

EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )

Office of the Senator  
S. No. 380

SENATE

'19 JUL 11 P2:47

S. No. 380

RECEIVED BY: GF

Introduced by SENATOR LEILA M. DE LIMA

**AN ACT  
STRENGTHENING THE REGULATION OF  
SOCIAL WELFARE AND DEVELOPMENT AGENCIES**

**EXPLANATORY NOTE**

The participation of non-governmental organizations (NGOs) and the private sector has been crucial in engineering and maintaining political and social transformation. The 1987 Constitution promotes participatory governance. Article II, Section 23 thereof provides:

**Section 23.** The State shall encourage non-governmental, community-based, or sectoral organizations that promote the welfare of the nation.

Since the restoration of our democracy in 1986, NGOs and other civil society groups have evolved over the decades and increased their effectiveness through coalition building, campaigning for policy reform, adoption of good practice standards, and advancing social justice towards the vision of sustainable development.<sup>1</sup>

With the goal to increase the efficiency of various social welfare programs to assist the marginalized and vulnerable sectors, greater coordination of NGOs with the government is essential.<sup>2</sup> Complementing the mission of these NGOs to deliver social services with the government is the duty of the State to oversee and establish a procedure in which legitimate NGOs and the private sector groups and agencies can

<sup>1</sup> ADB's NGO and Civil Society Centers (2007). Philippine NGO and Civil Society. *Civil Society Briefers*, pg. 2

<sup>2</sup> Prodhan M., & Faruque C. (2012) The Importance of Social Welfare in the Developing World. *Winona State University* pg. 1

engage, collaborate and co-implement projects and programs using both public and their respective resources legitimately.

We have seen numerous successful initiatives and efforts by our partners outside government in this social endeavor. On the part of the government, aside from granting our non-government partners with incentives, it is imperative that we ensure the full protection of the beneficiaries against the malpractice, abuse and even exploitation by private individuals, agencies and organizations engaged in providing social welfare and development services. Our recent history has shown that even these institutions, which are supposed to be operating to perform humanitarian functions, can be used to commit crimes that seek to manipulate the resources meant for the beneficiaries for personal gains.

In 2013, the Commission on Audit (COA) completed a special audit which found 12 senators and 180 representatives channeling their Priority Development Assistance Fund (PDAF), or pork barrel, to NGOs, which misused the funds, if not totally left them unaccounted for. At least ₱6.156 billion were released to questionable NGOs from 2007-2009. A total of 82 NGOs were found to have questionable backgrounds and operations to begin with and eventually misused or failed to account for the funds.<sup>3</sup>

This proposed legislation, which I filed in the 17<sup>th</sup> Congress, was able to get approval from the Senate Committee on Social Justice, Welfare and Rural Development and was able to reach Second Reading, seeks to institutionalize the accreditation and regulation of private individuals, agencies and organizations engaged in social welfare and development activities and assure the protection of beneficiaries against malpractice, abuse and exploitation by the aforementioned questionable practitioners and groups.

In view of the foregoing, I seek the expeditious consideration and approval of this measure in the 18<sup>th</sup> Congress.

  
LEILA M. DE LIMA

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<sup>3</sup> Fonbuena, Carmela. *P6-B PDAF misused; 192 solons tagged*. Rappler (16 August 2013). Retrieved from: <https://www.rappler.com/nation/36609-coa-special-report-pdaf-misused>

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Introduced by SENATOR LEILA M. DE LIMA

**AN ACT  
STRENGTHENING THE REGULATION OF  
SOCIAL WELFARE AND DEVELOPMENT AGENCIES**

*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 “Social Welfare and  
2       Development Agencies Act”.

3       Sec. 2. *Declaration of Policies.* – The State acknowledges the important role of  
4       non-governmental organizations and the private sector in undertaking and delivering  
5       social welfare and development programs and services to the public. Therefore, the  
6       State shall ensure that social welfare and development programs and services in the  
7       public and private sectors comply with national standards and adhere to the  
8       principles of human rights and social justice. Toward this end, the State shall set  
9       standards, register, license, accredit, and monitor agencies engaged in social welfare  
10      and development.

11      The State shall also provide appropriate consultative mechanisms to enable  
12      mutual benefit engagements of the private sector and its counterparts in government,  
13      set social welfare and development priorities, identify areas where synergies are  
14      possible, and jointly develop standards that meet the challenges and demands of the  
15      services they provide to the poor, marginalized, disadvantaged, and vulnerable  
16      sectors of Philippine society.

