



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
Third Regular Session

HOUSE BILL NO. 5832



Introduced by Honorable Rodante D. Marcoleta

EXPLANATORY NOTE

This bill aims to establish the Livelihood Enhancement and Development Fund and provide for the necessary appropriation for its effective implementation.

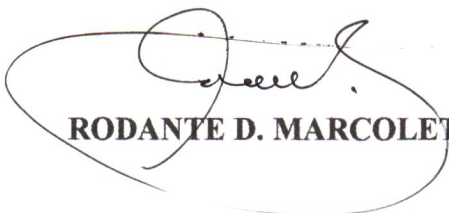
Poverty is a persistent and pervading problem the country has yet to fully address. Statistics show that about 80% of the population are hungry, unemployed and desolate. This is despite the several measures government has taken to address the problem and curb its impending growth.

Under Republic Act (RA) No. 8425, otherwise known as the "*Social Reform and Poverty Alleviation Act*," the State declared to adopt an area-based, sectoral and focused intervention to poverty alleviation wherein every poor family shall be empowered to meet its minimum basic needs of health, food and nutrition, water and environmental sanitation, income security, shelter and decent housing, among others. Likewise, it institutionalized the Social Reform Agenda (SRA) which embodies the results of the series of consultations and summits on poverty alleviation.

RA 8425 also created the National Anti-Poverty Commission (NAPC) to implement the SRA and ensure adequate, efficient and prompt delivery of basic services to the poor. The NAPC urges the local government units, non-governmental organizations and government financial institutions to open credit and savings windows to cater to poverty alleviation of the poor sector of society. Likewise, the People Development Trust Fund (PDTF) was established under the NAPC. The earnings of the PDTF are intended to finance training services for microfinance institutions and their beneficiaries, community organizing for livelihood, micro-enterprise program, savings mobilization and incentive programs, among others.

To complement the PDTF, this bill seeks the establishment of a Livelihood Enhancement and Development Fund which shall cater primarily to finance anti-poverty projects and income generating activities. It is designed to enhance the government's programs and objectives in addressing the burgeoning poverty problem of the country. Its creation will ensure funds for the development and income generating activities for the poor.

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


RODANTE D. MARCOLETA



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
Third Regular Session

HOUSE BILL NO. 5832

Introduced by Honorable Rodante D. Marcoleta

AN ACT
ESTABLISHING THE LIVELIHOOD ENHANCEMENT AND DEVELOPMENT
FUND AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. There is hereby established a Livelihood Enhancement and Development Fund, hereinafter referred to as the Fund, which shall finance anti-poverty projects and income generating activities, similar programs and projects of beneficiary local government units (LGUs) and other socio-civic organizations.

SEC. 2. The Fund shall be under the supervision of the National Anti-Poverty Commission (NAPC) which shall be divided into four independent sub-funds as follows:

- a) ***Local Development Fund*** which shall be utilized for the development activities which are identified and implemented by a local community;
- b) ***Social Assistance Fund*** which shall be assistance in cash or in kind to answer the needs of the poorest members of society;
- c) ***Women's Development Fund*** which shall be utilized for funding activities aimed at ensuring the full participation of women in the poverty alleviation process; and
- d) ***Employment Promotion Fund*** aimed at alleviating poverty to promote employment and income generating activities of the LGUs and other organizations within the LGU.

SEC. 3. The contribution to the Fund shall be as follows:

a) The amount of Fifty Million Pesos (P50,000,000.00) as seed capital shall be taken from the Philippine Amusement and Gaming Corporation (PAGCOR) fund at Two Million Five Hundred Thousand Pesos (P2,500,000.00) per month for twenty (20) months: *Provided*, That no grant shall be awarded by the NAPC except from the interest drawn from the funds: *Provided, further*, That no grant shall be awarded until after one (1) year from the organization of the Fund.

b) The amount of Fifty Million Pesos (P50,000,000.00) shall be taken from the earnings of the People's Development Trust Fund (PDTF): *Provided*, That the NAPC shall directly administer the utilization of the earnings of the Livelihood Enhancement and Development Fund (LEDF).

c) The private portion of the Fund shall be raised from donations and other conveyances including funds, materials, property and services, by gratuitous title.

d) Government corporations are hereby authorized to give grants to the Fund at their discretion, but not to exceed Ten percent (10%) of their unimpaired surplus.

Contributions to the fund shall be deductible for income tax purposes in accordance with the pertinent provisions of the National Internal Revenue Code, as amended.

SEC. 4. For the sound and judicious management of the Fund, the NAPC shall appoint a reputable government-accredited investment institution as Fund Manager, subject to the guidelines promulgated by the NAPC.

SEC. 5. The NAPC shall be the administrator of the Fund, and as such, shall prepare implementing guidelines and decision-making mechanisms subject to the following:

a) Unless otherwise stipulated by the private donor, only earnings of private contributions shall be used;

b) No part of the seed capital of the Fund, including earnings, thereof, shall be used to underwrite overhead expenses for administration; and

c) Not more than twenty (20%) percent of the government's annual contribution to the Fund shall be devoted to administrative functions of the NAPC and that at least ten (10%) percent shall be earmarked as part of the fund's capital and the balance shall be used for its programs and projects.

SEC. 6. The NAPC shall organize a separate staff, administratively independent, to be headed by a comptroller appointed and directly responsible and accountable to the NAPC.

SEC. 7. There shall be an external auditor to implement an annual performance audit: *Provided*, That the Fund shall be exempt from pre-audit by the Commission on Audit (COA).

SEC. 8. All laws, decrees, orders, rules and regulations or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 9. This Act shall take effect fifteen (15) days after publication in two (2) newspapers of general circulation.

Approved,