

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH (17th) CONGRESS
First Regular Session

HOUSE BILL NO. 399

HOUSE OF REPRESENTATIVES

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Introduced by REP. JOSE CHRISTOPHER Y. BELMONTE

EXPLANATORY NOTE

House Bill No. 6393 entitled "*An Act Institutionalizing the Pantawid Pamilyang Pilipino Program (4Ps) to Reduce Poverty and Promote Human Capital Development and Providing Funds Therefor*" was a substitute bill consolidating ten (10) separate proposed measures, namely: (a) House Bill No. 154 by Rep. Susan Yap, (b) House Bill No. 195 by Rep. Arthur Yap, (c) House Bill No. 1802 by Rep. Gloria Macapagal Arroyo and Rep. Diosdado Macapagal Arroyo, (d) House Bill No. 3887 by Rep. Eric Olivarez, (e) House Bill No. 4063 by Rep. Rufus Rodriguez and Rep. Maximo Rodriguez Jr., (f) House Bill No. 5390 by Rep. Marcelino Teodoro, (g) House Bill No. 5879 by Rep. IBarra Gutierrez III and Rep. Angelina Kato, (h) House Bill No. 6236 by Rep. Alfredo Vargas III, (i) House Bill No. 6247 by Rep. Winston Castelo and (j) House Bill No. 6305 by Rep. Estrelita Suansing. It passed third reading, and was transmitted to the Senate for appropriate action.

The Philippine Government has the responsibility to ensure that the Filipino people is free from the clutches of poverty. Article II, Section 9 of the 1987 Philippine Constitution provides for this government mandate:

"SECTION 9. 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."

The introduction of the Pantawid Pamilyang Pilipino Program (4Ps) in 2008 have already helped millions of impoverished Filipino families. Since its introduction by the Department of Social Welfare and Development through an Administrative Order, 4.5 millions of households have benefited from this program that seeks to break the cycle of poverty of Filipino families by reshaping household behavior in investing in the welfare and education of their children.¹ It is envisioned to address short-term poverty through direct cash transfers while also dealing with the long-term poverty by investing in human capital.

The formulation of the 4Ps was influenced by the success of the Conditional Cash Transfer (CCT) Programs in Latin American countries. The 4Ps have already expanded from 2 original countries in 1997 to over 64 countries all over the world. And according to the

¹ <http://newsinfo.inquirer.net/724802/ph-cash-transfer-program-among-worlds-best-world-bank>

World Bank, the Philippines' CCT Program is among the largest and best social safety programs in the world that benefited mostly the bottom 40 percent of the population.² It helped in keeping children healthy and in school, while pushing for the convergence of basic and social services to benefit the beneficiaries and their communities.

The improvement of poverty reduction in the Philippines through the 4Ps cannot be overlooked. This bill proposes to institutionalize the Conditional Cash Transfer Program by establishing its basic parameters, procedures and mechanisms for its effective implementation.

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

A handwritten signature in dark ink, appearing to read 'J. Belmonte', is located in the upper right quadrant of the page.

² Ibid

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1 **AN ACT**
2 **INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO PROGRAM**
3 **(4Ps) TO REDUCE POVERTY AND PROMOTE HUMAN CAPITAL**
4 **DEVELOPMENT AND PROVIDING FUNDS THEREFOR**
5

6 *Be it enacted by the Senate and House of Representatives of the Philippines in Congress*
7 *assembled:*
8

9 **SECTION 1.** *Short Title.* – This Act shall be known as the “Pantawid Pamilyang
10 Pilipino Program (4Ps) Act”.
11

12 **SEC. 2.** *Declaration of Policy.* – The State recognizes the need to strengthen the
13 solidarity of the family and actively promote its total development.
14

15 The State further recognizes its obligation to promote a just and dynamic social order
16 that will ensure the prosperity and independence of the nation and free the people from
17 poverty through policies that provide adequate social services, promote full employment, a
18 rising standard of living, and an improved quality of life for all.
19

20 The State furthermore recognizes the need to protect the poor; thus, the State hereby
21 declares it a policy to:
22

- 23 (a) Provide assistance to the poor to alleviate their immediate needs;
24 (b) Break the intergenerational cycle of poverty through investment in human capital
25 and improved delivery of basic services to the poor, particularly education, health and
26 nutrition;
27 (c) Promote gender equality and empowerment of women;
28 (d) Achieve universal primary education;
29 (e) Reduce child mortality; and

1 (f) Improve maternal health.