17      The State shall further promote and strengthen partnerships among Social  
18      Welfare and Development Agencies, national government agencies (NGAs), local  
19      government units (LGUs), non-government organizations (NGOs) and the rest of the

1 private sector, to allocate and utilize available resources to uplift the condition of  
2 poor, marginalized, and vulnerable individuals, families, groups and communities in  
3 the country.

4 Sec. 3. *Coverage*. – This Act shall apply to all social welfare and development  
5 service providers including public and private groups, private foundations,  
6 associations and organizations that are engaged in or want to engage in social welfare  
7 and development activities. Organizations established by a treaty or other  
8 instruments governed by international law or possessing its own international legal  
9 personality are not covered by this Act.

10 Sec. 4. *Definition of Terms*. – As used in this Act, the following terms are  
11 defined as follows:

- 12 a) *Accreditation* – refers to the process of assessing a licensed Social Welfare  
13 Agency (SWA) if their Social Welfare and Development programs and services  
14 are compliant with the DSWD standards. After compliance of the same, a  
15 certificate of accreditation shall be issued as proof of official recognition of the  
16 quality delivery of the social welfare development programs.
- 17 b) *Beneficiaries* – refer to the disadvantaged, marginalized or vulnerable  
18 individuals, families, groups and communities availing of the services  
19 provided by SWDAs. They may include, but are not limited to, the following:
  - 20 i. Children, such as those abandoned, neglected, orphaned, voluntarily  
21 committed, abused, exploited, and in need of special protection;
  - 22 ii. Out-of-school youth and other youth with special needs;
  - 23 iii. Women;
  - 24 iv. Families in need of assistance or intervention;
  - 25 v. Persons with disabilities ;
  - 26 vi. Senior citizens;
  - 27 vii. Internally displaced individuals and communities, such as victims or  
28 survivors of calamities and disasters, whether natural or man-made;
  - 29 viii. Indigenous peoples; and
  - 30 ix. Individuals or groups in crisis situation/s.
- 31 c) *Dissolution* – refers to voluntary cessation of operation of SWDAs.

- 1       d) *Intermediaries* – refer to persons, groups, networks of SWDAs or LGUs,  
2           trained, accredited and authorized by the Department of Social Welfare and  
3           Development (DSWD) to perform specific functions in the process of  
4           registration, licensing, and accreditation.
- 5       e) *Licensing* – refers to the process of assessing the qualification and authorizing  
6           a registered SWDA to operate as a social work agency or an auxiliary social  
7           welfare and development agency.  
8           A license to operate shall be issued after having complied with the set criteria  
9           and all prescribed requirements.
- 10      f) *Operation* – refers to either direct or indirect implementation of social welfare  
11           and development programs and services by a SWDA within a specified  
12           geographical area or place over a period of time using its own resources or the  
13           resources of the other partners and conduits.
- 14      g) *Registered Social Worker* – is an individual who possesses a Bachelor's  
15           Degree or Master's Degree in Social Work, has passed the Social Work  
16           Licensure Examination, and is a holder of a valid license issued by the  
17           Professional Regulation Commission (PRC).
- 18      h) *Registration* – refers to the process of assessing the applicant organization to  
19           determine whether its intended purpose is within the purview of social welfare  
20           and development where the determination of the same shall result in the  
21           inclusion of the agency in the DSWD's list of registered SWDAs. A  
22           Certification of Registration shall be issued after having complied with all the  
23           prescribed requirements.
- 24      i) *Revocation* – refers to the cancellation of the registration, license, and  
25           accreditation certificates of a SWDA issued by the DSWD for the commission  
26           of any of the grounds provided in this Act.
- 27      j) *Social services* – refer to organized activities that primarily and directly  
28           address the needs of the marginalized, disadvantaged, vulnerable individuals,  
29           groups or communities to maximize their social functioning.
- 30      k) *Social welfare* – refers to an organized system of programs and services  
31           designed to aid individuals, groups, and communities to attain an improved  
32           quality of life and well-being in harmony with the needs of their family and  
33           community.

