

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 1122



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

Explanatory Note

The country's economic growth has been impressive in recent years. During the 1st quarter of 2013, our Gross Domestic Product grew by 7.8 percent, an improvement from 6.5 percent in the same period in 2012. This GDP growth is the highest under the Aquino Administration, making our country the fastest-growing economy among Asian countries during the first quarter of 2013. The economy is set to continue its solid growth in 2016 wherein it is expected to grow by 6% on the back of higher consumption and investment according to the Asian Development Bank.

The impressive economic growth, however, is just a component of inclusive growth. In order to be inclusive, growth must also be sustained; it must create jobs in massive numbers; and it must reduce poverty. The country's bullish economy has not yet translated to the improvement of poverty incidence in the country.

This problem is aggravated by the increasing rate of unemployment. Philippines unemployment rate stood at 6.1 percent in April of 2016, down from 6.4 percent a year earlier but up from 5.8 percent reported in January 2016.

This same measure was introduced by the Magdalo Party-List as House Bill No. 2920 during the 16th Congress. It was subsequently approved by the Committee on Appropriations and was substituted with House Bill No. 6268. Later, said House Bill was approved on 3rd Reading by the House of Representatives. However, it was not approved in the bicameral conference committee due to differing positions regarding the inclusion of the pension of veterans and retired military and uniformed personnel. This version of the SSL re-instates the inclusion of our veterans and retired military and uniformed personnel in the coverage of the measure.

In view of the foregoing, the approval of this bill is earnestly sought.


HON. GARY C. ALEJANO

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AN ACT
PROVIDING FOR A MAGNA CARTA OF THE POOR

Be in enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. Title.** - This Act shall be known as the "Magna Carta of the Poor".

2
3 **SEC. 2. Declaration of Policy.** - It is the declared policy of the State to uplift the
4 standard of living and quality of life of the poor and provide them with sustained opportunities
5 for growth and development. It shall adopt an area-based, sectoral, and focused intervention
6 to poverty alleviation where every poor Filipino family must be empowered to meet their
7 minimum basic needs, through the partnership of the government and the basic sectors. It is
8 likewise vital that the State complies with its international obligations to eradicate extreme
9 poverty and hunger, achieve universal primary education, promote gender equality and
10 empowerment of women, reduce child mortality, improve maternal health, combat Human
11 Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS), malaria and
12 other diseases, and ensure environmental sustainability and development of a global
13 partnership for development.

14 To attain the foregoing policy:

15 (a) Government shall prioritize investments in anti-poverty programs to enable the poor
16 to fully participate in the country's growth and development;

17 (b) All departments, agencies and instrumentalities of the government shall provide full
18 access of its services to the poor;

19 (c) Government shall strengthen interventions to address the genuine concerns of the
20 poor and shall institutionalize long-term strategies and solutions for the empowerment of the
21 poor; and

22 (d) Government strategies shall enhance and promote the capabilities and
23 competencies of the basic sectors, the non-government organizations (NGOs) and people's
24 organizations (POs), as development partners of the government for the effective delivery and
25 implementation of a wide range of anti-poverty programs and basic services.

1 **SEC. 3. Definition of Terms.** - As used in this Act:

2 (a) *Basic sectors* refer to the disadvantaged sectors of Philippine society including
3 farmer-peasants, artisanal fisherfolk, workers in the formal sector including migrant workers,
4 workers in the informal sector, indigenous peoples and cultural communities, women, persons
5 with disability, senior citizens, victims of calamities/natural and human-induced disasters,
6 youth and students, children, urban poor and members of cooperative;

7 (b) *Development partners* refer to NGOs, POs and private corporations which are
8 engaged in programs and activities aimed at alleviating the condition of the poor;

9 (c) *Hazardous/danger zones* refer to areas which, when occupied for residential or
10 business purposes, pose a danger to the life and safety of the occupants or of the general
11 public;

12 (d) *Non-government organizations* (NGOs) refer to duly registered nonstock, nonprofit
13 organizations focusing on the upliftment of the basic sectors of society by providing advocacy,
14 training, community organizing, research, access to resources, protection of the environment
15 and conservation of natural resources, and other similar activities;

16 (e) *People's organizations* (POs) refer to self-help groups belonging to the basic
17 sectors composed of members having a common bond of interest, who voluntarily join
18 together to achieve a lawful common social or economic end; and

19 (f) *Poor* refers to individuals or families whose income falls below the poverty
20 threshold as defined by the National Economic and Development Authority (NEDA) and/or
21 cannot afford in a sustained manner to provide their minimum basic needs of food, health,
22 education, housing, or other essential amenities of life.

