

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

Sixteenth Congress
Second Regular Session



House Bill No. **5879**

Introduced by AKBAYAN Representatives
Ibarrta "Barry" M. Gutierrez III and Angelina L. Katoh

EXPLANATORY NOTE

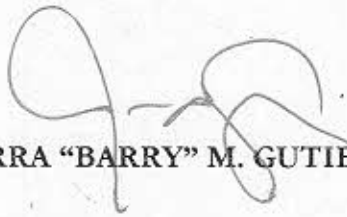
Article II, Section 9 of the *1987 Philippine Constitution* provides that "the State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all."

In 2008, the Department of Social Welfare and Development (DSWD) issued an Administrative Order which laid down the guidelines for the implementation of the *Pantawid Pamilyang Pilipino Program* or the 4Ps. The program seeks to break the inter-generational cycle of poverty by modifying household behaviors that families may invest in the education of their children and their overall welfare. It also seeks to address short-term poverty through direct cash transfers, as well as long-term poverty by investing in human capital among the poor households.

The creation of the 4Ps is heavily influenced by the success of the Conditional Cash Transfer (CCT) Programs in Latin American countries in the late 1990s. These countries have experienced poverty reduction through their CCT Programs, an example being the Bolsa Familia Program of Brazil, which exhibited improved outcomes in children's education, family nutrition, and household wellness.

The contribution of the 4Ps to poverty reduction cannot go unnoticed. This bill seeks to enact a policy which institutionalizes the Conditional Cash Transfer Program in the country by establishing its basic parameters, procedures and mechanisms for its effective implementation.

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



IBARRA "BARRY" M. GUTIERREZ III



ANGELINA L. KATOH

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AN ACT
INSTITUTIONALIZING THE PANTAWID FAMILYANG PILIPINO
PROGRAM (4PS) AND APPROPRIATING FUNDS THEREOF

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

SECTION 1. *Short Title.*—This Act shall be known as the "*Philippine Conditional Cash Transfer Program Act.*"

SECTION 2. *Declaration of Policy.*—The State recognizes the need to strengthen the solidarity of the family and actively promote its total development.

The State further recognizes its obligation to promote 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, promote full employment, a rising standard of living, and improved quality of life for all.

The State, in recognizing its obligation to protect the weak and underprivileged, thus declares it a policy to:

- (a) End poverty and all its forms everywhere;
- (b) End hunger, achieve food security and improve nutrition and promote sustainable agriculture;

(b) End hunger, achieve food security and improve nutrition and promote sustainable agriculture;

(c) Ensure healthy lives and promote well-being for all at all ages;

(d) Ensure inclusive and equitable quality education and promote life-long learning opportunities for all; and,

(e) Achieve gender equality and empower all women and girls.

SECTION 3. *Definition of Terms.*—As used in this Act:

(a) *Child* refers to a minor belonging to the qualified household-beneficiary aged 0-18 years old;

(b) *Conditional Cash Subsidy* refers to the monthly cash grant received by each identified family-beneficiary;

(c) *Department* refers to the Department of Social Welfare and Development;

(d) *Family-Beneficiaries* refer to families identified by the Department for entitlement of the monthly conditional cash transfer

(e) *National Household Targeting Office (NHTO)* refers to the office of the Department which spearheads the implementation of an information management system that identifies who and where the poor are in the country;

(f) *Poor* refers to families whose income falls below the poverty threshold as defined by the National Economic Development Authority (NEDA) and/or cannot afford in a sustained manner to provide their minimum basic needs of food, health, education, housing and other amenities of life.

(g) *Program* refers to the Philippine Conditional Cash Transfer Program more commonly known as the Pantawid Pamilyang Pilipino Program (4Ps) which is the national poverty reduction strategy that provides conditional cash transfer to poor households to improve their health, nutrition and education particularly of children below 18 years of age;

(h) *Responsible Person* refers to the parent or guardian in the qualified family-beneficiary

SECTION 4. *Conditional Cash Subsidy.*—Subject to certain conditions, each qualified family-beneficiary shall receive a conditional cash transfer equivalent to Five Hundred Pesos (PhP500.00) per month for health and nutrition expenses or the equivalent of Six Thousand Pesos (PhP6,000.00) per qualified family-beneficiary per year, and an additional Three Hundred Pesos (PhP300.00) per month per child for educational expenses or the equivalent of Three Thousand Pesos (PhP3,000.00) per a 10-month school year. A maximum of three (3) children per qualified family-beneficiary shall be

allowed: *Provided*, That for families with more than three (3) qualified children, those who are out-of-school shall be prioritized under the program.