- 1        l) *Social Welfare and Development Agency* (SWDA) – refers to public or  
2        private, non-stock, non-profit organization or association implementing or  
3        intending to implement, either directly or indirectly, social welfare and  
4        development programs and services in the Philippines as assessed as having  
5        the capacity to operate administratively, technically, and financially. Its clients  
6        may include, but not limited to the poor, disadvantaged, marginalized and  
7        vulnerable individuals or groups, families and communities.
- 8        m) *Social welfare and development worker* – refers to a social worker or a  
9        person who is engaged in the delivery of social welfare and development  
10      programs and services and is accredited by the DSWD, including social  
11      workers managing court cases, marriage and pre-marriage counselors, and  
12      child development workers.
- 13      n) *Social Work* – refers to the profession which helps individuals, families,  
14      groups, and communities develop, improve, maintain, or restore their  
15      capability for coping with the demands of their environment through the use  
16      of social work methods and interventions.
- 17      o) *Suspension* – refers to the temporary cessation of operation as a form of  
18      penalty imposed to a SWDA for commission of any of the grounds stipulated  
19      in this Act.

20           Sec. 5. *Classification of Social Welfare Development Agencies (SWDA)*. – A  
21      SWDA shall be classified either as a Social Work Agency (SWA) or an Auxiliary  
22      SWDA.

23           A SWA is an entity, whether public or private, that employs social workers,  
24      community development workers and other qualified paraprofessionals who have  
25      related trainings and experiences that directly provide restorative, preventive, and  
26      developmental programs and services to the poor, the vulnerable, the marginalized,  
27      underprivileged individuals, families or communities. The entity must also engage its  
28      operations predominantly in delivering social welfare and development programs  
29      and services.

30           An Auxiliary SWDA provides supportive activities in the delivery of social  
31      welfare and development services to the poor, the vulnerable, the marginalized, and  
32      the underprivileged individual, families or communities, such as grant of funds, the

1 conduct of trainings and capacity development activities and other resources to help  
2 in the efficient operations of SWAs.

3 Sec. 6. *Classification of Social Work Agencies (SWA)*. – SWAs may be:

4 a) *Center-Based Agencies* – refer to the social welfare and development  
5 programs and services rendered in a physical structure or facility. It is  
6 classified into:

7 (i) *Residential* – refers to the provision of twenty-four (24) hour group care  
8 and services under the guidance of trained staff within a structured  
9 therapeutic environment geared towards rehabilitation.

10 (ii) *Non-Residential* – refers to provisions of programs and services of trained  
11 staff in a physical structure for group of clients for a number of hours in a  
12 day or several days but not beyond two (2) weeks.

13 b) *Community-Based Agencies* – refer to the programs and services rendered in  
14 the community while they remain in their homes and/or with their families.

15 c) *Child-Placing Agencies* – SWAs that receive and process application of  
16 prospective foster or adoptive parents and facilitate the placement of children  
17 and youth eligible for foster care or adopting.

18 d) *Child-Caring Agencies* – SWAs that provide temporary care and services to  
19 abandoned, neglected, or orphaned children.

20 Sec. 7. *Administration and Operations of SWDAs*. – The administration and  
21 management of SWDAs shall adhere to the following standards:

22 a. *Administration* – A SWDA shall be managed by individuals whose  
23 qualifications meet the criteria set under the implementing rules and  
24 regulations to be issued for this Act. It may be operated by:

- 25 i. Non-stock and non-profit corporations, educational institutions, civic  
26 organizations, and faith-based organizations;  
27 ii. National government agencies (NGAs), LGUs, government-owned and  
28 controlled corporations (GOCCs), and state universities and colleges  
29 (SUCs) with social welfare and development programs;

30 At least sixty percent (60%) of the seats in the governing boards, such as board  
31 of directors or board of trustees, must be held by Filipino citizens.

1           Sec. 8. *Operating Expenses.* – A SWDA shall utilize at least seventy percent  
2 (70%) of its funds for direct implementation of social welfare and development  
3 programs and services, such as cash transfers, loans, grants, trainings and capacity  
4 development programs, and not more than thirty percent (30%) shall be allocated  
5 and spent for administrative costs. Funds of the SWDA shall be deposited in the  
6 name of the organization in a banking institution regulated by the Bangko Sentral ng  
7 Pilipinas (BSP). Financial transactions, books of accounts and other similar reports  
8 shall be made available to government agencies mandated by law to monitor the  
9 same. Any donation received by the SWDA, both in kind and in cash, shall inure only  
10 for the welfare of the beneficiaries and operating expenses of the SWDA. The DSWD,  
11 in consultation with public and private SWDAs, shall set standards to determine  
12 specific expenditures for program and administrative expenses.

