

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. **4348**



INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP

EXPLANATORY NOTE

After its Family Income and Expenditure Survey (FIES), the Philippine Statistics Authority (PSA) reported that poverty incidence among Filipinos in 2015 was estimated at 21.6 percent. On the other hand, subsistence incidence among Filipinos, or the proportion of Filipinos whose incomes fall below the food threshold, was estimated at 8.1 percent in the same year.

While the annual poverty incidence has been on the decline, it remains very, very high. Based on the above statistics, 1 out of 5 Filipinos are poor with almost 1 in 10, extremely poor. There is therefore a drastic need to improve on the anti poverty services of the government.

Under Republic Act 8425, also known as the Social Reform and Poverty Alleviation Act of 1997, the National Anti-Poverty Commission (NAPC) was established. The NAPC was to serve as the coordinating and advisory body for the implementation of the social reform and poverty alleviation agenda. The more significant function of NAPC, however, is the monitoring of the People's Development Trust Fund (PDTF), established under Article 10 of RA 8425.

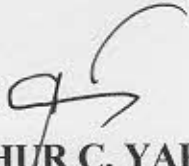
The PDTF, which was in the amount of four billion and five hundred million pesos (P4,500,000,000.00), was funded primarily from the earnings of the PAGCOR. The fund was basically for the purpose of developing microfinance institutions as part of the poverty alleviation mandate of NAPC.

Over the years, however, the capacity of NAPC to undertake this very important function has been put into question. As a mere coordinating body, the NAPC became just another dispensable layer of the government bureaucracy. Moreover, the PDTF has been limited by its purpose and not to address the holistic issue of poverty alleviation.

Under this draft measure, the Anti Poverty Fund is created. The Department of Social Welfare and Development (DSWD), the government agency in the forefront of the fight against poverty, is designated to manage the fund.

The PDTF shall become from part of the core of the Anti Poverty Fund. The long standing anti poverty program of the DSWD, the Kalahi-CIDSS, otherwise known as the Kapit-Bisig Laban saKahirapan-Comprehensive and Integrated Delivery of Social Services, started in 2003 during the term of then President Gloria Macapagal Arroyo, shall be the principal poverty alleviation program of the Fund. In its dispensation, the KALAH-CIDSS' community-driven development (CDD) approach, a globally recognized strategy for achieving service delivery, poverty reduction, and good governance outcomes, shall be institutionalized.

In this respect that the immediate passage of the measure is earnestly sought.



ARTHUR C. YAP
Representative

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INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP

**AN ACT
CREATING AN ANTI-POVERTY FUND, ABOLISHING
THE PEOPLE'S DEVELOPMENT TRUST FUND (PDTF),
ESTABLISHED UNDER REPUBLIC ACT NO. 8425,
OTHERWISE KNOWN AS THE "SOCIAL REFORM
AND POVERTY ALLEVIATION ACT OF 1997",
APPOINTING THE DEPARTMENT OF SOCIAL
WELFARE AND DEVELOPMENT (DSWD) AS ITS
MANAGER, APPROPRIATING ADDITIONAL FUNDS
THEREFOR, AND FOR OTHER PURPOSES**

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “Anti
2 Poverty Fund Act of 2016”.

3 **SECTION 2. *Declaration of Policy.***– It is hereby declared the policy
4 of the State to create a fund that would eliminate the incidence of or alleviate
5 poverty. The State shall likewise institutionalize strategies, plans and
6 programs in order to achieve the purpose of the fund with swiftness and with
7 cost efficiency.

8 **SECTION 3. *Creation of the Anti Poverty Fund.***– There is hereby
9 created an Anti Poverty Fund, hereinafter the “Fund”, for the poverty
10 alleviation program of the Department of Social Welfare and Development
11 (DSWD).

12 For this purpose, the Kapit-Bisig Laban sa Kahirapan-Comprehensive
13 and Integrated Delivery of Social Services of the DSWD shall be integrated
14 into the poverty alleviation programs of the Fund.

15 The People's Development Trust Fund (PDTF) established under
16 Section 10 of Republic Act 8425, otherwise known as the “Social Reform
17 and Poverty Alleviation Act of 1997”, shall be abolished. The remaining
18 PDTF, with the principal amount of Four Billion and Five Hundred Million
19 Pesos (Php4,500,000,000.00), including all of its interest earnings,
20 additional appropriations from Congress and other government agencies,
21 additional voluntary contributions, grants, gifts from all sources shall be
22 transferred to the Fund.

