

# **Philippines**

Major changes impacting Alien Employment Permits

## **Executive summary**

Effective 10 February 2025, the Philippines implemented significant changes to its regulations governing the issuance of Alien Employment Permits (AEPs).

## Key developments

The following key changes went into effect for AEPs:

- New applications
  - Processing fee: The processing fee has been reduced from PHP 10,000 (approx. USD 170) to PHP 6,000 (approx. USD 100).
  - Vacancy advertisement: Prior to filing an AEP application on behalf of a foreign employee, employers must advertise the vacancy via three channels: a newspaper, the PhilJobNet (a job portal operated by the Department of Labor and Employment) and at branches of the Public Employment Service Office (PESO) or the Job Placement Office (JPO) with jurisdiction over the applicant's intended place of work. Previously, vacancies were required to be advertised only via a newspaper. Foreign nationals who are appointed to corporate officer positions are exempt from the vacancy publication requirement. The authorities have also mandated additional information to be included in the vacancy advertisement, such as details about the applicant's position and location of work.
  - Application deadline: AEP applications must be filed at the Department of Labor and Employment's Regional Office (DOLE-RO) within 15 calendar days of signing of

- the employment contract or at least 15 days prior to the commencement of employment.
- Location requirement: AEP applications can now be filed even if the applicant is outside the Philippines. Previously, applicants were required to be in the country when filing the application.
- Exemption certificate: Individuals who are exempt from the requirement to obtain an AEP must obtain a Certificate of Exemption from the DOLE-RO which has jurisdiction over their intended location of work.
- AEP-related services
  - Holding of additional positions: Foreign nationals can now hold more than one position with the same employer or a company related to the employer. Prior to taking on an additional position, they must submit an application to the DOLE. These applications must be duly notarized.
  - Notarization requirement: AEP renewal applications must also be duly notarized.
  - Change of status: Employers and foreign employees must report any changes to individuals' employment status within 10 calendar days of the change taking effect. Previously, no such reporting requirement was in effect.
  - Cancelation and revocation: The DOLE can now cancel AEPs if the applicant or employer are found to be non-compliant with relevant requirements. Previously,



- the DOLE did not have the authority to cancel AEPs directly, and AEPs could be canceled only if requested by the applicant or employer.
- ► Employer obligations: Employers that sponsor AEP applications are required to implement Skills Development Programs (SDPs) or Understudy Training Programs (UTP).

The DOLE is expected to issue further clarifications regarding these changes in the upcoming months.

## Impact on employers

Employers and foreign employees who are found to be non-compliant may be subject to penalties, cancelation of AEPs, and prohibition on applying for or sponsoring AEPs for up to 10 years. Employers may consider the new regulations and update their internal policies as required to ensure compliance.

#### Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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