13          Sec. 9. *Submission of Reports.* – Each SWDA shall submit to the DSWD an  
14 annual accomplishment and financial report duly audited by an external certified  
15 public accountant or a representative from the Commission on Audit (COA) and  
16 other reports as may be required by the DSWD. The financial reports of SWDAs  
17 whose total income and expenditures are less than five hundred thousand pesos  
18 (₱500, 000.00) may be audited by its internal auditor. The annual reports shall be  
19 submitted to the DSWD not later than one hundred twenty (120) days after the end  
20 of every fiscal year.

21          Sec. 10. *Salaries, wages and other benefits.* – All SWDAs shall comply with  
22 existing and relevant labor laws and regulations regarding the salaries, wages, and  
23 benefits of employees, provided these are within the minimum standards set by the  
24 Civil Service Commission (CSC) and the Department of Labor and Employment  
25 (DOLE). In the absence of a standard salary scale for social workers and other social  
26 welfare and development workers of the SWDAs, the pay scale set by the CSC and  
27 the DOLE, in consultation with the Department of Budget and Management (DBM)  
28 shall be followed.

29          Sec. 11. *Registration.* – The DSWD shall evaluate the documentary  
30 requirements submitted upon finding that an applicant is legally qualified to  
31 become a SWDA. The DSWD shall issue a certificate of registration and include the  
32 applicant in the list of registered SWDAs. All registered SWDAs shall be required to  
33 secure license within one (1) year from issuance of the certificate of registration  
34 prior to commencing its operations as a social welfare and development

organization. Otherwise, they shall be delisted from the list of registered SWDA and shall be required to surrender the issued certificate of registration.

To be registered, an applicant must show that it is legally qualified to become a SWDA. An applicant for registration as a SWDA shall submit the following documentary requirements:

- a. Certified copy of Securities and Exchange Commission (SEC) Certificate of Registration;
- b. Operational Manual or Handbook of its programs, policies and procedures to attain its purposes;
- c. Proof of financial capacity to engage in social welfare and development, such as work and financial plan approved by the governing board;
- d. The names of the members of its Board of Trustees or other governing body, and their background information on their involvement in social welfare and development activities; and
- e. Other documentary requirements that the DSWD may require in the implementing rules and regulations to carry out the provisions of this Act.

Sec. 12. *Licensing.* – A registered SWDA shall apply with the DSWD for a license to operate as a SWDA. To be licensed, an applicant must show that it has the administrative, technical and financial capacity to operate as a SWDA. An applicant for a License to Operate as a SWDA shall submit the following documentary requirements:

- a. Documentation showing that the applicant is engaged mainly in social welfare and development;
- b. Certification showing that the applicant intends to employ, in cases of initial application, or employs, in cases of renewal, the necessary number of Registered Social Workers, community development workers, and other professionals or employees trained on social welfare and development programs and services to be implemented. The applicants shall submit profiles and copies of their respective licenses or certificates of professional eligibilities, if applicable;
- c. Notarized certification that the applicant keeps a record of all social development and welfare activities it handles;

- 1                   d. Updated safety certificates from the concerned agencies showing that the  
2                   applicant's physical structures are safe from fire and other major hazards  
3                   as applicable;
- 4                   e. Document showing the SWDA's administrative, technical, and financial  
5                   capability to undertake and deliver social welfare and development  
6                   programs and services for the next three (3) years;
- 7                   f. A residential-based SWDA shall also submit in addition to the above  
8                   requirements the following documents:
- 9                   (i)          Diagram of physical facilities, which shall be designed to  
10                   promote the safety and security of its beneficiaries and staff;  
11                   including a location map and other documents showing  
12                   ownership or legal possession of the property where the SWDA  
13                   shall operate; and
- 14                   (ii)         Certification from the LGU that a residential care facility is  
15                   needed in the identified area of operation.
- 16                   g)         Other documentary requirements that the DSWD may require in the  
17                   implementing rules and regulations to carry out the provisions of this Act.

