

## SOCIAL AMELIORATION PROGRAM GUIDELINES

(as of 13 April 2020)

1. **Potential increase in poverty, hunger, and other vulnerabilities.** While the poverty rate in the Philippines declined from 25.2% in 2012 to 23.3% in 2015 to 16.6% in 2018,<sup>1</sup> the absolute level of poverty and inequality remains high. Nearly 17.6 million people continue to live under the poverty line and 14.2 million just above the line, who are vulnerable to sliding back into poverty.<sup>2</sup> The community quarantine initially imposed on Luzon has been progressively extended to other parts of the country.<sup>3</sup> Owing to the sudden loss of livelihoods and strict quarantining, the poor, indigent elderly, and informal sector workers and daily wage laborers are low on cash and unable to purchase adequate food and other basic necessities. The loss of income, growing food insecurity, compounded with the health risk and cost of catching this infection, pose a grim scenario for these poor households. Unless addressed on an emergency basis, this could even roll-back the progress made by the Philippine in the fight against poverty so far.

2. The Department of Social Welfare and Development (DSWD) has identified around 6.5 million poor and vulnerable households, and 2.9 million indigent senior citizens as beneficiaries of ongoing cash transfer programs based on different targeting protocols. In addition, it estimated some 7.7 million informal sector workers and daily wage earners nationwide.<sup>4</sup> In addition, it has initially identified about 7.7 million informal sector workers and daily wage earners as being vulnerable due to loss of income from the community quarantine.<sup>5</sup>

**Table 1: Identifying the Poor and Vulnerable**

Poor and vulnerable segments	Estimated numbers	Targeting protocol used	Government program providing support
1. Poor households with children less than 18 years old and/or pregnant women covered under the <i>Pantawid Pamilyang Pilipino</i> Program (4Ps)	4.3 million households	<i>Listahanan</i> 1 (2009) <i>Listahanan</i> 2 (2015) <i>Listahanan</i> 3 (2019); survey, data encoding, and validation not yet complete)	DSWD's 4Ps and Philhealth
2. Poor households without any children or with children older than 18 years (i.e., poor households which are not included under the 4Ps)	2.2 million households	<i>Listahanan</i> 1 (2009) <i>Listahanan</i> 2 (2015)	DSWD's unconditional cash transfer program where household beneficiaries have received a monthly cash grant of 200 pesos in 2018 and 300 pesos in 2019 and 2020, to protect them from the inflationary effects of the Tax Reform for Acceleration and Inclusion (TRAIN) Act or the Republic Act No. 10963 passed in Dec 2017. The transfers were implemented in 2018 and will be continued till 2020
3. Indigent senior citizens	2.9 million beneficiaries	LGUs and local social welfare and development offices (with age 77 and above)	DSWD's Social Pension for Indigent Senior Citizens program provide 500 pesos per month since 2011.

<sup>1</sup> Philippine Statistics Authority. *National Income Accounts, Labor Force Survey, and Poverty Statistics*. Manila.

<sup>2</sup> PSA. 2018. *Poverty Statistics*. Manila..

<sup>3</sup> Local governments in Visayas and Mindanao have followed suit and imposed 'enhanced community quarantine' measures including regional economic hubs and tourism sites (e.g., Cebu, Iloilo, Bohol, Boracay, Leyte, Davao, Cagayan de Oro, Bukidnon, among others), which would further impact the poor and vulnerable population in these island groups as well.

<sup>4</sup> The estimate is approximately 60% of total informal workers and daily wage earners who are most likely not receiving any benefits from social assistance programs.

<sup>5</sup> PIDS notes that huge "unprotected" informal sector in the Philippines. Labor Force Survey estimates about 15.6 million informal workers, or 38% of the country's total working population. <https://pids.gov.ph/pids-in-the-news/2418>.

Poor and vulnerable segments	Estimated numbers	Targeting protocol used	Government program providing support
		in 2011–2014, 65 and above in 2015, and 60 and above in 2016.	
4. Informal sector workers and daily wage earners <sup>a</sup>	7.7 million people in vulnerable employment	DSWD estimate.	Programs from LGUs, DOLE and DTI

4Ps = *Pantawid Pamilyang Pilipino* Program, DOLE = Department of Labor and Employment, DSWD = Department of Social Welfare and Development, DTI = Department of Trade and Industry, LGU = local government unit, *Listahanan* = List of poor based on the household targeting system, Philhealth = Philippine Health Insurance Program

<sup>a</sup> The estimate is approximately 60% of total informal workers and daily wage earners who are most likely not receiving any benefits from social assistance programs.

