

FIFTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
FIRST REGULAR SESSION)

HOUSE OF REPRESENTATIVES

House Bill No. 2689

Introduced by Representative Peter "Sr. Pedro" Unabia

EXPLANATORY NOTE

"AN ACT PROVIDING FOR A MAGNA CARTA FOR ALLEVIATING MASS POVERTY"

As a private citizen, this representation started a livelihood program and learned the effectiveness of the same as a potent tool for poverty alleviation. This is in line with the guiding principles of Social Responsibility, Economic Emancipation and Political Awareness. As a social enabler like most of the members in this august chamber, it is easy to comprehend that political reform through education comes effectively with a full stomach.

What was started as an experiment and thought of only to effect merely augmentation of the income of the poor people, became the main livelihood for most of them. The fast growing program for livelihood manifests its effectiveness with the poor and the needy.

Even then, our partners in the implementation of these various livelihood programs realized the necessity of having a concrete support from the government. Needless to elaborate, it is a realization that the current governmental structures for livelihood support, need improvement to attain the full potential of the initiative. Indeed there is a need to provide legislative measures, to make such programs part of the general policy.

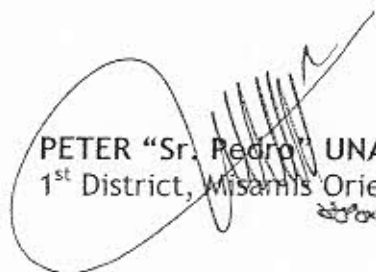
One of the best practices experienced is the help extended by the private sector. The arrangement has been effective as the support is an extension of the private sector's business activities. We need to encourage the private sector to do the same as the success of the livelihood program depends on the assurance of marketing support for their products.

This immediate proposed measure has since been extended to cover all what is for the poor sector; to economically emancipate them from the bondage of poverty by laying down all the basic and irreducible rights as essential requirements towards poverty alleviation. While it is true that government has boasted of these structures, including the supposedly accessible financial assistance for capitalization, these are more often than not, difficult to avail of and the biases of these outfits are usually leaning towards the big business.

The basic rights herein included, which serve as the extension of the original bill which addressed only the livelihood sectoral concerns, are: the right to employment, the right to food, the right to shelter, the right to free quality education and the right to free healthcare and medicine.

We believe that the features of this legislation are "minimum standards of decency" which the poor can demand as a matter of right and which the government must do as a matter of obligation.

It is for these reasons that passage of this bill is earnestly sought.



PETER "Sr. Pedro" UNABIA
1st District, Misamis Oriental

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House Bill no. 2689

Introduced by Representative Peter M. Unabia

AN ACT PROVIDING FOR A MAGNA CARTA FOR ALLEVIATING MASS POVERTY

SECTION 1. *Title.* - This Act shall be known as the "*Magna Carta for Alleviating Mass Poverty*".

SEC. 2. *Declaration of Policy.* - It is the declared policy of the State to uplift the standard of living and quality of life of the poor and provide them with sustained opportunities for growth and development. Every poor Filipino family must be empowered to meet their minimum basic needs, through the partnership of the government and the basic sectors.

It is likewise vital that the State complies with its international obligations to eradicate poverty, such as our commitment to achieve the Millennium Development Goals which include the eradication of extreme poverty and hunger, achievement of universal primary education, promotion of gender equality and empowerment of women, reduction of child mortality, improvement of maternal health, combating HIV/AIDS, malaria and other diseases, ensuring environmental sustainability and development of a global partnership for development.

To attain the foregoing policy:

- (a) Government must prioritize investments in anti- poverty programs to enable the poor to participate responsibly in the country's growth and development;
- (b) All government departments, agencies and instrumentalities must provide full access to government services for the poor;
- (c) Government interventions must be strengthened to address the genuine concerns of the poor, while long- term strategies and solutions for the empowerment of the poor are being put in place; and

(d) The capabilities and competencies of the basic sectors, the non-government organizations (NGOs) and people's organizations (POs), as partners of the government for the effective delivery and implementation of a wide range of anti-poverty programs and basic services, shall be enhanced and promoted.

SEC. 3. Definition of terms. - As used in this Act, the following terms are hereby defined:

(a) Poor shall refer to individuals or families whose income fall below the poverty threshold as defined by the National Economic and Development Authority (NEDA) and/or cannot afford to provide their minimum basic needs of food, health, education, housing and other essential amenities in a sustained manner;

(b) Basic sectors shall refer to the disadvantaged sectors of Philippine society, namely: farmer-peasants, artisanal fisher folks, workers in the formal and informal sectors, migrant workers, indigenous people and cultural communities, women, differently-abled persons, senior citizens, victims of calamities and disasters, youths, students, children and the urban poor;

(c) Hazardous or danger zones shall refer to areas which when occupied for residential purposes actually pose a danger to the life and safety of the occupants or of the general community.