23 (g) *National Poverty Reduction Plan* refers to the aggregation and consolidation of
24 sectoral and local plans through a bottom-up approach, from the Local Poverty Reduction
25 Action Plans towards the formulation of the national plan.

26
27 **SEC. 4. Scope of the Fundamental Rights of the Poor.** - The government shall
28 establish a system of progressive realization or implementation to provide the requirements,
29 conditions, and opportunities for the full enjoyment of the following rights of the poor which
30 are essential requirements towards poverty alleviation

31 (a) The Right to Adequate Food is the right of individuals or families to have
32 physical and economic access to adequate and healthy food, or the means to procure it. The
33 Department of Social Welfare and Development (DSWD) and the Department of Agriculture,
34 and other implementing agencies concerned, shall:

35 1. Undertake necessary actions to mitigate and alleviate hunger especially in times of natural
36 or human-induced disasters;

37 2. Fully implement and maintain supplementary feeding programs in day care centers and
38 schools;

39 3. Ensure the availability, accessibility and sustainability of food supplies in a quantity and

quality sufficient to meet the dietary needs of poor individuals and families; and

4. Proactively engage the poor in activities intended to promote their food self-sufficiency and strengthen their access to resources and means to ensure food security.

(b) The Right to Decent Work is the right to the opportunity to obtain decent and productive employment, in conditions of freedom, equity, security and human dignity. The Department of Labor and Employment (DOLE) and other implementing agencies concerned shall:

1. Ensure that the poor shall have access to information regarding employment openings in private enterprises and in government programs and projects especially regarding available emergency employment opportunities for families displaced by natural or human-induced disasters or relocated from hazardous/danger zones;

2. Ensure the compliance of private contractors and subcontractors doing national and local public work projects funded by either the National Government or any Local Government Unit (LGU), to fill in thirty percent (30%) of the skilled labor requirements by qualified workers who come from the poor sector and who are residents of the LGUs where these projects are undertaken: *Provided*, That where the number of available resources is less than the required percentage provided therein, said requirements shall be based on the maximum number of locally available labor resources and shall be certified by the municipal, city, provincial or district engineer as sufficient compliance with the labor requirements under this Act;

3. Promote livelihood among the poor. These implementing agencies shall provide technical and administrative support to help the poor establish their livelihood enterprise using loans obtained from them;

4. Ensure compliance with core labor standards, address the job and skills mismatch, and enhance human capital through education and training; and

5. Provide an environment for more inclusive tripartism to achieve more broad-based representation of interests and make decision-making highly participatory through social dialogue at the firm and industry levels.

(c) The Right to Relevant and Quality Education is the right to attain the full development of the human person.

The Department of Education (DepEd), the Commission on Higher Education (CHED) and the Technical Education and Skills Development Authority (TESDA), in coordination with development partners concerned shall:

1. Maintain a system of free public education in the kindergarten, elementary and high school levels;

2. Make higher education accessible to all poor individuals and families. They shall expand the programs of providing socialized college education to the poor, including the student loans or study-now-pay-later plans, in state/local universities and colleges: *Provided*, That the students qualify and maintain good academic standing; and

3. Ensure access to quality technical/vocational education and training through scholarships,

1 subsidies and financial assistance to ensure access to decent and productive employment
2 subject to compliance to qualification requirements and availability of funds.

3 (d) The Right to Adequate Housing is the right to have a decent, affordable, safe and
4 culturally appropriate place to live in, with dignity, security of tenure, in peace, with access to
5 basic services, facilities, and livelihood.

