

HOUSE OF REPRESENTATIVES

House Bill No. 81

Introduced by Representative Susan A. Yap

EXPLANATORY NOTE

As of the end of 2009, the National Statistics Coordination Board (NSCB) reported that poverty incidence in the country stood at thirty-three percent (33%) of the total population of 92 million. Mindful of this situation, the government started a conditional fund transfer program entitled *Pantawid Pamilyang Pilipino Program* (4Ps) in 2008 through the Department of Social Welfare and Development (DSWD).

Initially, 203,587 households benefited from the program with a total of 357 million pesos released in 2008. As of March 2010, 956,000 households are enrolled and are receiving monthly cash grants from the program.

Based on the 2003 NSCB Small Area Estimates and selected through a proxy-means test, beneficiary-households become eligible to 6,000 pesos conditional cash grants or 500-pesos per month per household for health and nutrition expenses; and 3,000 pesos per one school year per child for educational expenses. A maximum of three children per household is allowed for the educational cash grant.

The *Pantawid Pamilyang Pilipino Program* is more than just a cash grant program. It breaks the intergenerational poverty cycle through investments in human capital. Furthermore, the program will help the government meet its Millennium Development Goals, namely: (1) Eradicate Extreme Poverty and Hunger, (2) Achieve Universal Primary Education, (3) Promote Gender Equality, (4) Reduce Child Mortality, and (5) Improve Maternal Health. (4Ps DSWD, 2010)

A World Bank panel of economists, convened in 2009 to assess conditional cash transfers in Latin America, noted a substantial decline in poverty incidence in program participants. Another observation among the participants is the encouragement of good health and education practices among the family. The same have been observed among the pilot beneficiaries of the 4Ps program.

Given the success of this Program to reach out to the poor, there is a need to ensure sustainability through an enacted policy. Hence, the passage of this Bill is earnestly sought.


SUSAN A. YAP
Representative, Second District of Tarlac

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AN ACT
TO REDUCE POVERTY AND PROMOTE HUMAN CAPITAL DEVELOPMENT
THROUGH THE CREATION OF A NATIONAL CONDITIONAL FUND
TRANSFER PROGRAM

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

SECTION 1. Short Title. - This Act shall be known as the “Pantawid Pamilyang Pilipino Program Act of 2010.”

SECTION 2. Declaration of Policy. - It shall be the policy of the State:

(A) To provide a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services aid improve quality of life.

(B) To give priority to education and health of children, accelerate social progress and promote total human liberation and development.

(C) To protect the life of mothers and their children.

(D) To promote gender equality and empower women.

SECTION 3. Definition of terms. -As used in this Act, the term-

(A) The Pantawid Pamilyang Pilipino Program (4Ps) shall refer to the national poverty reduction strategy that provides conditional cash transfer to extremely poor households to improve their health, nutrition and education particularly of children aged 0- 14;

(B) “Beneficiaries” refer to the extremely poor with pregnant women and/or with children 0-14 year old.

(C) “Department” shall refer to the Department of Social Welfare and Development (DSWD) which is the lead agency in the implementation of this program.

(D) “Small Area Poverty Estimate” shall refer to a statistical tool and methodology of generating estimates of poverty incidence by combining survey and census data at lower levels of geographic disaggregation (cities and municipalities).

SECTION 4. Objectives of the Pantawid Pamilyang Pilipino Program (4P's). - The Pantawid Pamilyang Pilipino Programs (4Ps) aims to:

- (A) Eliminate extreme hunger and poverty.
- (B) Achieve universal primary education.
- (C) Promote gender equality and empowerment of women.
- (D) Reduce child mortality.
- (E) Improve maternal health.

SECTION 5. *Construction.* - This law shall be liberally construed in favor of the attainment of its objectives.

SECTION 6. *Selection of Areas of Implementation.* - The following guidelines shall be followed in the selection of areas of implementation:

(A) In the selection of target areas, priority is given to the poorest municipalities as determined by Small Area Poverty Estimates generated by the National Statistical Coordination Center (NSCC).

