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H. B. No. 1661

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Introduced by HONORABLE BELLAFLOR J. ANGARA-CASTILLO

EXPLANATORY NOTE

The Pantawid Pamilyang Pilipino Program (4 Ps) is a human development measure that provides conditional cash grants to the poorest of the poor. As of August 2015, there are 4.4 million active household-beneficiaries, of which 570,056 are indigenous households and 217,359 have at least one person with disability. With an average of two to three children per registered household-beneficiary, the program also covers 10.2 million schoolchildren aged 0 to 18.

In partnership with the Commission on Higher Education, the Department of Labor and Employment, and the Philippine Association of State Universities and Colleges, 4 Ps has enrolled 36,003 beneficiaries in state universities and colleges as of June 2015. Additionally, in partnership with PhilHealth, 4 Ps has covered 4.4 million beneficiaries under the National Health Insurance Program¹.

Recent studies show that the program has reduced the total poverty and food poverty among conditional cash transfer (CCT) beneficiaries by up to 6.7 percentage points. At the national level, estimates show the program reduced both total poverty and food poverty by up to 1.4 percentage points in 2013. According to World Bank, the Philippines' CCT program has grown into one of the largest and best-targeted social safety net programs in the world, with majority of the benefits going to the bottom 40 percent of the country's population².

The program, however, may be subject to discontinuance by future administrations, despite its promising results in reducing poverty and promoting human capital development. It is thus imperative to institutionalize the 4 Ps through legislation to sustain its success, particularly in addressing the needs of the poor.

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


BELLAFLOR J. ANGARA-CASTILLO
Representative
Lone District, Province of Aurora

¹ <http://www.gov.ph/programs/conditional-cash-transfer/>

² <http://www.worldbank.org/en/news/press-release/2016/02/19/world-bank-approves-new-funding-for-philippines-social-safety-net>

H. B. No. 1661

Introduced by HONORABLE BELLAFLOR J. ANGARA-CASTILLO

AN ACT
INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO PROGRAM (4 PS) TO
REDUCE POVERTY AND PROMOTE HUMAN CAPITAL DEVELOPMENT, AND FOR OTHER
PURPOSES

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

1 **SECTION 1. Short Title.** This Act shall be known as the "*Pantawid Pamilyang Pilipino*
2 *Program (4 Ps) Act.*"
3

4 **SEC. 2. Declaration of Policy.** The State recognizes the need to strengthen the solidarity of
5 the family and actively promote its total development.
6

7 The State further recognizes its obligation to promote a just and dynamic social order that will
8 ensure the prosperity and independence of the nation and free the people from poverty through
9 policies that provide adequate social services, promote full employment, a rising standard of
10 living, and an improved quality of life for all.
11

12 The State further recognizes the need to protect the poor, thus, the State hereby declares it a
13 policy to:
14

- 15 (a) Provide assistance to the poor to alleviate their immediate needs;
- 16 (b) Break the intergenerational cycle of poverty through investment in human capital and
17 improved delivery of basic services to the poor, particularly education, health, and
18 nutrition;
- 19 (c) Promote gender equality and empowerment of women;
- 20 (d) Achieve universal primary education;
- 21 (e) Reduce child mortality; and
- 22 (f) Improve maternal health.
23

24 **SEC. 3. Definition of Terms.** As used in this Act:
25

- 26 (a) **Case management** refers to a process used by the Department of Social Welfare and
27 Development (DSWD) to enable the household-beneficiaries to improve their functioning
28 by dealing with their difficulties, specifically in complying with the conditions of the
29 Program;
- 30 (b) **Compliance verification** refers to the checking and monitoring done to ensure that the
31 qualified household-beneficiaries comply with the conditions for entitlement set forth by
32 the Pantawid Pamilyang Pilipino Program (4 Ps);
- 33 (c) **Conditional cash grant** refers to the amount being received by the qualified household-
34 beneficiaries who comply with the conditions for entitlement;
- 35 (d) **Extremely poor** refers to households, duly identified by the standardized targeting
36 system, whose income falls short of enabling them to provide even just their nutritional
37 requirements;
- 38 (e) **Grantee** refers to the most responsible adult member of the qualified household-
39 beneficiary authorized to receive the conditional cash transfer;
- 40 (f) **Grievance Redress System** refers to the mechanism of the DSWD which addresses
41 and resolves issues and concerns related to the implementation of the Program;

