

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 2456

HOUSE OF REPRESENTATIVES

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INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP

EXPLANATORY NOTE

In the Philippines, poverty remains to be the most critical socio-economic problem that needs to be addressed. According to the Philippine National Statistics Authority, although reportedly the lowest in 9 years, poverty incidence is at 26.3 % in the first semester of 2015. The same report also stated that 16% of Filipino families do not have enough income to buy their basic food and non-food needs.

Still, the government hopes to lower the incidence of poverty. This can be achieved through the implementation of various programs and projects, which will ensure the delivery of appropriate and sufficient basic services to the people such as food security, educational and health services among others.

One such program is the Pantawid Pamilyang Pilipino Program (4Ps) originally known as the Conditional Cash Transfer (CCT) Program. The program, patterned after the Latin American Conditional Cash Transfer Program, was the flagship anti-poverty program of the two previous administrations.

Its main objective is to impact on the hunger situation of the poorest families in the country by granting them conditional cash benefits and investing in human capital. The conditionalities of the grant are primarily for the parents to send their children to school and to health care centers on a regular basis.

This measure aims to institutionalize the implementation of the program by providing for the statutory authority therefor, ensure continuous funding and lay down the basic parameters for the determination of target-beneficiaries and conditions for their compliance. Likewise, the bill provides for monitoring and assessment mechanisms for the evaluation of the

program and defines the duties and obligations of concerned government agencies tasked for the implementation of the program.

For the foregoing reasons, the immediate passage of the bill, filed as House Bill No. 195 by the undersigned in the Sixteenth Congress, is earnestly sought.

A handwritten signature in dark ink, appearing to be 'A. C. Yap', with a long, sweeping flourish extending from the top right.

ARTHUR C. YAP
Representative

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
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House Bill No. 2456

INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP

AN ACT
TO INSTITUTIONALIZE THE CONDITIONAL CASH
SUBSIDY PROGRAM OF THE GOVERNMENT,
PROVIDING FUNDS THEREFOR, 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
2 “Conditional Cash Subsidy Institutionalization Act of 2016”.

3 **SECTION 2. *Declaration of Policy.*** - The State recognizes the need
4 to strengthen the solidarity of the family and actively promote its total
5 development. Likewise, the State recognizes its obligation to promote a just
6 and dynamic social order that will ensure the prosperity and independence of
7 the nation and free the people from poverty through policies that provide
8 adequate social services, promote full employment, a rising standard of
9 living, and an improved quality of life for all. To these ends, the State shall
10 endeavor to protect the weak and under-privileged, especially the extremely
11 poor households through:

- 1 1) Adoption of mechanisms to reduce poverty by providing grants to
2 extremely poor households to improve their health, nutrition and
3 education, particularly of children age 0-14;
- 4 2) Making available basic requirements for a healthy and productive
5 citizenry, such as basic education and nutrition to the poorest
6 household; and
- 7 3) Expansion of opportunities and empowerment of the marginalized
8 groups to enhance their capacities.

9 **SECTION 3. *Definition of Terms*** - as used in this Act, the following
10 terms and phrases shall mean:

- 11 a) **“Department”** - the Department of Social Welfare and Development;
- 12 b) **“Individual-Beneficiary”** – the legitimate spouse, legitimate,
13 legitimated, legally adopted and illegitimate children who belong to
14 identified and selected poorest households in the country;
- 15 c) **“Beneficiary-Household”** – the poorest household in the country
16 identified / targeted by the Department for entitlement of the Monthly
17 Conditional Cash Subsidy;
- 18 d) **“Responsible Person”** – the parent or guardian in the targeted
19 household -beneficiary;
- 20 e) **“Child”** – a minor child belonging to the household-beneficiary aged
21 0-14;
- 22 f) **“Proxy Mean Testing”** – an instrument using multi-dimensional
23 indicators to assess socio-economic status; and
- 24 g) **“Conditional Cash Subsidy”** – the monthly cash grant to be received
25 by each identified household-beneficiary.

1 **SECTION 4. *Conditional Cash Subsidy.*** – Subject to certain
2 conditions, each identified / targeted household-beneficiary shall receive a
3 conditional cash subsidy equivalent to Five Hundred Pesos (P500.00) per
4 month for health and nutrition expenses or the equivalent of Six thousand
5 Pesos (6,000.00) per household-beneficiary per year, and an additional
6 Three Hundred Pesos (P300.00) per month per child for educational
7 expenses or the equivalent of Three Thousand Pesos (P 3, 000.00) per a 10-
8 month school year. A maximum of three (3) children per household-
9 beneficiary shall be allowed.

10 **SECTION 5. *Periodic Assessment of Amounts of Cash Subsidy.*** –
11 The amounts indicated in the preceding section shall be made available to
12 the household-beneficiaries during the first two (2) years of the
13 implementation of this Act and may thereafter be made subject to reasonable
14 adjustment/s by the President, if necessary, upon recommendation by the
15 Department, after taking into account the rates of inflation and similar
16 economic indicators.

17 **SECTION 6. *Qualified Household-Beneficiaries.*** – Household-
18 beneficiaries shall belong to the poorest household in the country selected
19 through a uniform, objective and transparent set of criteria.

