

Comments on House Bill No. 6958, entitled “An Act Providing Protection to Individuals Engaged in the Food and Grocery Delivery Services”

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A. On the Explanatory Note

1. The policy issue was identified clearly: “It is unfortunate to know, however, that there are unscrupulous individuals who would cancel their orders even if the applicable service provider has already placed and paid for the food or grocery items which were already confirmed to be paid and are ready for delivery. This devious machination wastes not only precious time of the riders that ply our roads but it also exposes the riders from unnecessary risks in order to deliver what has been expected from them on time and intact.”
2. The proposed policy measure is “to provide safeguards to the riders and to penalize those who will unreasonably, unceremoniously, and unconsciously cancel their orders. More than the penalty awarded, it is hoped that the passage of this bill into law will serve as deterrent to unreasonable cancellations for orders.”
3. In this regard, the proposed bill has merit. However, the proponents of the proposed bill may want to consider merging the bill with HB6122 as it seeks to provide protection to consumers and merchants (which may include service providers such as riders) engaged in internet transactions. More specifically, HB6122 aims to address the issues of lack of trust and online consumer complaints, which may be revised to include merchant complaints as the said bill seeks to provide protection to both consumers and merchants engaged in internet transactions.

B. Suggested revisions in the proposed HB6122 to include provisions in HB6958

1. Section 3 (i.e., definition of terms) of HB6122 may incorporate Section 2 (i.e., definition of terms) of HB6958.

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2. Section 4 (i.e., scope and coverage) of HB6122 may include food and grocery delivery services contracted through online eCommerce platform or digital platform, or it can be part of ride hailing services Section 4(D) of HB6122.
3. Section 7 (i.e., code of conduct) of HB6122 may be classified by merchants/service providers and consumers. Sections 7(A)-7(O) may be addressed to merchants (i.e., Merchants/Service Providers' Code of Conduct). Section 7(I) may be revised to incorporate Sections 3 and 4 of HB6958. To wit, Section 7(I) - Offer cancellation options for the following circumstances:
 - a. For consumers to be able to review their online orders before finally confirming their purchase, and be able to withdraw from a confirmed transaction in appropriate circumstances;
 - b. 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;
 - c. The Customer remits to the Food and Grocery Delivery Service Provider any such reimbursement and payment as a pre-condition for the cancellation of order; and
 - d. 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.

Section 7(P) – 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 cancelled order within twenty-four (24) hours from the unlawful cancellation by way of bank deposit or such other acceptable fund transfer mechanism.

Section 7(Q) – 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.

Additional provisions may be added to include the code of conduct on the part of consumers as follows:

Consumers' Code of Conduct

Section 7(R) – Unless otherwise provided in this Act, customers shall not 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.

Section 7(S) – Individuals or those who have no genuine intention of availing of the service shall not order food and/or grocery items for the purpose of pranking as this causes damage and undue duress to the Delivery Riders and their corresponding Service Providers.

Section 7(T) – Customers shall not shame, demean, embarrass, or humiliate the Delivery Riders across any platform.

4. Section 23 (i.e., penalties) of HB6122 may include Section 5 (i.e., penalties) and Sections 7-8 of HB6958. It should include this: “Violation of the role of Service Providers shall render the Food and Grocery Delivery 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.”

As regards the role of Service Providers in requiring valid proof of identify or billing from its Customers, violation of which shall render the Food and Grocery Service Providers 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.