23 An additional Five Billion Pesos (Php 5,000,000,000.00) shall be
24 added to the Fund from the earnings of the Philippine Amusement and
25 Gaming Corporation, within a three (3) year period.

1 **SECTION 4. *Purposes of the Fund.***– Other than the microfinance
2 and other purposes of the PDTF under Section 10 and 11 of Republic Act
3 No. 8425, the Anti Poverty Fund, shall be utilized to fund poverty alleviation
4 projects, plans and programs of the DSWD; Provided that, the Conditional
5 Cash Transfer (CCT) Program or any of its related or incarnate program
6 shall be excluded.

7 In identifying and implementing projects to be financed by the fund,
8 the following shall be the guiding principles:

9 1. Localized decision-making. Communities decide on which projects
10 will be implemented.

11 2. Empowering. People are capacitated so they will become better
12 prepared in managing community issues and problems, as well as in the
13 planning, mobilization, implementation, and resource management of their
14 projects.

15 3. Transparent. A multi-level monitoring system is followed, wherein
16 NGOs, media, and other groups are encouraged to do independent
17 monitoring of DSWD.

18 4. Community prioritization. The participating barangays are tasked with
19 submitting a proposal about their chosen projects. The community will then
20 evaluate these proposals and identify which of these will be prioritized for
21 funding.

22 5. Inclusive and multi-stakeholder. Everyone in the barangay is involved
23 in every step of the process of project implementation, from the creation of
24 the proposal to the implementation and management of the project.

1 6. Demand-driven. Communities are encouraged to prioritize their own
2 needs, participate in the design of their own projects, and make decisions on
3 how resources are used.

4 7. Simple. All procedures and components of the project are kept simple
5 to enable all stakeholders to easily understand and become fully
6 involved in the Project.

7 8. Sustainable. All barangay projects will have viable long-term plans
8 for operations and maintenance and sustainability.

9 **SECTION 5. *Management of the Fund.***– The management of the
10 fund shall be vested with the Department of Social Welfare and
11 Development. For this purpose, the power to monitor by the National Anti-
12 Poverty Commission (NAPC) under Section 10 of Republic Act No. 8425
13 shall be removed.

14 The Secretary of Social Welfare and Development shall be directly
15 responsible for the efficient and effective administration of the Fund. He/
16 she shall:

17 a. Promulgate, implement and enforce the rules and regulations
18 governing the use, operation, and investment of the Fund;

19 b. Establish the requirements for project initiation and funding;

20 c. Design ways and means for its replenishment;

21 d. Designate or appoint officers and staff of standing committees
22 for the Fund from among the regular personnel of the agency, and prescribe
23 their duties, and responsibilities;

1 e. Create and constitute regional offices if and when the size and
2 spread of operations so warrant and delegate such functions as may be
3 necessary;

4 f. Determine sanctions/liabilities of officers managing the Fund
5 and of violators of the rules and regulations of the Fund; and

6 g. Perform such other functions as may be necessary to carry out
7 the objectives and purposes of this Act.

8 **SECTION 6. *Accounting and Auditing Requirements.*** — The Fund
9 and its operations shall be subject to existing accounting and auditing rules
10 and regulations.

11 **SECTION 7. *Reportorial Requirement.*** — The Secretary shall submit
12 to Congress an annual report on the operation of the Fund and its financial
13 condition at the end of each year, copy furnished the Office of the President
14 and the Department of Budget and Management.

15 **SECTION 8. *Implementing Rules and Regulations.*** — The DSWD
16 shall issue the necessary implementing rules and regulations within sixty
17 (60) days from the issuance of this Act.

18 **SECTION 9. *Separability Clause.*** - If any provision of this Act, or
19 any part thereof, is declared unconstitutional, the same shall not affect the
20 validity and effectivity of the other portions.

21 **SECTION 10. *Repealing Clause.***- All laws, executive orders,
22 presidential decrees, proclamations, rules, regulations, issuances and
23 enactments of part thereof inconsistent with this Act are hereby repealed or
24 modified accordingly.

1 **SECTION 11.***Effectivity.*- This Act shall take effect fifteen (15)
2 days from its complete publication in the Official Gazette or in a newspaper
3 of general circulation in the Philippines, whichever comes earlier.

APPROVED.