3. ***Bayanihan to Heal as One Act*<sup>6</sup> or Republic Act 11469.** On 24 March 2020, the Philippine congress passed Republic Act 11649 or “An Act Declaring the Existence of a National Emergency Arising from the coronavirus disease 2019 (COVID-19), otherwise known as the “*Bayanihan* Heal as One Act.”<sup>6</sup> The law mandated the executive branch, among others, to: (i) provide an emergency subsidy of between 5,000 and 8,000 pesos (\$98-\$157) per month to around 18 million low income households for two months; and (ii) implement an expanded and enhanced 4Ps responsive to the need posed by the crisis, the provision of cash assistance program, through the local government units (LGUs) or to directly identify households including those working in the informal economy, and those who are not currently recipients of 4Ps in this time of crisis. The law likewise empowered the President to augment resources and programs in providing support to the poor and most affected population.

4. **Social Amelioration Program.** Consistent with the law, the government has launched a Social Amelioration Program (SAP) under the leadership of the Office of the President, with DSWD as a key implementing agency.<sup>7</sup> The law sets an assistance package ranging from \$98 to \$157<sup>8</sup> per household per month for two months; estimated as the minimum requirement to ensure that families are able to meet basic needs through the quarantine period. This is close to DSWD’s Emergency Cash Assistance (ECA) that prescribes a cash transfer equivalent to 75% of the prevailing minimum daily wage rate per region released on a monthly basis (maximum of three months).<sup>9</sup>

5. **Target Beneficiaries.** In addition to the *Bayanihan* law, a Joint Memorandum Circular No 1. (JMC No. 1) of the Interagency Task Force of Emerging Infectious Diseases (IATF-EID) and the DSWD Memorandum Circular (MC) No. 4, Series of 2020, identified the following as target beneficiary groups:

- (i) 4Ps beneficiaries;
- (ii) Informal economy workers (helpers, sub contractual workers, homeworkers, drivers and public utility operators, micro-entrepreneurs, farmers, daily wage earners, stranded workers); and
- (iii) Other vulnerable population consisting of (a) indigent senior citizens; (b) persons with disabilities; (c) pregnant and lactating women; (d) solo parents; (e) overseas workers in distress; (f) indigenous peoples; (g) homeless; and (h) other vulnerable population.

<sup>6</sup> Accessible at <https://www.officialgazette.gov.ph/downloads/2020/03mar/20200324-RA-11469-RRD.pdf>.

<sup>7</sup> DSWD. Memorandum Circular 4. Series 2020. 30 March 2020.

<sup>8</sup> The maximum support is based on the current minimum wage per region. For NCR, the rate is P8,000; Regions III and IV-A is P6,500; Regions VI, VII, X and XI is P6,000; CAR, I and II is P5,500. The rest of the regions is at P5,000.

<sup>9</sup> Minimum daily wage rates per region are prescribed by the National Wages and Productivity Commission of the Department of Labor and Employment (DOLE).

6. **Identification of beneficiaries and provision of SAP.** The following steps have been laid down by the JMC No.1:

- (i) All LGUs shall identify all target beneficiaries of the social amelioration measures within their area of jurisdiction as defined by a Joint Memorandum Circular (JMC No. 1): senior citizens; persons with disability; pregnant women; solo parents; informal economy workers, such as helpers, drivers, vendors; indigent indigenous peoples; homeless and underprivileged.
- (ii) DSWD Field Offices will match the names provided to ensure that there are no duplicates (from 4Ps and UCT beneficiaries).
  - a. The final list of beneficiaries will be provided to the LGU.
  - b. DSWD validates individuals and families identified by and in close coordination with the LGUs.<sup>10</sup>
- (iii) LGUs will submit a Budget Proposal to the DSWD.
- (iv) DSWD Field Offices will approve the submitted project proposal that will serve as basis for fund transfer, based on a Memorandum of Agreement and Specific Implementation Agreement. (City/Municipality) will submit list of potential beneficiaries to the DSWD Field Offices
- (v) The cash or non-cash assistance will be delivered either (a) directly thru DSWD's servicing banks, money transfer facilities, or non-bank financial service partners with existing access to or operations in disaster-affected areas, or (b) through direct cash or non-cash payout by DSWD personnel designated as Special Disbursing Officers or Local Government Units. For the latter, the mode of assistance may either be through door-to-door or other mechanisms available (e.g., cash).
- (vi) LGUs will facilitate payment to the beneficiaries upon presentation of the valid ID

