




# Philippine Economic Zone Authority

MEMORANDUM CIRCULAR NO. 2020-011

TO : ALL ECOZONE I.T. ENTERPRISES  
ALL PEZA ZONE ADMINISTRATORS / ZONE MANAGERS/OICs

FROM : BGen CHARITO B. PLAZA MNSA, PhD  
Director General 

DATE : 05 March 2020

SUBJECT : PEZA ASSISTANCE TO ECOZONE I.T. ENTERPRISES IN RESPONDING TO COVID-19 (CORONAVIRUS DISEASE)

This is in response to the request of PEZA-registered Ecozone I.T. Enterprises for PEZA's assistance in their ability to be flexible and more agile in implementing courses of action that may be immediately needed to respond to the hovering coronavirus disease 2019 (COVID-2019), as an urgent preventive / pre-emptive action to protect the health and welfare of their employees and ensure continued service delivery in the event of a large-scale emergency situation.

Considering the yet many unknowns about COVID-19, including the mode of its transmission, PEZA, in the interest of the health and welfare of employees and in order to enable I.T. Enterprises to deliver seamless service to their clients in response to an emergency situation relative to COVID-19, or as a pre-emptive measure to forestall or contain any adverse impact on employees and services in the event of an intense or possible intense COVID-19 situation, hereby allows PEZA-registered I.T. Enterprises to immediately implement courses of action to respond to and/or pre-empt any adverse COVID-19 eventuality without need for a Letter of Authority from PEZA prior to implementation of such measures or courses of action.

I.T. Enterprises that have previously obtained from PEZA a Letter of Authority (LOA) for their Business Continuity Plan may consider the current COVID-19 situation as a BCP-trigger event and may activate its BCP as provided in the said Letter of Authority. In addition, the authorization and guidelines provided in this Memorandum Circular shall apply to other courses of action the I.T. Enterprise may decide to implement that are not covered by their respective LOAs.

Courses of action in relation to COVID-19 covered by this authorization are as follows:

1. Work-from-home by certain employees delivering services identified by the I.T. enterprise as critical;
2. Work-from-home by certain employees exhibiting symptoms akin to a person infected with COVID-19 but physically able to work;
3. Work-from-home by a group/s of employees suspected of exposure to persons exhibiting symptoms of COVID-19 infection;
4. Re-assignment / re-distribution of employees to other PEZA-registered facilities of the I.T. Enterprise in other PEZA I.T. Parks/Centers;





5. Assignment of certain employees to work in facilities / buildings that are not PEZA-registered I.T. Parks/Centers;
6. Increase in the number of employees covered in the Letter of Authority for Business Continuity Plan previously issued by PEZA to the I.T. Enterprise;
7. Other justifiable and reasonable courses of action, including pre-emptive action, to respond to COVID-19.

I.T. Enterprises availing of the authorization under this memorandum Circular shall be subject to the following conditions relative to their COVID-19 response courses of action:

1. Within seven (7) working days from the implementation of the course of action submit a letter addressed to the PEZA Director General signed by / emailed from the email account of any of its top three (3) officials identified in the Economic Zone Monthly Performance Reports (EZMPR) submitted by the I.T. Enterprise to PEZA. The letter shall state that the signatory attests to the following on behalf of the I.T. Enterprise:
  - a. Particulars of the course/s of action implementation and the justification / objective of the said course/s of action;
  - b. Date of start of implementation of the course/s of action;
  - c. Number of employees involved in each course of action, per PEZA-registered facility/I.T. Center where the employee/s is/are based; Corresponding number of employees per re-assigned location (indicate if work-from-home, or the name of the building a facility where the employee/s will operate, e.g., another PEZA-registered facility of the I.T. enterprise, in a PEZA-registered I.T. Center where the I.T. Enterprise has no registered facility; a non-PEZA-registered facility; others);
  - d. That the employees assigned to work outside of their base office have been properly informed of the said temporary re-assignment of their work location prior to said re-assignment, and shall, throughout the duration of their temporary re-assignment outside their base office, receive from the I.T. enterprise the same work load, same salary and benefits, including overtime and night differential compensation, among others, that they are entitled to under their existing contracts of employment for work in their base office; the I.T. Enterprise shall observe and comply with applicable labor laws, rules and regulations relative to said employees;
  - e. That the I.T. Enterprise shall be responsible and accountable for data privacy in accordance with applicable laws, rules and regulations, and shall adequately inform the re-assigned employees of applicable data privacy rules and regulations while working outside of their base offices;
  - f. That the I.T. Enterprise shall, for those employees assigned to work from home, observe applicable provisions and rules and regulations of the Telecommuting Act (R.A. No. 11165);
  - g. That the temporarily re-assigned employees , and equipment and other assets of the I.T. Enterprise brought out of its PEZA-registered facility shall be brought back to their base office / facility immediately after the COVID-19 situation has been declared by Philippine authorities as resolved.
  - h. The I.T. Enterprise renders PEZA free and harmless from any liability or accountability for any issues that may arise in the event of non-compliance with the conditions of the authorization under this Memorandum Circular and with conditions that shall be prescribed by PEZA in the subsequent Letter of Authority to be issued by PEZA under this Memorandum Circular.

The following shall be attached to the said letter:



- a. List of equipment and other assets brought out of the PEZA-registered facility of the I.T. Enterprises, their respective quantity, source, acquisition cost and book value, duly certified by a responsible official of the I.T. Enterprise. In case the COVID-19 situation prevents access to records/ information on acquisition and book value of the assets, the above required letter-attestation shall include a statement on the reason for the inability of the I.T. Enterprise to provide the said information;
  - b. Copy of the Bond to cover 150% of the amount of duties and taxes (if imported) and VAT (if locally sourced) that would otherwise have been due on the equipment and other assets. (In case no amounts and / or sources of the equipment/assets are indicated by the I.T. Enterprise in its submitted list, the bond shall be based on import duties and taxes otherwise due thereon and valuation shall be as determined by the Bureau of Customs).
2. The I.T. Enterprise shall be bound by its attestations as stated in Condition No. 1 (a) – (h) above, and any violation thereof shall be subject to applicable penalties from PEZA.
  3. Subsequent courses of action, temporary re-assignment of additional employees, additional equipment and assets withdrawn from the PEZA-registered facility of the I.T. Enterprise not covered by its original submission as provided in Condition No. 1 above, shall be subject to a separate subsequent submission of the documents required in Condition No. 1 above to cover the additional course/s of action implemented by the I.T. Enterprise.
  4. I.T. Enterprises re-assigning employees outside their base facility/office and / or bringing out / withdrawing from their respective facilities equipment and assets without compliance to the foregoing shall be subject to penalties provided in PEZA's Rules and Regulations, including, but not limited to suspension of incentives.

A Letter of Authority shall be subsequently issued by PEZA on the basis of the above-required letter / attestation and documents submitted by the I.T. Enterprise. The I.T. Enterprise may proceed with the implementation of its COVID-19-response action/s while the LOA is in process with PEZA.

This Memorandum Circular shall be valid until 31 July 2020 unless extended by PEZA, as may be needed, through a subsequent Memorandum Circular. All Letters of Authority to be issued by PEZA under this Memorandum Circular shall be valid until 31 July 2020. In the event that the effectivity of this Memorandum Circular is extended, all Letters of Authority issued under this Memorandum Circular shall be automatically extended up to the end of the validity period provided in the Memorandum Circular subsequently issued by PEZA.

For your guidance.