(d) People's organization (PO) shall refer to any recognized or accredited self-help association or cooperative of the basic sectors or disadvantaged groups composed of members having a common bond of interest, who voluntarily join together to achieve a lawful common social and economic end.

SEC. 4. Basic Rights of the Poor. - The poor shall have the following rights, the enjoyment of which is an essential step towards poverty alleviation: (a) the right to food; (b) right to employment and livelihood; (c) the right to quality education; (d) the right to shelter; and (e) the right to basic health services and medicines.

The government shall, as a matter of duty and obligation, provide the requirements, conditions and opportunities for the full employment of these rights of the poor, and which the poor can demand as a matter of right.

4.1. The Right to Food. - The Department of Social Welfare and Development (DSWD) shall expand a program of subsidy to help the poor meet their minimum food requirements. To help ensure the implementation of the food assistance program, all food items and food products, including rice, corn, sugar and other prime commodities, seized and forfeited with finality in favor of the government for violations of customs laws shall be automatically transferred to and/or turned over to the DSWD for proper disposition.

The DSWD, in coordination with the Department of Agriculture (DA), shall develop plans and projects to complement existing food subsidy programs of the government so that the poor can engage in productive activities. These shall promote food self-sufficiency among the poor.

4.2. The Right to Employment and Livelihood. - The Department of Labor and Employment (DOLE), in coordination with the Peoples Organization (PO's), National

Anti- Poverty Commission (NAPC), Local Government Units (LGUs), and relevant government agencies and government financial institutions, shall primarily be responsible for providing facilitation assistance to the poor to ensure better access to livelihood opportunities and employment openings in private enterprises and in government programs and projects.

Participation of private corporations, partnerships and other juridical entities in the promotion and provision of Livelihood programs for the poor such as the scheme of "contract growing" shall likewise be encouraged. The same corporations, partnerships and other juridical entities thru their corporate social responsibility (CSR) arm extend business operation involving as many as poor households in the areas of jurisdiction.

Local measures granting incentives and real property tax exemptions or tax holidays shall be given to such entities.

In addition to such incentives, an income tax moratorium imposed under the National Internal Revenue Code on the income derived from such livelihood activities for the first 2 years of operation, shall be granted to such entities.

The DOLE and other concerned government agencies are likewise tasked to address the emergency employment needs of displaced families.

In the hiring of workers needed for the implementation of government infrastructure projects and/or government-funded contracts or government-assisted undertakings, it shall be mandatory to prioritize qualified laborers from the poor sector who are residents of the barangays, where the project is located, and if no such qualified laborer is available in the area as certified by the Barangay Chairman concerned, then such laborers residing in the municipality or province as provided in the implementing rules.

4.3. The Right to Quality Education. - The right of the poor to free public elementary and Secondary education shall not be impaired. The right to education shall include access to quality education at the college level.

Consistent with the government's goal of providing socialized college education, including the student loans or study-now-pay-later plans, programs on education shall be expanded in state/local/private universities and colleges, as well as higher education institutions: *Provided*, That the students qualify and maintain good academic standing: *Provided, further*, That the students enroll in priority courses, as determined by the Commission on Higher Education (CHED).

It shall also include the right to avail of quality technical vocational education and Training through scholarships, subsidies and financial assistance, to ensure access to decent and productive employment. At least five percent (5%) discount shall be granted by establishments that sell reference books for college and school supplies to poor but deserving students, subject to the guidelines to be issued by CHED: *Provided*, That these establishments may claim the cost as allowable tax deduction

from the gross income in the computation of their income tax in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.

The Department of Education (DepED), CHED and the Technical Education and Skills Development Authority (TESDA), in coordination with government agencies concerned, shall ensure the full enjoyment of the poor of the right to education.

4.4. The Right to Shelter. - The right of the poor to decent housing shall not be abridged. The government shall develop and implement a housing program for the poor which shall include a well-targeted and responsive subsidy scheme that will provide decent housing with the least financial burden.

In all cases, the government, in ensuring the exercise and enjoyment of the right of the poor, shall put in place a system consisting of simple requirements and procedures, and expeditious processing and approval.

The government, through the Housing and Urban Development Coordinating Council (HUDCC) and the National Housing Authority (NHA), in coordination with the LGUs, shall prioritize the implementation of the socialized housing and resettlement for the poor specially those residing in hazardous or danger zones.

The implementers of the socialized housing and resettlement programs shall enjoy the incentives stated in Section 20 of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992".

