

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 73

HOUSE OF REPRESENTATIVES

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Introduced by Representative Alfredo D. Vargas III

EXPLANATORY NOTE

As part of the country's Millenium Development Goals (MDGs), the Philippines aims to eradicate extreme hunger and poverty by the end of 2015. It seemed unlikely that the country reached this target because the poverty incidence is continues to rise. In the first half of 2014, the poverty incidence among Filipino individuals rose from 24.6 percent in 2013 to 25.8 percent.

The conditional cash transfer program, more popularly known as the *Pantawid Pamilyang Pilipino Program* (4Ps) is the centerpiece of the Philippine Government's quest for poverty reduction and social development. With the goal of breaking the intergenerational poverty cycle, the program provides financial support to poor households so they can invest on their children's education and health.

In 2013, the World Bank reported that the 4Ps is reaching most of its key objectives. The study found that the program helps in keeping poor children in school by increasing enrolment and school attendance among children aged 3-17 years old. The 4Ps is also meeting its objective of keeping poor children healthy as it enables parents to provide better care for their children. Indeed, the program holds much promise in addressing chronic poverty and meeting the MDGs.

To further strengthen the program and ensure its success, this bill seeks to institutionalize the implementation of the conditional cash transfer program. It formally lists the criteria of eligible beneficiaries, the program grants and their corresponding conditionalities. It also enumerates the instances for termination of grant.

The proposed act also mandates the Department of Social Welfare and Development, the Department of Health, and the Department of Education to monitor the program and conduct evaluation to assess its effectiveness.

The bill also institutionalizes the funding of the program in the General Appropriations Act.

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

[Signature]
ALFREDO D. VARGAS III

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HOUSE BILL NO. 73

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AN ACT
INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps) TO
REDUCE POVERTY AND PROMOTE HUMAN CAPITAL DEVELOPMENT AND
PROVIDING FUNDS THEREFOR

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

SECTION 1. Short Title. – This Act shall be known as the “Pantawid Pamilyang Pilipino Program (4Ps) Act”.

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

The State further recognizes its obligation to 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.

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) Make quality tertiary and technical-vocational education accessible to all;
- (f) Reduce child mortality; and
- (g) Improve maternal health.

SEC. 3. Definition of Terms. – As used in this Act:

- (a) **Case management** refers to a process used by the Department of Social Welfare and Development (DSWD) to enable the household-beneficiaries 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 to ensure that the qualified household-beneficiaries comply with conditions for entitlement set forth by the program;
- (c) **Conditional cash grant** refers to the amount being received by the qualified household-beneficiaries who comply with conditions for entitlement;
- (d) **Grantee** refers to the most responsible person of the qualified household-beneficiary authorized to receive the conditional cash grant;
- (e) **Grievance redress system** refers to the mechanism of the DSWD which addresses and resolves issues and concerns related to the implementation of the program;
- (f) **Health facility** refers to a barangay health station, rural health unit or primary hospital;
- (g) **Health service providers** refer to barangay health workers, barangay nutrition scholars and midwives;
- (h) **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 provide their minimum basic needs of food, health, education, housing and other essential amenities of life.
- (i) **Preventive health check-up** refers to health services comprising of complete immunization, deworming, weight monitoring and management of childhood diseases;
- (j) **Program** refers to the Pantawid Pamilyang Pilipino Program (4Ps) which is the national poverty reduction strategy that provides conditional cash grant to poor households to improve their health, nutrition and education;
- (k) **Qualified household-beneficiaries** refer to households identified by the DSWD for entitlement to the monthly conditional cash grant;
- (l) **Responsible person** refers to the parent or guardian in the qualified household-beneficiary;
- (m) **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 adopted by the national government agencies and being 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 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).

This 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 Grant. - Subject to certain conditions, each qualified household-beneficiary shall receive a conditional cash grant 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 grant for educational expenses:

- (a) Three hundred pesos (P300.00) per month per child enrolled in elementary or the equivalent of Three thousand pesos (P3,000.00) per a 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 10-month school year;
- (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 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.

- (d) One deserving child of the three children who has finished high school shall be given a college scholarship grant for degree or non-degree programs including technical and vocational courses, and a tuition fee supplement of Thirty thousand pesos (P30,000.00) per semester.

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

- (a) Children 0 to 5 years old must receive regular preventive health check-ups and vaccinations;

- (b) Children 6 to below 18 years old must avail of de-worming pills at least twice a year;
- (c) Children 3 to 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) Children enrolled in college or technical-vocational course should not be employed;
- (f) Children enrolled in college pass all academic subjects enrolled in every semester.
- (g) Pregnant women must get a pre- and post natal care and be attended by a skilled or trained health care professional during childbirth in a health facility;
- (h) At least one responsible person must attend family development sessions and natural family planning sessions conducted by the DSWD, at least once a month;
- (i) At least one responsible person must join and complete at least two (2) government recognized or accredited NGO-sponsored entrepreneurship or livelihood training programs;
- (j) At least one responsible person must maintain cleanliness in the surroundings and practice proper garbage disposal;
- (k) At least one responsible person must plant trees in their surroundings; and
- (l) At least one 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 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.

Should the qualified household-beneficiary so notified persist in their failure to comply as directed, the conditional cash grant shall be canceled after one year of non-compliance.

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, 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.

SEC. 11. 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 Section 16 of this Act.

SEC. 12. Seven-Year Maximum Limit. - Each qualified household-beneficiary shall receive the conditional cash grant for a maximum period of seven (7) years, *Provided further*, That one of the three children shall be allowed to finish the degree or non-degree course.

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, 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 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 the DSWD and may be composed of representatives from the DepEd, Commission on Higher Education, Technical Education and Skills Development Authority, Department of Health, Philippine Health Insurance Corporation, Department of Interior and Local Government, Department of Trade and Industry, Department of Labor and Employment, National Anti-Poverty Commission, National Commission on Indigenous Peoples, National Commission on Disability Affairs, 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.

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 (CSO) 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 Programs and Services.* – To ensure that the targeted household-beneficiaries graduate and 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. *Annual Appropriations.* – Except for programs in Section 16, The Secretary of Social Welfare and Development shall include in the DSWD's program the implementation of this Act, the initial funding of which shall be charged against the current year's appropriations of the Pantawid Pamilyang Pilipino Program (4Ps). Thereafter, the amount necessary for its continued implementation shall be included in the annual General Appropriations Act.

SEC. 19. *Penalty.* – Any person, public or private, whether 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 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 penalized with 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 (P10,000.00) but not more than Twenty thousand pesos (P20,000.00), or both imprisonment and fine at the discretion of the court.

Administrative sanctions shall be 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 or part of this Act is held unconstitutional or invalid, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 22. *Repealing Clause.* - Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

SEC. 23. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) national newspapers of general circulation.

Approved,