- (g) **Health facility** refers to a barangay health station, rural health unit or primary hospital;
- (h) **Health service providers** refer to barangay health workers, barangay nutrition scholars and midwives;
- (i) **Poor** refers to households whose income falls below the poverty threshold as defined by the National Economic and Development Authority (NEDA) and cannot afford in a sustained manner to provide their minimum basic needs of food, health, education housing and other essential amenities of life;
- (j) **Preventive health check-up** refers to health services comprising of complete immunization, deworming, weight monitoring and management of childhood diseases;
- (k) **Program** refers to Pantawid Pamilyang Pilipino Program (4 Ps) which is the national poverty reduction strategy that provides conditional cash transfer to poor households to improve their health, nutrition and education;
- (l) **Qualified household-beneficiaries** refer to households identified by the DSWD for entitlement of the monthly cash grant;
- (m) **Responsible person** refers to the parent or guardian in the qualified household-beneficiary; and
- (n) **Standardized Targeting System** refers to a system for identifying who and where the poor households are through the generation of socioeconomic database of poor households that is adopted by the national government agencies and implemented by the DSWD.

SEC. 4. Selection of Qualified Household-Beneficiaries. On a nationwide basis, the DSWD shall select qualified household-beneficiaries using a standardized targeting system. The DSWD shall conduct a revalidation of targeting beneficiaries every three (3) years.

SEC. 5. Local Verification Committee. A Local Verification Committee shall be created in every municipality or city composed of two (2) local government unit representatives, an accredited health-service provider from the barangay, a representative of an accredited civil society organization, and the school head as designated by the Department of Education (DepEd).

The Committee shall be tasked to ensure that the initial list of beneficiaries satisfies the eligibility requirements set forth under this Act.

SEC. 6. Conditional Cash Transfer. Subject to certain conditions, each qualified household-beneficiary shall receive a conditional cash transfer equivalent to five hundred pesos (P500.00) per month for health and nutrition expenses or the equivalent of six thousand pesos (P6,000.00) per qualified household-beneficiary per year.

A maximum of three (3) children per qualified household-beneficiary shall be given conditional cash grants for educational expenses:

- (a) Three hundred pesos (P300.00) per month per child enrolled in elementary of the equivalent of three thousand pesos (P3,000.00) per a ten(10)-month school year;
- (b) Five hundred pesos (P500.00) per month per child enrolled in junior high school or the equivalent of five thousand pesos (P5,000.00) per a ten(10)-month school year; and
- (c) Seven hundred pesos (P700.00) per month per child enrolled in senior high school or the equivalent of seven thousand pesos (P7,000.00) per a ten(10)-month school year.

A supplementary education grant of three hundred pesos (P300.00) per month shall be given to the child in elementary or high school who has maintained passing grades in all subjects after the second year of availment of the Program.

SEC. 7. Conditions for Entitlement. All qualified household-beneficiaries shall comply with the following conditions as a requirement for continued program eligibility:

- (a) Children zero (0) to five (5) years old must receive regular health check-ups and vaccinations;
- (b) Children six (6) to thirteen (13) years old must avail of deworming pills at least twice a year;
- (c) Children three (3) to five (5) years old must attend day care or preschool classes at least eighty-five percent (85%) of the time;

- (d) Children must attend elementary or high school classes at least eighty-five percent (85%) of the time;
- (e) Pregnant women must avail of pre- and post-natal care and give birth with the assistance of a skilled or trained health care professional in a health facility;
- (f) At least one (1) responsible person must attend family development sessions and natural family planning sessions conducted by the DSWD, at least once a month;
- (g) At least one (1) responsible person must join and complete at least two (2) government-recognized or accredited non-government organization (NGO)-sponsored entrepreneurship or livelihood training programs;
- (h) At least one (1) responsible person must maintain cleanliness in the surroundings and practice proper garbage disposal;
- (i) At least one (1) responsible person must plant trees in the surroundings; and
- (j) At least one (1) responsible person must assist, help, or participate in bayanihan projects in their respective barangay or municipality.

