

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2066

Introduced by Hon. Eduardo C. Firmalo

EXPLANATORY NOTE

Sometime in 1995 during the Ramos presidency the government set up a Poverty Alleviation Fund to help finance the developmental requirements of the country's 20 poorest provinces, especially in the areas of health, education, and agriculture.

The Fund was discontinued during the Estrada administration. Though there are no available studies how the Fund was used and to what degree it helped to achieve its goal, we recognize the need for its revival in view of present economic condition obtaining in provinces identified as "poorest" in the country by the government itself.

In addition, there is no way for these provinces to "graduate" from their present condition unless the basic problems of poverty such as unemployment, underproductivity, lack of health facilities and medicines, as well as inaccessibility to quality vocational and tertiary education are addressed through the provision of funding assistance by the national government. The local government units in these provinces, by themselves alone, would be helpless in attaining sustainable development.

Thus, we hereby introduce this Bill for the following objectives:

1. To enable the local government units augment their funding capability for programs and projects that will alleviate poverty in their respective jurisdictions.

2. As a province graduates from the 20 poorest provinces, other provinces may be included as a beneficiary of the Fund until the last of the poorest provinces has been freed from poverty.
3. To speed up the economic development in these areas, thereby improving the capability of the people to provide for themselves and live in dignity.

The approval of this measure is hereby earnestly requested.


EDUARDO C. FIRMALO
Congressman
Lone District of Romblon

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AN ACT
ESTABLISHING THE POVERTY ALLEVIATION FUND

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

Section 1. **DECLARATION OF POLICY.** It shall be the policy of the Government to provide regular funding assistance to the Twenty Priority Depressed Provinces identified by the National Economic and Development Authority for the purpose of upgrading the quality of life in these provinces and helping them attain self-self reliance in undertaking developmental activities which shall uplift them from the grip of poverty.

Sec. 2. **POVERTY ALLEVIATION FUND.** There is hereby created a Poverty Alleviation Fund from which special allocations shall be taken for these provinces to support basic services in their respective localities to be released automatically at the beginning of every fiscal year.

Sec. 3. **PROGRAMS AND PROJECTS.** The funds to be released under this Act shall cover the following programs and projects duly identified by the local government units and evaluated and validated by the NEDA Board:

- a. Health
- b. Education
- c. Livelihood
- d. Protection and promotion of the environment
- e. Effective governance

- f. Roads, particularly farm-to-market roads
- g. Social services

Sec. 4. **FUNDING SOURCE.** The Poverty Alleviation Fund shall be sourced from the earnings of the following:

- a. 15 percent from net earnings of the Philippine Charity Sweepstakes Office.
- b. 15 percent from net earnings of the Philippine Amusements and Gaming Corp.

Sec. 5. **COVERAGE.** The NEDA shall have the power to include or exclude provinces to be covered by this Fund as it may determine in accordance to capability and resources of such provinces to finance their developmental requirements.

Sec. 6. **RULES AND REGULATIONS.** The National Economic and Development Authority shall prescribe and issue the necessary rules and regulations to implement this Act.

Sec. 6. **EFFECTIVITY.** This Act shall take effect immediately upon its approval.

Approved,