

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 4135



Introduced by REP. KAKA BAG-AO and REP. GABRIEL BORDADO

EXPLANATORY NOTE

Section 9, Article II of the *1987 Philippine Constitution* provides that "the State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all."

In 2008, the Department of Social Welfare and Development (DSWD) issued an Administrative Order which laid down the guidelines for the implementation of the *Pantawid Pamilyang Pilipino Program* or the 4Ps. The program seeks to break the inter-generational cycle of poverty by modifying household behaviors that families may invest in the education of their children and their overall welfare. It also seeks to address short-term poverty through direct cash transfers, as well as long-term poverty by investing in human capital among the poor households.

The creation of the 4Ps is heavily influenced by the success of the Conditional Cash Transfer (CCT) Programs in Latin American countries in the late 1990s. These countries have experienced poverty reduction through their CCT Programs, an example being the Bolsa Familia Program of Brazil, which exhibited improved outcomes in children's education, family nutrition, and household wellness.

From its inception, the 4Ps has grown to encompass 17 regions in the Philippines, covering 79 provinces, 14 cities, and 1,484 municipalities. Since the implementation of the program, more and more mothers have given birth in health facilities in the past five years, with 7 in 10 live births among Pantawid Pamilya mothers compared to 5.5 in 10 births among non-beneficiaries. Gross enrollment rate for high school children (12-15 years old) is higher (95%) for Pantawid Pamilya children living near the poverty threshold before the program was established.

The contribution of the 4Ps to poverty reduction cannot go unnoticed. This bill seeks to enact a policy which institutionalizes the Conditional Cash Transfer Program in the country by establishing its basic parameters, procedures and mechanisms for its effective implementation.

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



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AN ACT
INSTITUTING A NATIONWIDE CONDITIONAL CASH TRANSFER PROGRAM
OUTLINING ITS POLICIES, FRAMEWORK, AND STRUCTURE, PROVIDING FUNDS
THEREFOR, AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the "*Pantawid Pamilyang Pilipino Act of 2016.*"

SEC. 2. *Declaration of Policy.* – It is hereby declared policy of the State to ensure that families who are in most need shall be cared for not only through government programs but also through government financial assistance. Likewise, the State shall promote an atmosphere where the indigent families' educational and health needs are monitored and cared for. Furthermore, the State shall institute policies that provide adequate social services, a rising standard of living, and an improved quality of life for all pursuant to Section 9, Article II of the Constitution.

The State furthermore recognizes the need to protect the poor; thus, the State hereby declares it a policy to:

- a) Provide assistance to the poor to alleviate their immediate needs;
- b) Break the intergenerational cycle of poverty through investment in human capital and improved delivery of basic services to the poor, particularly education, health and nutrition;
- c) Promote gender equality and empowerment of women;
- d) Achieve universal primary education;

- e) Reduce child mortality; and
- f) Improve maternal health.

SEC. 3. Definition of Terms. – For purposes of this Act, the following terms shall be defined as follows:

- a) *Case Management* refers to a process used by the Department of Social Welfare and Development (DSWD) to enable the household-beneficiaries to improve their functioning by dealing with their difficulties specifically in complying with the conditionalities of the program;
- b) *Compliance Verification* refers to the checking and monitoring done to ensure that the qualified household-beneficiaries comply with conditions for entitlement set forth by the Pantawid Pamilyang Pilipino Program;
- c) *Conditional Cash Grant* refers to the amount being received by the qualified household-beneficiaries who comply with the conditions for entitlement;
- d) *Extremely Poor* refers to household, duly identified by the standardized targeting system, whose income falls short of enabling them to provide even just their nutritional requirements;
- e) *Grantee* refers to the most responsible adult member of the qualified household-beneficiary authorized to receive the conditional cash transfer;
- f) *Grievance Redress System* refers to the mechanism of the DSWD which addresses 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 Development Authority (NEDA) and cannot afford in a sustained manner to prove 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 the Pantawid Pamilyang Pilipino Program (4Ps) which is the national poverty reduction strategy that provides conditional cash transfer to poor households to improve health, nutrition and education;
- l) *Qualified Household-Beneficiaries* refer to households identified by the DSWD for entitlement of the monthly conditional 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 socio-economic database of poor

households that is adopted by national government agencies and implemented by the DSWD.

