IAVs, ensure security of tenure in designated vending sites, and grant access to social protection programs such as healthcare, insurance, and labor market interventions¹.

The bill underscores the government's policy to promote a just and dynamic social order that uplifts the welfare of marginalized workers. By mandating simplified registration procedures and the creation of Local Inter-Agency Councils, the bill provides a framework for LGUs to coordinate with police, health officials, and vendor associations to secure designated vending areas while ensuring compliance with health, safety, and environmental standards². It further mandates that any relocation of vendors or removal from vending sites shall respect due process, and no violence, demolition, or confiscation of property shall occur, thereby safeguarding both the livelihood of vendors and the welfare of the general public.

Through the institutionalization of vending site consultations, participatory planning, and local socioeconomic development initiatives, the bill empowers IAVs to have a voice in the planning of their working spaces. It also promotes fairness by allowing vendors to operate across LGUs with proper certification, fostering both mobility and entrepreneurship. This approach aligns with the broader constitutional mandate to improve the quality of life of all Filipinos and create opportunities for social and economic advancement.

The Magna Carta for Informal Ambulant Vendors represents a significant step toward formalizing and protecting an often-overlooked sector, promoting inclusive

¹ International Labour Organization. (2018). *Women and men in the informal economy: A statistical picture* (3rd ed.). ILO. https://www.ilo.org/global/publications/books/WCMS_626831/lang-en/index.htm

² Philippine Statistics Authority. (2021). *Philippine labor and employment sector report: Informal employment trends*. <https://psa.gov.ph>

³ World Bank. (2020). *Inclusive growth and informal workers in Southeast Asia*. World Bank Group. <https://www.worldbank.org/en/topic/social-protection>

1 growth, and ensuring that informal workers are recognized, empowered, and
2 safeguarded under the law³.

3 In view of the foregoing, the immediate passage of this bill is earnestly sought.

4
5
6
7
8


REP. JERNIE JETT V. NISAY
Pusong Pinoy Partylist



Republic of the Philippines
House of Representatives
Quezon City

TWENTIETH CONGRESS

First Regular Session

House Bill No. 5417

Introduced by Representative Jernie Jett V. Nisay

AN ACT
PROVIDING FOR THE RIGHTS OF INFORMAL AMBULANT
VENDORS

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 the “Magna Carta for Informal Ambulant Vendors.”

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to:

- (a) Recognize the significant contribution of informal ambulant vendors to the economy, to protect and promote the rights of every worker including the right to self-organization, just and humane conditions of work, access to social protection programs and services, access to justice, and the right to security of and in the workplace;
- (b) Promote a just and dynamic social order that shall ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote decent and environmentally sound and full employment, a rising standard of living, and an improved quality of life for all; and
- (c) Improve the quality of life of every Filipino as mandated by the Constitution.

1
2 To this end, the State shall protect the informal ambulant vendors from being
3 deprived of their livelihood as well as the rights of consumers and the general public
4 from any negative effect that the vending industry may have on the environment and on
5 societal welfare and well-being.
6

7 **SEC. 3. Coverage.** – This Act shall cover informal ambulant vendors who are
8 registered pursuant to this Act and not registered under any other law.
9

10 **SEC. 4. Definition of Informal Ambulant Vendors.** – Informal ambulant
11 vendors refer to individuals who sell goods or offer non-professional services without a
12 fixed business location, moving from place to place, typically use portable means like
13 carts or stands, and operate in public spaces, such as streets and parks: Provided, That
14 an individual who lends money or extends any means of financial services to any
15 person, whether occasionally or habitually, as a source of income or livelihood shall not
16 be deemed an ambulant vendor.
17

18 **SEC. 5. Registration of Informal Ambulant Vendors.** – All informal ambulant
19 vendors shall register with the city, municipality, or barangay where they are vending or
20 intend to vend within the territorial jurisdiction of such city, municipality or barangay.
21

22 The registration of informal ambulant vendors shall be simplified and shall not
23 follow the regular procedure in registering businesses and other commercial activities
24 in an LGU.
25

26 In the registration of informal ambulant vendors, the following documents shall
27 be required:

28 (a) Valid government issued identification card;
29

30 (b) Certification from the Punong Barangay attesting that the informal
31 ambulant vendor is a resident of the barangay;
32

33 (c) A duly accomplished Registration Form indicating the vending site
34 where such informal ambulant vendor is vending or intends to vend; and

1
2 (d) Certificate of Indigency.
3

4 Within seven (7) days after submission of documents, a certificate shall
5 be issued by the concerned LGU to the applicant informal ambulant vendor.
6

7 **SEC. 6. *Rights of Informal Ambulant Vendors.*** – Informal 5 ambulant vendors
8 have the following rights:
9

10 (a) Right to renewal of registration as informal ambulant vendors for such
11 designated vending place, subject to said person's continued qualification
12 as an informal ambulant vendor;
13