18                 The DSWD shall conduct all necessary activities to evaluate the application for  
19                 licensing, such as, but not limited to the following:

- 20                   (i)         Review and verify the authenticity of submitted documents;
- 21                   (ii)        Inspect the premises of the applicant's office and facility; and
- 22                   (iii)       Gather other relevant information about the applicant.

23                 The DSWD shall issue a license to operate and include the SWDA in the List of  
24                 Licensed SWDAs upon determining that the applicant SWDA has the administrative,  
25                 technical, and financial capacity to undertake and deliver social welfare and  
26                 development programs and services.

27                 *Sec. 13. Exemption from Registration and Licensing.* – All residential care  
28                 facilities of the DSWD, social service units of LGUs, public hospitals, courts, and  
29                 other facilities of NGAs and GOCCs, and other public SWDAs, by virtue of the legal  
30                 basis of their establishment or charters, are exempted from the registration  
31                 requirements and from securing a license to operate from the DSWD. However, they

1 shall be required to apply for accreditation following the same requirements and  
2 standards and shall be subject to regular monitoring by the DSWD.

3           *Sec. 14. Accreditation.* – Within one (1) year after issuance of a license to  
4 operate, all social welfare and development programs and services of registered and  
5 licensed SWA shall be subject to DSWD's accreditation. The DSWD shall issue an  
6 administrative circular stating the mechanisms of assessment and evaluation of all  
7 social welfare and development programs and services of the applicants. Auxiliary  
8 SWDAs are exempted from the requirement of securing accreditation from the  
9 DSWD.

10          *Sec. 15. Fees and Charges.* – The DSWD may charge reasonable fees for  
11 receiving and processing applications for registration, licensing, and accreditation.  
12 The fees collected shall be deposited to a DSWD account for the purpose, to be used  
13 solely for the exercise of the DSWD's regulatory functions and the effective  
14 implementation of this Act.

15          *Sec. 16. Validity.* – The certificate of license to operate issued to a SWDA by  
16 the DSWD shall be valid for five (5) years. The accreditation certificate, however,  
17 may be valid for a period of five (5) to seven (7) years depending on the level of  
18 accreditation standards set by the DSWD.

19          The existing license or accreditation certificate shall remain valid until the  
20 DSWD has acted on an application for renewal which must be filed within one  
21 hundred (100) working days prior to the expiration. The DSWD shall act on the  
22 application for renewal of registration, license, and accreditation not later than one  
23 hundred (100) working days after submission of complete requirements by the  
24 SWDA.

25          *Sec. 17. Benefits and Privileges of Registered SWDAs.* – A registered SWDA  
26 shall be entitled to the following benefits and privileges:

27          a. Inclusion in the DSWD's directory of registered, licensed and accredited  
28 SWDAs; and

1           b. Technical assistance in the areas of capability-building, packaging of project  
2           proposal, provision of program materials and skills enhancement to  
3           strengthen program and service implementation, among others.

4           Sec. 18. *Benefits and Privileges of Licensed SWAs.* – In addition to the  
5           benefits and privileges of registered SWDAs, a licensed SWA shall be entitled to the  
6           following:

- 7           a. Endorsement to the Philippine Council for NGO Certification (PCNC)  
8           for accreditation and endorsement for applicable duty-free and tax-  
9           free importation of foreign donations subject to compliance with the  
10          prescribed requirements;
- 11          b. Resource augmentation for program implementation, subject to  
12          compliance with the requirements as may be established by the DSWD;  
13          and
- 14          c. Other benefits and privileges as the DSWD may deem appropriate.

15           Sec. 19. *Benefits and Privileges of Accredited SWAs.* – In addition to the  
16           benefits and privileges of registered SWDAs and licensed SWAs, an accredited SWA  
17          shall be entitled to the following:

- 18          a. Endorsement for resource augmentation or other assistance from any  
19          government agency or private donor subject to compliance with set  
20          criteria;
- 21          b. Endorsement to the utility service providers for the grant of discount  
22          on the costs of electricity, water consumption and telephone and  
23          internet service to the residential care, group homes, and center-based  
24          facilities subject to the set requirements of the utility service providers;
- 25          c. Endorsement to concerned government agencies and private  
26          establishments for discount in the processing of documents for the  
27          beneficiaries, such as birth registration, passport, safety certificates,  
28          among others, for residential and center-based SWA facilities;
- 29          d. Assistance in establishing linkages with local, national and  
30          international organizations and networks for generation and sharing of  
31          resources;
- 32          e. Cash incentives, as may be provided by law; and

1                   f. Other benefits and privileges, as the DSWD may deem appropriate.