SEC. 8. Noncompliance with Conditions. The responsible person of a reported qualified household-beneficiary who fails to comply with the conditions set forth in Section 7 of this Act shall at first be notified in writing.

After four (4) months of noncompliance, the household-beneficiary shall be subject to case management. If, despite the case management, the qualified household-beneficiary continues with noncompliance, the benefits under this Act may be suspended.

Should the qualified household-beneficiary so notified persist in not complying with the conditions within a period on one (1) year, the conditional cash grant shall be cancelled.

SEC. 9. Mode of Cash Transfer. The conditional cash transfer shall be made by the DSWD. The conditional cash grant shall be received by the grantee or any of the grantee's duly authorized representative on a bimonthly basis through an authorized government depository bank duly identified by the DSWD, using difference appropriate payment modes, including cash card, over-the-counter transaction, money remittance services, conduit rural banks, and cooperatives.

SEC. 10. Periodic Assessment. The amounts indicated in Section 6 of this Act shall be made available to the qualified household-beneficiaries during the first two (2) years of the implementation of this Act and reasonable adjustments may thereafter be made by the President, if necessary, upon recommendation by the DSWD, after taking into account the rates of inflation and similar economic indicators.

The grant rates may be adjusted by the DSWD if warranted by the changes in the socioeconomic conditions existing at the time. The DSWD shall ensure that the grant rates are sufficient to make a positive impact on health, nutrition and education of grantees: *Provided*, That the DSWD shall ensure that the grant will not serve as a disincentive for family members to work and improve their economic conditions.

SEC. 11. Loan Assistance. Responsible persons who successfully completed the entrepreneurship or livelihood programs required under Section 7 of this Act may be given loan assistance as their initial capital by the appropriate government agency that will implement relevant programs pursuant to Section 16 of this Act.

SEC. 12. Five (5)-Year Maximum Limit. Each qualified household-beneficiary shall receive the conditional cash grant for a maximum period of five (5) years.

SEC. 13. Lead Agency. The DSWD shall serve as the central planning, coordinating, implementing and monitoring body of the Program.

In the implementation of this Act, the DSWD shall have the following functions:

- (a) Select and use an appropriate and effective and cost-efficient method devised for the purpose of identifying and selecting qualified household-beneficiaries.
- (b) Identify and select the target household-beneficiaries on the basis of a uniform, objective and transparent selection process;

- (c) Conduct seminar-workshops and training programs in order to ensure qualified household-beneficiary awareness of the conditions and other actions pertinent to this Act;
- (d) Coordinate with different national and local agencies, including organizations from the private sector to ensure full implementation of statutory commitments herein;
- (e) Set up monitoring and evaluation systems and methodologies on compliance of conditions, implementation of operations, and output and impact assessments. It shall also coordinate with the advisory and monitoring committees at the national, regional and municipal levels to verify compliance once a month using the monitoring and evaluation systems designed for the purpose;
- (f) Recommend to the President measures and policies for the responsive delivery of the commitments under this Act;
- (g) Coordinate with different national and local agencies to maintain and update objective poverty maps which will be checked and cross-checked periodically for duplications and inaccurate or erroneous information;
- (h) Formulate implementing rules and guidelines for the enforcement of this Act;
- (i) Submit an annual report to Congress including, but not limited to, all aspects of its operations, financial status and other relevant data; and
- (j) Perform such other functions as may be necessary or incidental to the proper implementation of the provisions of this Act.

SEC 14. *Advisory Council.* An Advisory Council shall be created at the municipal, regional and national levels to be headed by the DSWD and may be composed of representatives from the DepEd, Technical Education and Skills Development Authority (TESDA), Department of Health (DoH), Philippine Health Insurance Corporation (Philhealth), Department of the Interior and Local Government (DILG), Department of Trade and Industry (DTI), Department of Labor and Employment (DOLE), National Anti-Poverty Commission (NAPC), the Presidential Commission for the Urban Poor (PCUP), the local government unit concerned, and accredited NGOs, as members.