14 (b) Right to security of tenure in the designated vending place as assigned
15 by the concerned LGU;
16

17 (c) Right to be recognized in other LGUs upon securing a prior certificate from
18 the other LGU; and
19

20 (d) Right to social protection and safety nets, labor market programs, and
21 social welfare interventions such as social security, health care, and
22 insurance.
23

24 **SEC. 7. *Local Inter-Agency Council on the Security and Protection of***
25 ***Registered Informal Ambulant Vendors.*** – The City or Municipal Mayor shall
26 establish a Local Inter-Agency Council through an appropriate local ordinance within
27 one (1) year from the effectivity of this Act. This Council shall be responsible for
28 coordinating efforts to ensure the security and protection of registered informal
29 ambulant vendors.
30

31
32 The Local Inter-Agency Council shall be headed by the City or Municipal
33 Administrator and shall be composed of the following as members:

- 1 (a) Chairperson of the Sanggunian Committee on Market, Business, or
2 Trade;
3 (b) City or Municipal Planning and Development Officer;
4 (c) City or Municipal Market Administrator, or a person holding an equivalent
5 position;
6 (d) Chief, City or Municipal Police;
7 (e) Municipal or City Health Officer;
8 (f) President, Association of Barangay Chairpersons;
9 (g) At least two (2) representatives from the City or Municipal Vendors
10 Association; and
11 (h) In the case of Metropolitan Manila, a representative from the Metro Manila
12 Development Authority.

13
14 **SEC. 8. Powers and Functions.** – The Local Inter-Agency Council shall 10
15 perform the following functions:

- 16 (a) Formulate plans, programs, projects or activities that shall ensure the
17 security of registered informal ambulant vendors in the workplace for the
18 approval of the *Sanggunian*;
19 (b) Recommend appropriate measures to the City or Municipal Mayor and
20 the *Sanggunian* to enhance the participation of registered informal
21 ambulant vendors in local socioeconomic development efforts;
22 (c) Assist in conducting surveys on vacant areas for vending sites; and
23 (d) Conduct regular inspections and monitor the compliance of registered
24 informal ambulant vendors to health and safety standards.

25
26 **SEC. 9. Authority to Designate a Vending Site.** – Pursuant to the
27 recommendation of the Local Inter-Agency Council, the concerned *Sanggunian* shall
28 designate a vending site through an ordinance. The use of a public park, city or
29 municipal street, or sidewalk for vending purposes shall be subject to the provisions of
30 Sections 16 to 21 of Republic Act (RA) No. 7160, otherwise known as the “Local
31 Government Code of 1991,” and RA No. 4136, otherwise known as the “Land
32 Transportation and Traffic Code.”
33

1 **SEC. 10. *Prior Consultation Required.*** – No vending site shall be designated
2 unless prior consultation with informal ambulant vendors, the local police, and the
3 affected inhabitants is undertaken.
4

5 **SEC. 11. *Policy on Relocation of Vending Sites.*** – Registered informal
6 ambulant vendors shall not be arbitrarily deprived of their vending sites nor their stalls
7 demolished without due process of law.
8

9 Pending the designation of a viable vending site, vendors occupying a public
10 place not previously designated as a vending site shall be provided with a viable
11 temporary vending site by the city or municipal government
12

13 The removal of informal ambulant vendors from their designated vending sites
14 shall be done with due process and no violence, demolition, destruction, or confiscation
15 of the property and goods of registered informal ambulant vendors.
16

17 **SEC. 12. *Health and Safety Standards.*** – All registered informal ambulant
18 vendors shall comply with basic health and safety standards to be established by the
19 concerned LGU in coordination with the Local Inter-Agency Council in accordance with
20 RA No. 11058, entitled, “An Act Strengthening Compliance with Occupational Safety
21 and Health Standards and Providing Penalties for Violations Thereof.”
22

23 **SEC. 13. *Revocation of Certificate.*** – Certificates issued to informal ambulant
24 vendors shall be revoked by the appropriate LGU in case of misdeclaration or
25 misrepresentation in their documentary requirements: *Provided*, That the concerned
26 informal ambulant vendor shall be accorded due process.
27

28 **SEC. 14. *Implementing Rules and Regulations.*** – Within ninety 24 (90) days
29 from the effectivity of this Act, the Secretary of the Department of 25 the Interior and
30 Local Government shall promulgate the necessary implementing rules and regulations
31 for the effective implementation of this Act.
32

1 **SEC. 15. *Separability Clause.*** – If any provision of this Act is declared
2 unconstitutional or invalid, other parts or provisions not affected shall continue to be in
3 full force and effect.

4
5 **SEC. 16. *Repealing Clause.*** – All laws, orders, rules, and regulations or parts
6 thereof inconsistent with this Act are hereby repealed or modified accordingly.

7
8 **SEC. 17. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
9 publication in the *Official Gazette* or in a newspaper of general circulation.

10
11 Approved,