2                 *Sec. 20. Monitoring and Evaluation of SWDAs.* – The DSWD shall conduct  
3 monitoring and evaluation, including spot visits to SWDAs at least once every three  
4 (3) years, or as the need arises, to ensure that their social welfare and development  
5 programs and services are implemented as planned, and to determine their  
6 compliance with applicable laws, rules and regulations. The result of monitoring and  
7 evaluation shall be used to address problems and issues and to provide the  
8 framework for any possible intervention from the DSWD.

9                 *Sec. 21. Deputation of Intermediaries.* – Authorized intermediaries may be  
10 deputized by the DSWD to conduct an assessment of the operation of a SWDA and  
11 social welfare and development workers for purposes of registration, licensing, and  
12 accreditation. The DSWD shall provide such deputized intermediaries with  
13 transportation or an allowance in accordance with the rules and regulations of COA.  
14 The DSWD shall likewise provide continuous capacity building activities to the  
15 deputized intermediaries. Also, the DSWD shall provide continuous capacity building  
16 activities to the deputized intermediaries.

17                 *Sec. 22. Voluntary Cessation of SWDA Operation.* – Any SWDA may notify  
18 the DSWD of its intention to terminate its operation within six (6) months prior to its  
19 closure.

20                 Upon cessation of operation, all remaining assets of a SWDA intending to  
21 cease operations may be donated to the DSWD, another licensed SWDA, or be  
22 forfeited in favor of the government at the option of the SWDA.

23                 The DSWD shall work with the concerned SWDA to establish a transition plan  
24 for the beneficiaries who might be affected. The DSWD shall likewise notify the SEC  
25 of the cessation of operation.

26                 *Sec. 23. Investigation and Resolution of Complaints.* – The DSWD shall  
27 accept complaints, or *motu proprio* investigate and initiate appropriate proceedings  
28 in cases involving SWDAs. Upon lawful cause, the DSWD shall suspend the  
29 operations of the SWDA or revoke its registration, license, and accreditation  
30 certificates and close its facilities in coordination with the concerned law

1 enforcement agencies without prejudice to the filing of criminal or civil cases against  
2 erring officials and personnel.

3       *Sec. 24. Review Committee.* – There shall be a Field Office Review Committee  
4 (FORC) and a Central Office Review Committee (CORC) to handle cases and resolve  
5 complaints against SWDAs, whether they are registered or unregistered, licensed or  
6 unlicensed, or accredited. For complaints and violations involving any SWDA  
7 operating in one or more regions, the FORC that has jurisdiction over the areas  
8 where the cases happened shall have exclusive jurisdiction in handling and resolving  
9 the said complaints or violations. The decisions, orders or findings of the FORC shall  
10 be appealable to the CORC. The CORC may intervene or assist the FORC in handling  
11 complaints, if necessary. The composition of the FORC and the CORC shall be  
12 determined by the DSWD; Provided, that there shall be two (2) members  
13 representing licensed and accredited SWDAs who are themselves members of the  
14 network organized by the DSWD. The representatives shall be provided with an  
15 allowance in accordance with the rules and regulations of the COA.

16       Furthermore, the DSWD shall formulate guidelines on the protocols of  
17 handling complaints against SWDAs, including the terms of reference (TOR) of the  
18 CORC and FORC.

19       *Sec. 25. Procedures.* – The DSWD shall promulgate the Rules and Procedures  
20 in handling and resolving complaints against SWDAs.

21       *Sec. 26. Suspension, Revocation or Closure.* – The certificate of registration,  
22 license, or accreditation issued to a SWDA by the DSWD may be suspended or  
23 revoked if the DSWD finds that the SWDA committed any of the grounds stipulated  
24 under Sections 27 and 28 of this Act. The suspension or revocation of license or  
25 closure of a SWDA shall be effected without prejudice to the filing of criminal or civil  
26 cases under existing laws. When a SWDA is under suspension, it shall neither accept  
27 nor admit any additional clients and shall be under close supervision and monitoring  
28 by the DSWD.

29       A final and executory order of the DSWD revoking the license of a SWDA shall  
30 be endorsed to the SEC for appropriate action.