7. To avoid duplication, beneficiary information and current assistance (from national and LGUs) being received by beneficiaries will be taken into account. This information will be recorded in a Social Amelioration Family Card to be distributed by LGUs and DSWD, after the process of validation and deduplication. The Inter Agency Task Force on COVID-19 will schedule a national registration day to facilitate the filling in and issuance of family cards by those who are in need of emergency assistance.

8. To facilitate compliance by LGUs, the Department of the Interior and Local Government issued Memorandum Circular No. 2020-056 (30 March 2020) providing guidelines for local government units in the provision of social amelioration measures by the national government to the most affected residents of the areas under enhanced community quarantine. Its key provisions are to: (i) require local governments to identify target beneficiaries and prepare master list for SAP; and (ii) guide LGUs strict compliance of SAP, and ensure that the distribution of grants is subject to "strict observance of home quarantine and prohibition of mass gatherings."

9. The DSWD, as the lead agency for SAP, has issued a series of Memoranda Circular (MC) providing guidelines to execute the SAP as mandated by the *Bayanihan* Law. Table 2 summarizes the MCs related to the implementation of SAP under the overall direction of DSWD.

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<sup>10</sup> The list of beneficiaries from LGUs and other agencies will be subjected to "deduplication" against the Listahanan 2 list to ensure non-duplication. This validated list will form the basis of unique identifiers for the issuance of social amelioration family cards. The DSWD has been designated by the Inter Agency Task Force established under the *Bayanihan* Act to host the database for the COVID-19 social amelioration program of the government.

**Table 2: Guidelines for the SAP**

<b>Policy</b>	<b>SPSP-AF II Related Features</b>
DSWD MC 4, Series of 2020. Special Guidelines on the Provision of Social Amelioration Measures by the Department of Social Welfare and Development to the Most Affected Areas under Community Quarantine and Continuation of the Social Pension for Indigent Senior Citizens and the Supplementary Programs	<ul style="list-style-type: none"> <li>(i) DSWD-wide emergency program subsidy through its various programs including 4Ps, Assistance to Individuals in Crisis Situation (AICS), Social Persons for indigent Senior Citizen, Food and non-food items, livelihood assistance, among others.</li> <li>(ii) Target beneficiaries and, i.e., collaborative role of DSWD and local governments from targeting, delivery (e.g., door-to-door) and reporting arrangements for Social Amelioration Program (SAP).</li> </ul>
DSWD MC 5, Series of 2020. Supplemental Guidelines to Memorandum Circular NO. 4 Series of 2020 on the Provision of Social Amelioration Measures by DSWD	<ul style="list-style-type: none"> <li>(i) Identify 4Ps households eligible to the receive emergency subsidy</li> <li>(ii) Prescribe amount for emergency subsidy following the regional rates and in consideration of cash grants and rice subsidy;</li> <li>(iii) Clarify “expanded and enhanced” 4Ps</li> </ul>
DSWD MC 6, Series of 2020. Supplemental Guidelines for Memorandum Circular No. Series of 202 on the provision of social amelioration measures by DSWD to provide further guidance on the provision of AICS to the most affected residents of the areas under quarantine	<ul style="list-style-type: none"> <li>(i) Clarify procedures for the transfer of AICS to LGUs and prescribe emergency assistance on a regional basis for non-4Ps beneficiaries</li> <li>(ii) Provide guidelines monitoring, reporting, compliance, and liquidation of emergency assistance by LGUs, DSWD field offices, and DSWD to the Office of the President</li> </ul>
DSWD MC 7, Series 2020. Amendment and Supplemental Guidelines to Pertinent Provisions of the MC Nos. 04, 05 and 06, Series of 2020	<ul style="list-style-type: none"> <li>(i) Clarify target beneficiaries to include informal economy workers (e.g., independent, small scale produces and distributors of goods and services) such as fisherfolks, and other vulnerable groups as identified by the National Anti-Poverty Commission to be at risk.</li> <li>(ii) Set parameter for computing emergency subsidy for AICS including 4Ps based on regional minimum wage rate but will not exceed the amount determined by JMC 1 No. 1, series 2020.</li> <li>(iii) Identify distribution scheme of cash assistance as following: <ul style="list-style-type: none"> <li>(a) direct cash payment, (b) payment through electronic or digital means, (c) cash card payments, (d) transfer of funds through other national government agencies and LGUs, or</li> <li>(e) any other mode of expedite distribution of assistance.</li> </ul> </li> </ul>