2
3 **SEC. 3. *Definition of Terms.*** – As used in this Act:

4
5 (a) *Case management* refers to a process used by the Department of Social Welfare
6 and Development (DSWD) to enable the household-beneficiaries to improve their
7 functioning by dealing with their difficulties specifically in complying with the
8 conditionalities of the Program;

9 (b) *Compliance verification* refers to the checking and monitoring done to ensure that
10 the qualified household-beneficiaries comply with conditions for entitlement set forth by the
11 Pantawid Pamilyang Pilipino Program (4Ps);

12 (c) *Conditional cash grant* refers to the amount being received by the qualified
13 household-beneficiaries who comply with the conditions for entitlement;

14 (d) *Extremely poor* refers to households, duly identified by the standardized targeting
15 system, whose income falls short of enabling them to provide even just their nutritional
16 requirements;

17 (e) *Grantee* refers to the most responsible adult member of the qualified household-
18 beneficiary authorized to receive the conditional cash transfer;

19 (f) *Grievance Redress System* refers to the mechanism of the DSWD which addresses
20 and resolves issues and concerns related to the implementation of the Program;

21 (g) *Health facility* refers to a barangay health station, rural health unit or primary
22 hospital;

23 (h) *Health service providers* refer to barangay health workers, barangay nutrition
24 scholars and midwives;

25 (i) *Poor* refers to households whose income falls below the poverty threshold as
26 defined by the National Economic and Development Authority (NEDA) and cannot afford in
27 a sustained manner to provide their minimum basic needs of food, health, education, housing
28 and other essential amenities of life;

29 (j) *Preventive health check-up* refers to health services comprising of complete
30 immunization, deworming, weight monitoring and management of childhood diseases;

31 (k) *Program* refers to the Pantawid Pamilyang Pilipino Program (4Ps) which is the
32 national poverty reduction strategy that provides conditional cash transfer to poor households
33 to improve their health, nutrition and education;

34 (l) *Qualified household-beneficiaries* refer to households identified by the DSWD for
35 entitlement of the monthly conditional cash grant;

36 (m) *Responsible person* refers to the parent or guardian in the qualified household-
37 beneficiary; and

38 (n) *Standardized Targeting System* refers to a system for identifying who and where
39 the poor households are through the generation of socioeconomic database of poor
40 households that is adopted by national government agencies and implemented by the DSWD.

41
42 **SEC. 4. *Selection of Qualified Household-Beneficiaries.*** – On a nationwide basis, the
43 DSWD shall select qualified household-beneficiaries using a standardized targeting system.
44 The DSWD shall conduct a revalidation of targeting of beneficiaries every three (3) years.

45
46 **SEC. 5. *Local Verification Committee.*** – A Local Verification Committee shall be
47 created in every municipality or city composed of two (2) local government unit
48 representatives, an accredited health-service provider from the barangay, a representative of

1 an accredited civil society organization, and the school head as designated by the Department
2 of Education (DepED).

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

5
6 **SEC. 6. Conditional Cash Transfer.** – Subject to certain conditions, each qualified
7 household-beneficiary shall receive a conditional cash transfer equivalent to five hundred
8 pesos (P500.00) per month for health and nutrition expenses or the equivalent of six thousand
9 pesos (P6,000.00) per qualified household-beneficiary per year.

10
11 A maximum of three (3) children per qualified household-beneficiary shall be given
12 conditional cash grants for educational expenses:

13
14 (a) Three hundred pesos (P300.00) per month per child enrolled in elementary or the
15 equivalent of three thousand pesos (P3,000.00) per a ten (10)-month school year;

16 (b) Five hundred pesos (P500.00) per month per child enrolled in junior high school
17 or the equivalent of five thousand pesos (P5,000.00) per a ten (10)-month school year; and

18 (c) Seven hundred pesos (P700.00) per month per child enrolled in senior high school
19 or the equivalent of seven thousand pesos (P7,000.00) per a ten (10)-month school year.