SECTION 5. *Selection of Family-Beneficiaries.*—Qualified family-beneficiaries shall be selected from a list of potential family-beneficiaries generated by the National Advisory Council, sourced from the result of the family assessments undertaken by the National Household Targeting Office (NHTO) of the Department. The National Advisory Council shall set the criteria for selection.

The NHTO shall conduct family assessments every three (3) years.

SECTION 6. *Conditions for Entitlement to Cash Subsidy.*—To avail of the Conditional Cash Subsidy, all qualified family-beneficiaries shall comply with the following conditions:

- (a) Pregnant women must get pre- and post-natal care and be attended by a skilled or trained health care professional during childbirth;
- (b) Parents or guardians must attend responsible parenthood sessions, mother's classes and parent effectiveness seminars;
- (c) Children 0 to 5 years old must receive regular preventive health check-ups;
- (d) Children 3 to 5 years old must attend day care or pre-school classes at least 85% of the time;
- (e) Children 6 to 18 years old must enroll in the elementary or high school and attend at least 85% of the time;
- (f) Children 6 to 14 years old must avail of de-worming pills at least every five months;
- (g) Children who are enrolled in high school must attend youth development sessions; and,
- (h) Family-beneficiaries shall join and complete at least two (2) government recognized and/or non-government organization (NGO)-sponsored livelihood training programs.

SECTION 7. *Mode of Cash Transfer.*—The Conditional Cash Subsidy shall be released by the Department bi-monthly and shall be received by the most responsible

person of the family-beneficiary or any of his/her duly authorized representative through the Land Bank Cash Card.

Should transfer through the Cash Card not be feasible, an alternative mode of transfer shall be effected such as over the counter transactions through the nearest Land Bank Branch or off-site payments through the authorized rural bank.

SECTION 8. *Non-Compliance with Conditions.*—A reported family-beneficiary which fails to comply with the conditions set forth in Section 6 of this Act shall at first be notified in writing directed to the responsible person in the family.

If despite due notice, the qualified family-beneficiary continues with non-compliance, the benefits under this Act may be suspended.

Should the qualified family-beneficiary so notified persist in their failure to comply as directed, the cash subsidy shall finally be cancelled after one-year of non-compliance.

SECTION 9. *Periodic Assessment of Amounts of Cash Subsidy.*—The amounts indicated in Section 4 of this Act shall be made available to the qualified family-beneficiaries during the first two (2) years of the implementation of this Act and may thereafter be subjected to reasonable adjustments by the President, if necessary, upon recommendation by the National Advisory Council, after taking into account the rates of inflation and similar economic indicators.

SECTION 10. *Period of Coverage of Beneficiaries.*—Each family-beneficiary shall receive the Conditional Cash Subsidy until their youngest child-beneficiary or the 3rd child-beneficiary has reached eighteen (18) years old.

SECTION 11. *Lead Agency.*—The Department shall serve as the central planning, coordinating, implementing and monitoring body of the program.

In the implementation of this Act, the Department shall have the following functions:

- (a) Select and use an appropriate, effective and cost efficient method devised for the purpose of identifying and selecting qualified family-beneficiaries;

SECTION 10. *Period of Coverage of Beneficiaries.*—Each family-beneficiary shall receive the Conditional Cash Subsidy until their youngest child-beneficiary or the 3rd child-beneficiary has reached eighteen (18) years old.

- (b) Identify and select the target family-beneficiaries on the basis of a uniform objective and transparent selection process;
- (c) Conduct seminar-workshops and training programs in order to ensure qualified family-beneficiary awareness of the conditions and other actions pertinent to this Act;
- (d) Coordinate with different national and local agencies, including organizations from the private sector to effect convergence towards the full implementation of statutory commitments herein;
- (e) Set up monitoring and evaluation systems and methodologies on compliance of conditions, implementation of operations, and output and impact assessments;
- (f) Coordinate with the National Advisory Council to recommend to the President measures and policies for the responsive implementation of the commitments under this Act;
- (g) Coordinate with different national and local agencies to maintain and update objective poverty maps which will be checked and cross-checked periodically for duplications and inaccurate or erroneous information;
- (h) Formulate implementing rules and guidelines for the enforcement of this Act;
- (i) Submit an annual report to Congress including, but not limited to, all aspects of its operations, financial status and other relevant data; and
- (j) Perform such other functions as may be necessary or incidental to the proper enforcement of the statutory commitments under this Act.