1           Sec. 27. *Grounds for Suspension.* – A SWDA may be suspended on the  
2 following grounds:

- 3           a) Non-compliance with social case management standards;  
4           b) Poor sanitation and maintenance of facilities and surroundings  
5           rendering these unfit or unsafe to their employees and beneficiaries; or  
6           c) Violation of the SWDA's constitution and by-laws.

7           Sec. 28. *Grounds for Revocation of License.* – The grounds for revocation of  
8 license of a SWDA shall include the following:

- 9           a) Insolvency or inability to maintain its operation or to perform the  
10          functions for which it was granted registration and license;  
11          b) Use of the SWDA for immoral or criminal purposes, such as but not  
12          limited to human trafficking, gambling, prostitution, money laundering  
13          and terrorist financing;  
14          c) Neglect, exploitation and abuse of the SWDA's beneficiaries or clients;  
15          d) Use of funds not in accordance with this Act;  
16          e) Falsification of the requirements for registration, licensing, and  
17          accreditation;  
18          f) Revocation of its registration with the SEC or other regulatory agencies;  
19          g) Non-compliance of SWDAs with the agreed action plan during the  
20          accreditation assessment for two consecutive monitoring visits with  
21          interval of at least six (6) months by the DSWD; or  
22          h) Other analogous causes as may be determined by the DSWD.

23           A final and executory order by the DSWD revoking the license of the  
24 SWDA shall be a ground for immediate closure of operation.

25           A SWDA who fails to renew its license or accreditation within six (6)  
26 months from notice of the DSWD shall be delisted from the DSWD Roster of SWDAs.  
27 The DSWD shall provide for the procedure in which a delisted SWDA can reinstate  
28 its registration.

29           The revocation shall be without prejudice to any other administrative, civil,  
30 or criminal cases in which the SWDA, their officers, or members may be held liable.

1           Sec. 29. *SWDAs without registration or license.* – In cases of SWDAs without  
2 registration or license, the DSWD shall conduct a preliminary inquiry into the  
3 condition of their operation. If the DSWD finds that the SWDA without registration  
4 or license is operating in accordance with the prescribed standards, it shall subject  
5 the SWDA to a case management process. Under the case management process, the  
6 SWDA shall be assisted by the DSWD to comply with the standards enumerated  
7 under this Act within a period of six (6) months.

8           If, at any time, the DSWD finds that the continued operation of the  
9 unregistered or unlicensed SWDA will prejudice the beneficiaries, it shall order the  
10 immediate closure of their operations.

11          Sec. 30. *Involuntary closure of operation.* – In cases of involuntary closure of  
12 operation, the DSWD shall establish measures to protect the beneficiaries of the  
13 SWDA concerned. In order to effectively protect the beneficiaries, the DSWD shall  
14 access funds under the Protective Services for Center-Based Clients program of the  
15 DSWD to ensure the welfare and transition of the beneficiaries. The DSWD shall  
16 likewise be authorized to conduct negotiated procurement under emergency cases as  
17 provided under the Procurement Act.

18          Sec. 31. *The Standards Bureau.* – The Standards Bureau of the DSWD shall be  
19 composed of the following three (3) divisions with their respective functions:

- 20           a) Standards Development Division (SDD) – The SDD shall set the  
21 standards on the implementation of social welfare and development  
22 programs and services, and develop strategies which will promote  
23 quality social welfare and development programs and services for the  
24 welfare of the defined beneficiaries.
- 25           b) Standards Compliance Monitoring Division (SCMD) – The SCMD shall  
26 process and assess applications for registration, licensing and  
27 accreditation of SWDAs and service providers, ensure their compliance  
28 with the implementation of the social welfare and development  
29 programs and services and determine the benefits accruing to licensed  
30 and accredited service providers and SWDAs. It shall also fully enforce  
31 set regulatory policies to unregistered and unlicensed SWDAs and  
32 service providers with expired registration, license and accreditation.

1                   c) Standards Enforcement and Advocacy Division (SEAD) – The SEAD  
2                   shall enforce the provisions of the law among erring SWDAs and those  
3                   with complaints that are brought to the attention of the DSWD. They  
4                   shall conduct surveillance on SWDAs operating without registration  
5                   and license and those with expired Certificate of Registration and  
6                   License to Operate. It shall also advocate the roles and regulatory  
7                   functions of the DSWD to the general public and other stakeholders  
8                   nationwide.