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

23
24 **SEC. 7. Conditions for Entitlement.** – All qualified household-beneficiaries shall
25 comply with the following conditions as a requirement for continued program eligibility:

26
27 (a) Children zero (0) to five (5) years old must receive regular preventive health
28 check-ups and vaccinations;

29 (b) Children six (6) to thirteen (13) years old must avail of deworming pills at least
30 twice a year;

31 (c) Children three (3) to five (5) years old must attend day care or preschool classes at
32 least eighty-five percent (85%) of the time;

33 (d) Children must attend elementary or high school classes at least eighty-five percent
34 (85%) of the time;

35 (e) Pregnant women must avail of pre- and post-natal care and give birth with the
36 assistance of a skilled or trained health care professional in a health facility;

37 (f) At least one (1) responsible person must attend family development sessions and
38 natural family planning sessions conducted by the DSWD, at least once a month;

39 (g) At least one (1) responsible person must join and complete at least two (2)
40 government-recognized or accredited nongovernment organization (NGO)-sponsored
41 entrepreneurship or livelihood training programs;

42 (h) At least one (1) responsible person must maintain cleanliness in the surroundings
43 and practice proper garbage disposal;

44 (i) At least one (1) responsible person must plant trees in the surroundings; and

45 (j) At least one (1) responsible person must assist, help or participate in bayanihan
46 projects in their respective barangay or municipality.

47
48 **SEC. 8. Noncompliance with Conditions.** – The responsible person of a reported

1 qualified household-beneficiary who fails to comply with the conditions set forth in Section 7
2 of this Act shall at first be notified in writing. After four (4) months of noncompliance, the
3 household-beneficiary shall be subject to case management. If, despite the case management,
4 the qualified household-beneficiary continues with noncompliance, the benefits under this
5 Act may be suspended.

6 Should the qualified household-beneficiary so notified persist in not complying with the
7 conditions within a period of one (1) year, the conditional cash grant shall be cancelled.
8

9 **SEC. 9. *Mode of Cash Transfer.*** – The conditional cash transfer shall be made by the
10 DSWD. The conditional cash grant shall be received by the grantee or any of the grantee's
11 duly authorized representative on a bimonthly basis through an authorized government
12 depository bank duly identified by the DSWD, using different appropriate payment modes,
13 including cash card, over-the-counter transaction, money remittance services, conduit rural
14 banks, and cooperatives.
15

16 **SEC. 10. *Periodic Assessment.*** – The amounts indicated in Section 6 of this Act shall
17 be made available to the qualified household-beneficiaries during the first two (2) years of
18 the implementation of this Act and reasonable adjustments may thereafter be made by the
19 President, if necessary, upon recommendation by the DSWD, after taking into account the
20 rates of inflation and similar economic indicators.
21

22 The grant rates may be adjusted by the DSWD if warranted by the changes in the
23 socioeconomic conditions existing at the time. The DSWD shall ensure that the grant rates
24 are sufficient to make a positive impact on the health, nutrition and education of grantees:
25 *Provided*, That the DSWD shall ensure that the grant will not serve as disincentive for family
26 members to work and improve their economic conditions.
27

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

32 **SEC. 12. *Five (5)-Year Maximum Limit.*** – Each qualified household-beneficiary shall
33 receive the conditional cash grant for a maximum period of five (5) years.
34

35 **SEC. 13. *Lead Agency.*** – The DSWD shall serve as the central planning,
36 coordinating, implementing and monitoring body of the Program.
37

38 In the implementation of this Act, the DSWD shall have the following functions:
39

40 (a) Select and use an appropriate, effective and cost-efficient method devised for the
41 purpose of identifying and selecting qualified household-beneficiaries;

42 (b) Identify and select the target household-beneficiaries on the basis of a uniform,
43 objective and transparent selection process;

44 (c) Conduct seminar-workshops and training programs in order to ensure qualified
45 household-beneficiary awareness of the conditions and other actions pertinent to this Act;

46 (d) Coordinate with different national and local agencies, including organizations
47 from the private sector to ensure full implementation of statutory commitments herein;

48 (e) Set up monitoring and evaluation systems and methodologies on compliance of
49 conditions, implementation of operations, and output and impact assessments. It shall also