4.5. The Right to Basic Health Services and Medicines. - The LGUs shall ensure and promote the health of their populace in a rational manner, including the availability of quality primary healthcare services and access to secondary and tertiary healthcare services and public healthcare programs.

The Department of Health (DOH) shall provide the highly specialized level of quality health care in a rational manner as well as technical assistance to LGUs, POs and other members of civil society in effectively implementing programs, projects and services that will promote the health and well-being of every Filipino, especially the poor.

The Philippine Health Insurance Corporation (philHealth), in coordination with the DOH, shall ensure that every Filipino, especially the poor, is covered and entitled to an adequate package of health services. The out-of-pocket expenses of every Filipino, especially the poor, shall be substantially reduced, with the end view of totally eliminating such expenses. The current payment and enrollment mechanisms shall also be reformed.

The DOH, LGUs and Philhealth shall define an expanded primary health package that every citizen is entitled to and can readily avail of. Clear responsibilities must be defined and allocated between the three partners, ensuring also that services provided are consistent with the epidemiological profile and population needs.

4.6. *Other Rights of the Poor.* - All other rights and benefits for the poor provided under existing laws shall remain in full force and effect. Nothing herein shall be construed to diminish the enjoyment of such rights by the poor who shall have the right to avail of the greater rights or benefits offered by existing laws, including those granted under this Act.

SEC. 5. *System for Targeting of Beneficiaries.* - The DSWD, in coordination with NAPC and other relevant government agencies, LGUs, NGOs and POs, shall come up with a single system of classification to be used for targeting beneficiaries of the government's anti-poverty programs and projects to ensure that such programs reach the intended beneficiaries.

SEC. 6. *Funding Requirements.* - The funding for the pro-poor programs and projects implemented under this Act shall be taken from the appropriate programs of the relevant agencies, guided by the Medium Term Expenditure Framework which they develop and submit to the Department of Budget and Management (DBM).

Deficiencies in the existing appropriations of the pro-poor programs in the different departments and agencies shall be included in the General Appropriations Act of the year following the enactment of this Act and thereafter.

SEC. 7. *Rational Allocation of Funds.* - The National Economic and Development Authority (NEDA), in relation with NAPC, shall be principally responsible for the efficient and rational allocation of available funding requirements as may be needed by the different government departments and agencies in implementing the rights of the poor.

SEC. 8. *Private Sector Participation.* - The private sector is highly encouraged to be an active partner for the empowerment of the basic sectors.

As such, the DSWD, DOLE, DepEd, DOH, NAPC, DA, CRED, TESDA, HUDCC, NHA are hereby authorized to solicit donations, aids or grants, in cash or in kind, from *whatever* source, and/or enter partnerships with private/public institutions to meet the demands of the basic rights to food, employment and livelihood, quality education, shelter, basic health services and medicine, and other rights.

SEC. 9. *Donors Tax Exemptions.* - Any donation, contribution or grant which may be made to the programs and projects entered into pursuant to this law shall be exempt from the donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor in accordance with the provisions of the "National Internal Revenue Code of 1997", as amended.

SEC. 10. *Role of the Local Government Unit* - LGUs shall be responsible for the formulation and implementation of local anti-poverty programs and projects in their jurisdictions and ensure that these are consistent with, and complementary to, national programs and projects set forth in the basic rights of the poor as provided in Section 4 of this Act.

LGU's are likewise mandated to include in their Annual Budgets five *per centum* (5%) of the estimated revenue from regular sources for the Anti-poverty program.

SEC. 11. *Joint Congressional Oversight Committee.* - There is hereby created a joint congressional oversight committee to monitor the implementation of this Act, including the achievement of the Millennium Development Goals. The committee shall be composed of five (5) senators and five (5) representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The oversight committee shall be co-chaired by a senator and a representative designated by the Senate President and the Speaker of the House of Representatives, respectively.

The mandate given to the joint congressional oversight committee under this Act shall be without prejudice to the performance of the duties and functions by the respective existing oversight committees of the Senate and the House of Representatives.

SEC. 12. *Implementing Rules.* - The NAPC, in coordination with the government departments and agencies, shall promulgate rules and regulations to carry out the provisions of this Act within three (3) months from its effectivity. The rules shall set priority target areas for the initial implementation of this Act, with the end in view of ensuring the successful replication of the program nationwide.

SEC. 13. *Compliance Report.* - The NAPC, in coordination with all government departments and agencies concerned, shall within six (6) months, from the effectivity of this Act and every six (6) months thereafter, submit a report to Joint Congressional Oversight Committee on the compliance with the provisions of this Act.

SEC. 14. *Separability Clause.* - If any provision of this Act is declared unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SEC. 15. *Repealing Clause.* - All laws, decrees, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 16. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Approved,