The Advisory Council is principally tasked to monitor and assess actions and activities relative to the implementation of the Program. It shall also serve as a Grievance Committee tasked to accept complaints and grievances that may arise within their respective territorial jurisdictions, conduct investigation in specific cases and dispose cases filed in connection thereto, using the Grievance Redress System.

SEC 15. *Independent Monitoring Committee.* An Independent Monitoring Committee at the municipal, regional and national level composed of representatives from the private sector and civil society organizations shall be created.

The Independent Monitoring Committee is principally tasked to complement the monitoring activities of the DSWD and provide feedback thereto for proper action. It shall submit a report on the results of its monitoring activities relative to the implementation of the Program to the Advisory Council.

SEC. 16. *Convergence of Program and Services.* To ensure that the targeted household-beneficiaries remain non-poor after the prescribed maximum limit for receipt of the conditional cash grant, multi-stakeholder and interagency convergence of programs and services shall be implemented. This shall focus on the enhancement of operational efficiency and strengthening of interagency partnerships for greater impact and sustainability of outcomes.

SEC. 17. *Appropriations.* The amount necessary to carry out the provisions of this Act shall be charged against those authorized in the current and subsequent General Appropriations Acts.

The appropriation shall continue until the Program has covered sixty percent (60%) of the total number of extremely poor families in the Philippines, as may be determined by the Philippine Statistics Authority at the time of the enactment of this Act. The appropriation shall be included in the annual appropriation of the DSWD.

SEC 18. *Penalty.* Any person, public or private, whether or not acting in conspiracy with public officials, who, by act or omission, inserts or allows the insertion of data or false information, or who diverts from what ought to be contained in the registry, with the view of altering the fact, or

1 aiding in the grant of the money to persons other than the qualified household-
2 beneficiaries, shall be penalized with imprisonment of not less than one (1) month but not more
3 than six (6) months, or a fine of not less than ten thousand pesos (P10,000.00) but not more
4 than twenty thousand pesos (P20,000.00), or both imprisonment and fine, at the discretion of
5 the court.

6
7 Administrative sanctions shall be imposed without prejudice to prosecution in the proper courts.
8

9 **SEC 19. Joint Congressional Oversight Committee.** Upon the effectivity of this Act, a
10 congressional oversight committee, hereinafter to be referred to as the 4 Ps Committee, is
11 hereby constituted. The 4 Ps Committee shall be composed of fourteen (14) members with the
12 chairpersons of the Committee on Poverty Alleviation of the House of Representatives, and the
13 Committee on Social Justice, Welfare and Rural Development of the Senate and six (6)
14 additional members from each House, to be designated by the Speaker of the House of
15 Representatives and the Senate President, respectively. This Committee is principally tasked to
16 set the overall framework to monitor and ensure the proper implementation of this Act. It shall
17 likewise determine inherent weaknesses in the law and recommend necessary remedial
18 legislation or executive measures.

19
20 **SEC. 20. Implementing Rules and Regulations.** Within six (6) months from the effectivity of
21 this Act, the Secretary of DSWD shall, in coordination with appropriate government departments
22 and agencies, and with the participation of the local government units, promulgate the
23 necessary rules and regulations to carry out the provisions of this Act.
24

25 **SEC. 21. Separability Clause.** If any part or provision of this Act is held unconstitutional or
26 invalid, the remaining parts or provisions not affected shall remain in full force and effect
27

28 **SEC. 22. Repealing Clause.** Any law, presidential decree or issuance, executive order, Letter
29 of Instruction, administrative order, rule or regulation contrary to or inconsistent with the
30 provisions of this Act is hereby repealed, modified or amended accordingly.
31

32 **Sec. 23. Effectivity.** This Act shall take effect fifteen (15) days after its publication in the Official
33 Gazette or in a newspaper of general circulation.
34

35 Approved,