4Ps = *Pantawid Pamilyang Pilipino* Program; AICS = Assistance to Individuals in Crisis Situation; DSWD = Department of Social Welfare and Development; JMC = Joint Memorandum Circular; LGUs = local government units; MC = memorandum circular; SAP = Social Amelioration Program.

10. More recently, DSWD issued Memorandum Circular 09, Series 2020 providing an omnibus guidelines on the implementation of the emergency subsidy program through ECA. It further clarifies that the SAP target beneficiaries include 4Ps registered beneficiaries; low income families (e.g., directly hired or occasional workers, subcontract workers, homeworkers, house helpers, drivers of public utility vehicles and tricycle operators, micro-entrepreneurs, farmers, fisherfolks, etc.); and indigent families of indigenous peoples and other vulnerable groups as determined by DSWD.<sup>11</sup> The LGUs, in collaboration with DSWD, will identify and prepare a master list of eligible beneficiaries among informal sector workers, daily wage workers, and other vulnerable segments. LGUs in collaboration with DSWD will use a Social Amelioration Card (SAC) for non-CCT target beneficiaries to avoid duplication of emergency assistance from other government programs during the COVID-19 crisis, e.g., COVID-19 Adjustment Measure Program grant or Tulong Panghanapbuhay para sa Displaced/ Disadvantaged Worker (TUPAD) of the

<sup>11</sup> DSWD. 2020. Memorandum Circular No. 09, Series 2020. Omnibus Guidelines in the Implementation of the Emergency Subsidy Program of the Department of Social Welfare and Development. 9 April 2020.

labor department. 4Ps beneficiaries do not have to fill-out SAC forms, but are not eligible to receive other cash assistance from other programs as well.

11. **Database management and deduplication.** In view of the lack of time required for completing and integrating a beneficiary list with the *Listahanan* 3, *Listahanan* 2 will be used by the DSWD in the interim to verify beneficiaries in a deduplication process to identify households that are eligible for receiving the emergency cash transfers under the *Bayanihan* Law.

12. To ensure that the proposed ADB emergency assistance reaches all the needy segments, it is necessary to create a master list of beneficiaries drawing on existing and credible government targeting system, and data sources with established protocols.

13. **Full amount of ECA and delivery.** Non-CCT beneficiaries will get the full amount of ECA following the regional wage rate (footnote 8), while the 4Ps beneficiaries will be given ECA as top up, net of the health cash grant and rice subsidy which are usually included under the CCT program. Effectively, 4Ps will receive the same benefit level as non-CCT or other low-income households affected by the economic impact of the COVID-19 outbreak. 4Ps beneficiaries with cash card will receive the full amount of their ECA as top up to their regular cash grant and rice subsidy. Non-CCT ECA beneficiaries will receive their grants through (i) over the counter transaction at the Land Bank of the Philippines, (ii) transfer thru LGUs as guided by DSW MC 04, Series of 2020; and (iii) direct cash payout by DSWD special disbursing officers.<sup>12</sup>

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<sup>12</sup> DSWD. 2020. Memorandum Circular No. 10. Amendments to Memorandum Circular No. 5 Series of 2020 on the Provision of Social Amelioration to Pantawid Pamilyang Pilipino Program (4Ps) Households. 13 April 2020.