6 The Housing and Urban Development Coordinating Council (HUDCC) and other
7 implementing agencies concerned shall:

- 8 1. Prioritize the implementation of the socialized housing program with identified
9 appropriate subsidies.
- 10 2. Immediately construct and provide housing facilities for families living in identified
11 hazardous/danger zones where the housing needs of the poor are urgent;
- 12 3. Create an enabling environment that will assist the poor gain access to security of tenure
13 with the least financial burden; and
- 14 4. Provide a system consisting of simple requirements and procedures, and expeditious
15 processing and approval especially for community-based socialized housing/people's
16 proposals.

17 (e) The Right to the Highest Attainable Standard of Mental and Physical Health is the
18 right to have equitable access to a variety of facilities, goods, services and conditions
19 necessary for the realization of the highest attainable standard of health. The Department of
20 Health (DOH) and other implementing agencies concerned shall:

- 21 1. Ensure equitable access to a system of good quality health care and protection that is also
22 available, accessible, and acceptable to the poor;
- 23 2. Provide for comprehensive, universal, culture-sensitive, and gender-responsible health
24 services and programs which include (a) maternal and child health care and nutrition (b)
25 access to ethical, legal, medically safe and effective reproductive health services and supplies
26 (c) promotion of breastfeeding (d) prevention and management of reproductive tract
27 infections, sexually transmitted diseases, HIV and AIDS (e) provide immunization against the
28 major infectious diseases occurring in the community, and (f) prevention, treatment and
29 control of epidemic and endemic diseases;
- 30 3. Reduce the financial burden of health care and protection on the poor through a socialized
31 health insurance program with the end view of totally eliminating out-of-pocket expenses; and
32 4. Provide health-related education and information to the community.

33
34 **SEC. 5. Non-Diminition of the *Rights of the Poor*.** - All other rights of the poor
35 provided under existing laws shall remain in full force and effect. Nothing herein shall be
36 construed in a manner that will diminish the enjoyment of such rights by the poor who shall
37 have the right to avail of greater rights offered by existing laws, including those granted under
38 this Act.

1 **SEC. 6. Social Protection.** – The Government shall build an effective social
2 protection system to ensure the protection of the poor from any risk or contingency. The
3 system shall include social insurance, safety nets, social welfare, and labor market
4 interventions, which are affordable and accessible. This social protection shall likewise be
5 afforded in and during bilateral and multilateral negotiations, including arrangements to be
6 entered into with international financial institutions.

7
8 **SEC 7. System for Targeting of Beneficiaries.** – The National Economic and
9 Development Authority (NEDA) shall design and establish a single system of classification to
10 be used for targeting beneficiaries of the government's poverty alleviation programs and
11 projects to ensure that such programs reach the intended beneficiaries.

12
13 **SEC. 8. The National Poverty Reduction Plan (NPRP) and Enhanced**
14 **Coordination and Convergence among Government Agencies.** – All government
15 agencies shall formulate, within one hundred (100) days from the issuance of the rules and
16 regulations to implement this Act, a comprehensive and convergent plan to set the thresholds
17 to be achieved by government for each of the recognized rights of the poor. This plan shall
18 consider all sectoral and local poverty reduction plans of each barangay, municipality/city and
19 province. The National Anti Poverty Commission (NAPC), with the technical assistance of
20 NEDA, shall be tasked to compile and harmonize these plans. The Department of Budget and
21 Management (DBM) shall likewise review the NPRP for inclusion in the budget of
22 implementing agencies.

23
24 **SEC. 9. Participation of Basic Sectors and of the Local Government Units**
25 **(LGUs).** – NAPC shall ensure that the Basic Sectors and Local Government Units are
26 engaged in the formulation and in the implementation of the National Poverty Reduction Plan.
27 The Department of Interior and Local Government (DILG) shall monitor the compliance of the
28 LGUs in aligning their respective development, investment, and poverty reduction plans with
29 the NPRP, and in implementing the same.