(B) The cities shall be selected using the list of cities with large pockets of poverty issued by the National Anti-Poverty Commission (NAPC) and/ or the Presidential Commission on Urban Poor (PCUP).

SECTION 7. *Eligible Households.* - For a household to qualify as a beneficiary for this program it must meet the following requirements:

(A) The household is within the municipality or city identified as areas of implementation;

(B) The household has a 0-14 year old child and /or a pregnant woman at the time of registration.

(C) The household suffers from chronic poverty as determined by the National Household Targeting System (NHTS) which involves rigorous household assessment and application of a Proxy Means Test, a statistical methodology used to estimate the income of households on the basis of household composition, education, socio-economic characteristics, housing conditions and access to basic services, assets, tenure status and regional variables. The DSWD shall use the NHTS for identifying beneficiaries for the 4Ps as well as other social services.

SECTION 8. *Program Conditions.* - All beneficiaries shall comply with the following conditions as a requirement for continued program eligibility:

(A) Pregnant women must get at least (3) pre-natal check-up starting from the first trimester, get post natal care and the childbirth must be attended by a skilled/trained health personnel;

(B) Education sessions;

(C) Parents/ guardians must attend responsible parenthood seminars and parenting sessions. Children 0-5 years of age must get regular preventive health check-ups and vaccines based on the Department of Health (DOH) protocol;

(D) Children 3-5 years of age must enroll in day care program or pre-school and attend at least eighty five percent (85%) of the required school days; and

(E) Children 6-14 years of age must be enrolled in school and attend at least eighty five percent (85%) of the required school days. They must also undergo de-worming at least twice a year.

Failure to comply with the conditionalities warrants the suspension and/or removal of the beneficiary from the program.

SECTION 9. *Grant Rates.* - The following amounts shall be released to qualified

beneficiaries:

(A) The health grant beneficiaries shall receive five hundred pesos (P500) per month per household or a total of six thousand pesos (P6,000.00) per year;

(B) The education grant beneficiaries, the 3-14 year old children enrolled at the day care program, pre-school, elementary school or high school shall receive three hundred pesos (P300.00) per month for a ten (10) month school year or a total of three thousand pesos (P3,000.00) in a year with a maximum of three (3) children per household;

SECTION 10. *Grievance Redress System.* -- The Department shall develop a Grievance Redress System that will address complaints regarding the implementation of this program. The system shall also address issues involving graft and corruption and social inclusion.

SECTION 11. *Inter-Agency Council.* - There shall be an Inter-Agency Council for the implementation of the *Pantawid Pamilyang Pilipino Program* (4Ps) composed of the Department of Social Welfare and Development (DSWD) as Chair and the Department of Health (DoH), Department of Education (DepEd), Department of Interior and Local Government (DILG), National Economic Development Authority (NEDA) and National Anti-Poverty Commission (NAPC) as members.

SECTION 12. *Functions of the Inter-Agency Council.* - The Council as a collegial body shall have following functions:

(A) Formulate policies for the program;

(B) Oversee the implementation of the program;

(C) Determine adjustments to grant rates and conditionalities in the course of the implementation of the program based on the studies and assessment of the program.

SECTION 13. *Implementing Rules and Regulations.* - The Department of Social Welfare and Development (DSWD) is hereby designated as the executing agency for the Project. It is authorized to enter into agreements or cooperation with development agencies, both national and international for financing, technical and program support for this program. The Department together with the members of the Inter-Agency Council as well as other relevant agencies the Department may involve shall draft the Implementing Rules and Regulations for the implementation of this law.

SECTION 14. *Appropriation.* - The mount of Fifteen Billion Pesos (P15B) annually is hereby appropriated to cover the requirements of the program for 1 Million extremely poor households for 2009 which comprises twenty one percent (21%) of the total poor households. The amount appropriated shall be automatically increased/decreased to cover at least twenty one percent (21%) of the total poor should the total population and the total poor shall increase/decrease with time. The appropriation shall continue for at least ten (10) years from the enactment of this Act. The appropriation shall be included in the annual appropriation of the DSWD.

SECTION 15. *Separability Clause.* - If any provision, or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 16. *Repealing Clause.* - Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

SECTION 17. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation

Approved,