9                 Sec. 32. *Organization and Structure.* – The Standards Bureau shall be  
10               organized and set-up to effectively and efficiently discharge the regulatory functions  
11               of the DSWD as per this Act and existing DSWD rules and regulations and upon the  
12               approval of the Secretary of the DSWD or the Secretary's authorized representative.  
13               The Bureau shall be headed by a Director IV and assisted by a Director III. Both shall  
14               be appointed in accordance with existing rules and regulations of the CSC and the  
15               DSWD and report directly to the DSWD Secretary or the Secretary's authorized  
16               representative.

17               Sec. 33. *Regional Counterpart.* – The Standards Section in all regional offices  
18               of the DSWD shall be strengthened and implement the regulatory services in the  
19               region. The head of the Standards Section shall occupy a position not lower than a  
20               Social Welfare Officer IV. The regional office shall also adapt at least the two (2)  
21               units under the Standards Section, namely: the Standards Compliance and  
22               Monitoring Division (SCMD) and the Standards Enforcement and Advocacy Division  
23               (SEAD). The appropriate number of staff complement of these two units shall be  
24               created in accordance with the existing rules and regulations of the CSC and the  
25               DSWD.

26               Sec. 34. *Assistance from Law Enforcement Agencies.* – Law enforcement  
27               agencies such as the Philippine National Police, the National Bureau of Investigation,  
28               Bureau of Customs and the Bureau of Immigration shall provide assistance to the  
29               DSWD in the enforcement of this Act.

30               Sec. 35. *Penalties.* – Any person, group, or organization that shall operate as a  
31               SWDA without corresponding valid certificate of registration and license to operate  
32               from the DSWD shall be penalized with a fine of not less than One hundred thousand

1 pesos (₱100,000) but not more than Five hundred thousand pesos (₱500,000) or  
2 imprisonment ranging from one (1) year but not more than three (3) years, or both at  
3 the discretion of the court. These penalties shall be imposed without prejudice to  
4 other penalties, such as seizure of equipment, instruments and other facilities of the  
5 SWDA.

6         Sec. 36. *Immunity*. – No action or suit shall be brought, instituted or  
7 maintained in any court or tribunal or before any other authority against any: (i)  
8 DSWD personnel; (ii) law enforcement officer; or (iii) persons acting in compliance  
9 with a lawful order from any of the above, for lawful acts done or statements made in  
10 good faith and in relation to the effective implementation of this Act.

11         Sec. 37. *Appropriations*. – The DSWD Secretary shall include in the DSWD's  
12 programs the implementation of this Act, the initial funding of which shall be  
13 charged against the current year's appropriations of the DSWD. This includes the  
14 necessary augmentation to the Protective Services for Center-Based Clients program  
15 of the DSWD. Thereafter, the amount necessary for its continued implementation  
16 shall be included in the annual General Appropriations Act.

17         Sec. 38. *Transitory Provisions*. – The manpower complement of the DSWD  
18 Standards Bureau and the Standards Section of the DSWD Regional Field Offices,  
19 shall be right sized to meet the requirements of this Act. The DSWD, in coordination  
20 with the DBM and CSC, shall determine the appropriate additional plantilla positions  
21 to be created and approved.

22         All SWDAs operating without registration, license or accreditation upon  
23 effectivity of this Act shall be given a period of one (1) year to comply with the  
24 requirements provided under this Act.

25         Sec. 39. *Implementing Rules and Regulations*. – The DSWD, in consultation  
26 with the DOF, DOJ, DILG, DOLE, DBM, SEC, PNP, NBI and other concerned  
27 agencies, as well as representatives of the coalition of SWDAs or social welfare  
28 development workers shall promulgate the implementing rules and regulations to  
29 carry out the provisions of this Act within ninety (90) days from its effectivity.

1           Sec. 40. *Separability Clause.* – Should any provision of this Act be found  
2 unconstitutional by a court of law, such provision shall be severed from the  
3 remainder of this Act, and such action shall not affect the enforceability of the  
4 remaining provisions of this Act.

5           Sec. 41. *Repealing Clause.* – All laws, decrees, letters of instruction,  
6 resolutions, orders or parts thereof which are inconsistent with the provisions of this  
7 Act are hereby repealed, modified or amended accordingly.

8           Sec. 42. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its  
9 publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,