



Philippine Economic Zone Authority

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MEMORANDUM CIRCULAR NO. 2005 030

**TO : Economic Zone Locator Enterprises
Economic Zone Administrators and Managers**

FROM : The DIRECTOR GENERAL *[Signature]*

**SUBJECT : DOLE's Issuance of Alien Employment Permits (AEPs)
to Non-Resident Foreign Nationals Occupying Elective Positions
in PEZA-Registered Economic Zone Enterprises**

DATE : 09 September 2005

The Department of Labor and Employment (DOLE) requires non-resident foreign nationals occupying elective positions in companies operating in the country to apply for Alien Employment Permits (AEPs) within 5 days of election into their positions.

DOLE National Capital Region Director Ricardo S. Martinez, in a letter dated 12 August 2005, indicated that in response to PEZA's recommendation, DOLE is willing to accept AEP applications of non-resident foreign nationals occupying elective positions (e.g., Members of the Governing Board, Presidents, Vice Presidents, General Managers and Treasurers) in PEZA-registered economic zone enterprises, even if they are in possession only of Tourist or 9(a) Visas. Director Martinez further indicated in his letter that DOLE will issue the AEPs to non-resident foreign nationals occupying elective positions (e.g., Members of the Governing Board, Presidents, Vice Presidents, General Managers and Treasurers) in economic zone enterprises upon presentation of the applicants of DOJ-approved Special Non-Immigrant [i.e., 47 (a) 2] Visas.

Prior to Director Martinez's kind consideration of PEZA's recommendation, many non-resident foreign nationals occupying elective positions in economic zone locator enterprises experienced difficulty in complying with the DOLE requirement for them to submit their AEP applications within 5 days of their election into positions in their economic zone enterprises, because they only had valid Tourist and 9(a) Visas and not the DOJ-approved Special Non-Immigrant [i.e., 47 (a) 2] Visas, in view of the fact that it takes about 15 days to secure Special Non-Immigrant [i.e., 47 (a) 2] Visas. As a result, many had to pay penalties for late AEP application.

We also wish to take this opportunity to remind all concerned of the following important points:

"Trabaho at kabuhayan sa bawat tao"
President Gloria Macapagal Arroyo

Foreign nationals occupying elective positions in companies operating in the country who fail to apply for AEPs within 5 days of their election to their company positions shall be required to pay the following fines:

- P 2,000.00 for those who submit AEP applications within 2 months after their election;
- P 5,000.00 for those who submit AEP applications beyond 2 months but within 6 months of their election; and
- P 10,000.00 for those who submit AEP applications beyond 6 months of their election.

2. Foreign nationals occupying non-elective positions in companies operating in the country should submit to the DOLE their AEP applications, together with their DOJ-approved 47 (a) 2 JVisas prior to the effectivity or commencement dates of their employment contracts to avoid being fined.

For the information and guidance all concerned.