30
31 **SEC. 10. Funding Requirements.** - The funding for the poverty alleviation programs
32 and projects implemented under this Act shall be sourced from the existing appropriations as
33 authorized under the General Appropriations Act of the different departments and agencies
34 implementing these programs including those enumerated below:

35 (a) DSWD – Pantawid Pamilyang Pilipino Program (4Ps) and Sustainable
36 Livelihood Program (SLP);

37 (b) DOLE – Special Program for Employment of Students (SPES) and Tulong
38 Panghanapbuhay sa Ating Disadvantaged Workers "TUPAD" Project;

(c) TESDA – Skills Training, Private Education Student Financial Assistance (PESFA) and the Training for Work Scholarship Program (TWSP);

(d) DepED – Alternative Learning System (ALS), Government Assistance to Students and Teachers in Private Education (GASTPE);

(e) CHED – Student Financial Assistance Program (STUFAP);

(f) NHA – Socialized housing program;

(g) DOH – Basic health care services including potable water system; and

(h) Philhealth – Expanded Primary Care Package for the Poor.

Allocations for the implementation of these programs and projects shall be given preferential consideration in the funding allocation of the agency budget.

Any additional funds to the existing appropriations of the pro-poor programs in the different departments and agencies shall be included in the General Appropriations Act of the year following its enactment into law and thereafter.

SEC. 11. Private Sector Participation. - The private sector is highly encouraged to be an active partner in the financing and implementation of poverty alleviation programs and projects. The Government agencies implementing these programs shall be authorized to accredit development partners, who may accept donations, aids or grants, in cash or in kind, from duly accredited sources, to meet the demands of and uphold the basic rights of the poor to adequate food, decent work, relevant and quality education, adequate housing, and the highest attainable standard of mental and physical health. Acceptance and use of such donations, aids or grants, shall be transparent and subject to government applicable regulations.

The government shall recognize top performing development partners.

SEC.12. Tax Exemptions. - Any donation, contribution and grant which may be made to the sponsored program shall be exempt from the donor's tax and shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

The implementers of the socialized housing resettlement program shall enjoy the incentives stated in Section 20 of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992".

SEC.13 Rational Allocation of Funds. – The DBM shall be principally responsible for the efficient and rational allocation of available funds to the different government departments and agencies to support the implementation of this Act.

1 **SEC. 14. *Implementation Through a System of Progressive Realization.* –**

2 Nothing in this Act shall be construed in any manner as requiring the Government to
3 undertake the immediate implementation of all poverty alleviation programs. The
4 Government shall set programmatic standards to be achieved over time depending upon the
5 availability of necessary resources and in consideration of economic resource constraints.
6

7 **SEC. 15. *Compliance Report.* –** The NAPC shall be tasked to oversee and monitor

8 compliance with this Act. Within six (6) months from the effectivity of this Act and every six (6)
9 months thereafter, all implementing departments and agencies shall submit a report to the
10 NAPC on their respective compliance with the provisions of this Act which, in turn, shall
11 submit a compliance report to the House Committee on Poverty Alleviation and to the Senate
12 Committee on Social Justice, Welfare and Rural Development.
13

14 **SEC. 16. *Implementing Rules.* -** Within six (6) months from the effectivity of this Act,

15 the NAPC shall, in coordination with the government departments and agencies, with the
16 participation of the LGUs and the basic sectors, promulgate rules and regulations to carry out
17 the provisions of this Act.
18

19 **SEC. 17. *Separability Clause.* -** If, for any reason, any section or provision of this Act

20 is declared unconstitutional or invalid, the other sections or provisions which are not affected
21 shall continue to be in full force and effect.
22

23 **SEC. 18. *Repealing Clause.* -** All laws, decrees, executive orders, proclamations,

24 rules and regulations or parts thereof inconsistent herewith are repealed, amended, or
25 modified accordingly.
26

27 **SEC. 19. *Effectivity.* -** This Act shall take effect fifteen (15) days after its publication in

28 the Official Gazette or in a newspaper of general circulation.

Approved,