1 coordinate with the advisory and monitoring committees at the national, regional and
2 municipal levels to verify compliance once a month using the monitoring and evaluation
3 systems designed for the purpose;

4 (f) Recommend to the President measures and policies for the responsive delivery of
5 the commitments under this Act;

6 (g) Coordinate with different national and local agencies to maintain and update
7 objective poverty maps which will be checked and cross-checked periodically for
8 duplications and inaccurate or erroneous information;

9 (h) Formulate implementing rules and guidelines for the enforcement of this Act;

10 (i) Submit an annual report to Congress including, but not limited to, all aspects of its
11 operations, financial status and other relevant data; and

12 (j) Perform such other functions as may be necessary or incidental to the proper
13 implementation of the provisions of this Act.

14
15 **SEC. 14. *Advisory Council.*** – An Advisory Council shall be created at the municipal,
16 regional and national levels to be headed by the DSWD and may be composed of
17 representatives from the DepED, Technical Education and Skills Development Authority,
18 Department of Health, Philippine Health Insurance Corporation, Department of the Interior
19 and Local Government, Department of Trade and Industry, Department of Labor and
20 Employment, National Anti-Poverty Commission, the Presidential Commission for the Urban
21 Poor (PCUP), the local government unit concerned, and accredited NGOs, as members.

22
23 The Advisory Council is principally tasked to monitor and assess actions and
24 activities relative to the implementation of the Program. It shall also serve as a Grievance
25 Committee tasked to accept complaints and grievances that may arise within their respective
26 territorial jurisdictions, conduct investigation in specific cases and dispose cases filed in
27 connection thereto, using the Grievance Redress System.

28
29 **SEC. 15. *Independent Monitoring Committee.*** – An Independent Monitoring
30 Committee at the municipal, regional and national level composed of representatives from the
31 private sector and civil society organizations shall be created.

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

36
37 **SEC. 16. *Convergence of Programs and Services.*** – To ensure that the targeted
38 household-beneficiaries remain nonpoor after the prescribed maximum limit for receipt of the
39 conditional cash grant, multi-stakeholder and interagency convergence of programs and
40 services shall be implemented. This shall focus on the enhancement of operational efficiency
41 and strengthening of interagency partnerships for greater impact and sustainability of
42 outcomes.

43
44 **SEC. 17. *Appropriations.*** – The amount necessary to carry out the provisions of this
45 Act shall be charged against those authorized in the current and subsequent General
46 Appropriations Acts.

47 The appropriation shall continue until the Program has covered sixty percent (60%) of
48 the total number of extremely poor families in the Philippines, as may be determined by the

1 Philippine Statistics Authority at the time of the enactment of this Act. The appropriation
2 shall be included in the annual appropriation of the DSWD.

3
4 **SEC. 18. *Penalty.*** – Any person, public or private, whether or not acting in
5 conspiracy with public officials, who, by act or omission, inserts or allows the insertion of
6 data or false information, or who diverts from what ought to be contained in the registry, with
7 the view of altering the fact, or aiding in the grant of the money to persons other than the
8 qualified household-beneficiaries, shall be penalized with imprisonment of not less than one
9 (1) month but not more than six (6) months, or a fine of not less than ten thousand pesos
10 (P10,000.00) but not more than twenty thousand pesos (P20,000.00), or both imprisonment
11 and fine, at the discretion of the court.

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

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

25
26 **SEC. 20. *Implementing Rules and Regulations.*** – Within six (6) months from the
27 effectivity of this Act, the Secretary of Social Welfare and Development shall, in
28 coordination with appropriate government departments and agencies, with the participation of
29 the local government units, promulgate the necessary rules and regulations to carry out the
30 provisions of this Act.

31
32 **SEC. 21. *Separability Clause.*** – If any part or provision of this Act is held
33 unconstitutional or invalid, the remaining parts or provisions not affected shall remain in full
34 force and effect.

35
36 **SEC. 22. *Repealing Clause.*** – Any law, presidential decree or issuance, executive
37 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent
38 with the provisions of this Act is hereby repealed, modified, or amended accordingly.

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

41
42
43 *Approved,*