SEC. 4. *Selection of Qualified Household-Beneficiaries.* – On a nation-wide basis, the DSWD shall select qualified household-beneficiaries using a standardized targeting system. The DSWD shall conduct a revalidation of targeting of 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 (Php500.00) per month for health and nutrition expenses or the equivalent of Six thousand pesos (Php6,000.00) 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 (Php300.00) per month per child enrolled in elementary or the equivalent of Three thousand Pesos (Php3,000.00) per a 10-month school year;
- b) Five hundred Pesos (Php500.00) per month per child enrolled in junior high school or the equivalent of Five thousand pesos (Php5,000.00) per a 10-month school year; and
- c) Seven hundred Pesos (Php700.00) per month per child enrolled in a senior high school or the equivalent of Seven thousand Pesos (Php7,000.00) per a 10-month school year.

A supplementary education grant of Three hundred pesos (Php300.00) 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 preventive 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 pre-school 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 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 in in their respective barangay or municipality;
- i) At least one (1) responsible person must plant trees in their respective barangay or municipality; and
- j) At least one (1) responsible person must assist, help or participate in bayanihan projects in their respective barangay or municipality.

SEC. 8. *Non-Compliance with Conditions.* – The responsible person of a reported qualified household-beneficiary who fails to comply with the conditions set forth in Section 7 shall at first be notified in writing. After four (4) months of non-compliance, the household-beneficiary shall be subject to case management. If despite the case management, the qualified household-beneficiary continues with non-compliance, the benefits under this Act may be suspended.

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 bi-monthly basis through an authorized government depository bank duly identified by the DSWD, using different 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 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 socio-economic conditions existing at the time. The DSWD shall ensure that the grant rates are sufficient to make a positive impact on the health, nutrition and education of grantees: provided, that DSWD shall ensure that the grant will not serve as disincentive for family members to work and improve their economic conditions.

SEC. 11. *Period of Coverage of Beneficiaries.* – Each family-beneficiary shall receive the Conditional Cash Subsidy until their youngest child-beneficiary or the 3rd child-beneficiary has reached eighteen (18) years old.

SEC. 12. *Loan Assistance.* – Responsible persons who successfully completed the entrepreneurship or livelihood programs required under Section 7 may be given loan assistance as their initial capital by the appropriate government agency that will implement relevant programs pursuant to Sections 16 of this Act.

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 Department shall have the following functions:

- a) Select and use an appropriate, effective and cost efficient method devised for the purpose of identifying and selecting qualified family-beneficiaries;
- b) Identify and select the target family-beneficiaries on the basis of a uniform objective and transparent selection process;
- c) Conduct seminar-workshops and training programs in order to ensure qualified family-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 effect convergence towards the 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;
- f) Coordinate with the National Advisory Council to recommend to the President measures and policies for the responsive implementation 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 enforcement of the statutory commitments under this Act.

SEC. 14. *Advisory Council.* – An Advisory Council shall be created at the municipal, regional and national levels to be headed by National Anti-Poverty Commission (NAPC) and may be composed of representatives from the Department of Social Welfare and Development, Department of Education (DepEd), Department of Health (DOH), Philippine Health Insurance

Corporation (PhilHealth), Department of Interior and Local Government (DILG), Department of Trade and Industry (DTI), Technical Educational and Skills Development Authority (TESDA), Department of Labor and Employment (DOLE), National Commission on Indigenous Peoples (NCIP), National Youth Commission (NYC), the Presidential Commission for the Urban Poor (PCUP), the local government unit concerned, and accredited non-government organizations, 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 levels composed of representatives from the private sector and Civil Society Organizations (CSOs) shall be created.

The Independent Monitoring Committee is principally tasked to complement the monitoring activities of the Department 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 of the Advisory Council.

SEC. 16. *Convergence of Programs 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 inter-agency convergence of programs and services shall be implemented. This shall focus on the enhancement of operational efficiency and strengthening of inter-agency partnerships for greater impact and sustainability of outcomes.

SEC. 17. *Modified Program for Indigenous Peoples Communities.* – A modified Conditional Cash Transfer Program for Indigenous Peoples (IP) communities shall be implemented separately by the Department. A different set of conditions shall be identified by the National Advisory Council in consultation with the National Commission on Indigenous Peoples (NCIP).

SEC. 18. *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.

SEC. 19. *Penalty.* – Any person, public or private, whether acting in conspiracy with the public officials or not, who by act or omission, inserts or allows the insertion of data or false information or who diverts from what ought to be found in the registry, with the view of

altering the fact, or aiding in the grant of the money to persons other than the qualified household-beneficiaries, shall be held criminally liable, subject to a penalty of imprisonment of not less than one (1) month but not more than six (6) months, or a fine of not less than Ten thousand Pesos (PhP10,000.00) but not more than Twenty thousand Pesos (PhP20,000.00), or both imprisonment and fine, at the discretion of the court.

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

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

SEC. 21. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

SEC. 22. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or other issuances, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

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

Approved,