SECTION 12. *Grievance Committee.*—A grievance committee shall be organized at the national, regional and municipal levels to provide quick access to and due process in resolving non-compliance and complaints, and to promote a graft-free program by evolving a transparent approach in resolving grievances particular to meeting the conditions of the program. The Grievance Committee shall be composed of representatives from the Department of Education, Department of Health, Department of Interior and Local Government, National Anti-Poverty Commission, and the Local Government Unit concerned with the principal task of accepting complaints and grievances that may arise within their respective territorial jurisdictions, conducting investigations in specific cases and disposing cases filed in connection thereto.

enforcement of the statutory commitments under this Act

SECTION 13. *Transparency and Accountability.*

(a) The Department of Education, Department of Health, Department of Interior and Local Government, National Anti-Poverty Commission, and the Local Government Unit concerned with the principal task of accepting complaints and grievances that may arise within their respective territorial jurisdictions, conducting investigations in specific cases and disposing cases filed in connection thereto.

and compliance and complaints, and to promote a graft-free program

SECTION 13. *Advisory Council.*—An advisory council shall be created at the municipal, regional and national levels to be headed by the National Anti-Poverty Commission and may be composed of representatives from the Department of Social Welfare and Development, Department of Education, Department of Health, Philippine Health Insurance Corporation, Department of Interior and Local Government, Department of Trade and Industry, Technical Education and Skills Development Authority, Department of Labor and Employment, the Local Government Unit concerned, and accredited non-government organizations, as members. The Advisory Council is principally tasked to cooperate and coordinate with the Department in the monitoring and assessment of actions and activities relative to the implementation process.

SECTION 14. *Independent Monitoring Committee.*—An Independent Monitoring Committee at the municipal, regional and national levels composed of representatives from the private sector and Civil Society Organizations (CSOs) shall be created.

The Independent Monitoring Committee is principally tasked to complement the monitoring activities of the Department and provide feedback thereto for proper action.

SECTION 15. *Modified Program for Indigenous Peoples Communities.*—A modified Conditional Cash Transfer Program for Indigenous Peoples (IP) communities shall be implemented separately by the Department. A different set of conditions shall be identified by the National Advisory Council in consultation with the National Commission on Indigenous Peoples (NCIP).

SECTION 16. *Appropriations.*—The funds necessary for the implementation of this Act shall be included in the yearly budget allocation of the Department as provided for under the General Appropriations Act.

SECTION 17. *Penalties.*—Any person, public or private, whether acting in conspiracy with the public officials or not, who by act or omission, inserts or allows the insertion of data or false information or who diverts from what ought to be found in the registry, with the view of altering the fact, or aiding in the grant of the money to persons other than the qualified household-beneficiaries, shall be held criminally liable, subject to a

on the view of altering the fact, or aiding in the grant of the money to persons other than the qualified household beneficiaries, shall be held criminally liable, subject to a penalty of imprisonment of up to 6 years and/or a fine of up to fifty thousand pesos (PhP50,000.00), without prejudice to any administrative action that may be taken against the offender, in accordance with the implementing rules and regulations.

Without prejudice to penal sanctions, the beneficiary who fraudulently uses the benefit shall be obliged to effect reimbursement of the amount received with interest of one (1%) percent every month.

SECTION 18. *Implementing Rules and Regulations.*—Within sixty (60) days from the effectivity of this Act, the Secretary of the Department shall promulgate the rules and regulations necessary for the effective implementation of this Act.

SECTION 19. *Separability Clause.*—If any part, section or provision of this Act is held invalid or unconstitutional, other provisions not affected thereby shall remain in full force and effect.

SECTION 20. *Repealing Clause.*—All laws, decrees, orders, rules and regulations or other issuances, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

SECTION 21. *Effectivity.*—This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved, _____
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