20 **SECTION 7. *Conditions for Entitlement of Cash Subsidy.*** – To avail
21 of the Conditional Cash Subsidy, the individual beneficiary/ies or the
22 parent/s or guardian/s, in case of a child, must meet the following specific
23 conditionalities:

- 24 (a) Pregnant women must get a pre- and post natal care and be attended
25 by a skilled or trained health care professional during childbirth;

(b) Parents or guardians must attend responsible parenthood sessions, mother's classes and parent effectiveness seminars;

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

(d) Children 3 to 5 years old must attend day care or pre-school classes at least 85% of the time;

(e) Children 6 to 14 years old must enroll in the elementary or high school and attend at least 85% of the time;

(f) Children 6 to 14 years old must avail of de-worming pills at least every five months and,

(g) Household-beneficiary shall join and complete at least two (2) recognized government-sponsored livelihood training programs.

SECTION 8. *Consequences for Non-Compliance with*

Conditionalities. – A reported household-beneficiary which fails to comply with the conditionalities set forth in the preceding section shall at first be notified in writing directed to the person legally responsible for the family.

If despite due notice, the responsible person continues in his/her non-compliance, the benefits under this Act may be suspended.

Should the person so notified persist in his or her failure to so comply as directed, the cash subsidy shall finally be cancelled after one-year of non-compliance.

SECTION 9. *Mode of Cash Transfer.* – The Conditional Cash

Subsidy shall be released quarterly and shall be received by the most responsible person of the household-beneficiary or any of his/her duly authorized representative through the Land Bank Cash Card.

1 Should transfer through the Cash Card be not feasible, an alternative
2 mode of transfer shall be effected such as over the counter transactions
3 through the nearest Land Bank Branch or off-site payments through the
4 authorized rural bank.

5 **SECTION 10. *Five-Year Maximum Limit for Receipt of***
6 ***Conditional Cash Subsidy.*** – Each household-beneficiary shall receive the
7 Conditional Cash Subsidy for a maximum period of five (5) years.

8 **SECTION 11. *Method for Selecting Household-Beneficiary.*** –
9 Household-beneficiaries shall be identified and screened by utilizing the
10 multi-dimensional indicators such as the Proxy Mean Testing or other more
11 appropriate, effective and cost efficient methods that may be devised for the
12 purpose.

13 **SECTION 12. *Lead Agency.*** –The Department shall serve as the
14 central planning, coordinating, implementing and monitoring body.

15 In the implementation of this Act, the Department shall have the
16 following functions:

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

19 (b) Conduct seminar-workshop and training programs in order to ensure
20 household-beneficiary awareness of the conditionalities and other
21 actions pertinent to this Act;

22 (c) Coordinate with different national and local agencies, including
23 organizations from the private sector to ensure full implementation of
24 herein statutory commitments;

1 (d) Set up monitoring and evaluation systems and methodologies on
2 compliance of conditionalities, implementation of operations, and
3 output and impact assessments. It shall also coordinate with the
4 Advisory and Monitoring Committees at the national, regional and
5 municipal levels to verify compliance once a month using the
6 monitoring and evaluation systems designed for the purpose;

7 (e) Conduct periodic studies concerning the strengthening of
8 conditionalities monitoring, fine-tuning of targeting, expansion of
9 coverage, oversight and controls;

10 (f) Recommend to the President measures and policies for the
11 responsive implementation of the commitments under this Act;

12 (g) Maintain and update objective poverty maps and registry of target
13 household-beneficiaries which will be checked and cross-checked
14 periodically for duplications and/or inaccurate or erroneous
15 information;

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

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

20 (j) Perform such other functions as may be necessary and/or incidental to
21 the proper enforcement of the statutory commitments under this Act.

22 **SECTION 13. *Advisory Council.*** – There shall be created an
23 Advisory Council at the municipal, regional and national levels to be
24 composed of representatives from the Department of Education, Department
25 of Health, Department of Interior and Local Government, National Anti-

Poverty Commission, and the Local Government Unit concerned. The Advisory Council is principally tasked to cooperate and coordinate with the Department in the monitoring and assessment of actions and activities relative to the implementing process.

SECTION 14. *Grievance Committee.* – There shall likewise be created Grievance Committees in the municipal, regional and national levels composed of representatives from the Department of Education, Department of Health, Department of Interior and Local Government, National Anti-Poverty Commission, and the Local Government Unit concerned with the principal task of accepting complaints and grievances that may arise within their respective territorial jurisdictions, conducting investigations in specific cases and disposing case/s filed in connection thereto.

SECTION 15. *Appropriation.* – The funds necessary for the implementation of this Act shall be included in the yearly budget allocation of the Department as provided for under the General Appropriation Act.

SECTION 16. *Penalties.* – 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 inserted in the registry, with the view of altering the fact, or aiding in the grant of person other than the intended beneficiary, shall be held liable civilly, criminally and administratively in accordance with the implementing rules and regulations.

Without prejudice to penal sanctions, the beneficiary who fraudulently uses the benefit shall be obliged to effect reimbursement of the amount received with interest of one (1%) percent every month.

1 **SECTION 17. *Implementing Rules and Regulations.*** - Within sixty
2 (60) days from the effectivity of this Act, the Secretary of the Department
3 shall promulgate the rules and regulations necessary for the effective
4 implementation of this Act.

5 **SECTION 18. *Separability Clause.*** - If any of the provisions of this
6 is declared invalid or unconstitutional, the remaining parts or provisions
7 hereof not affected thereby shall remain in full force and effect.

8 **SECTION 19. *Repealing Clause.*** - All laws, decrees, executive
9 orders, proclamations, rules and regulations, and issuances, or parts thereof,
10 inconsistent with the provisions of this Act are hereby repealed or modified
11 accordingly.

12 **SECTION 20. *Effectivity Clause*** - This Act shall take effect fifteen
13 (15) days after its complete publication in the Official Gazette or in at least
14 two (2) newspapers of general circulation.

15 **Approved.**