

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

House Bill No. 6536



Introduced by AKBAYAN Party-List Representative Tomasito S. Villarin

EXPLANATORY NOTE

Income inequality in the Philippines is considered one of the highest in the world. One in five Filipinos cannot make ends meet and many poor families are still not able to send their children to school because they cannot afford to buy notebooks, pencils and other necessities, even if public schools are free.

If this trend continues, the gap between the poor and the rich will further widen.

To arrest this, the government through the Department of Social Welfare and Development (DSWD) implemented a Conditional Cash Transfer (CCT) Program called the Pantawid ng Pamilyang Pilipino Program or 4Ps in 2007. During this time, the 4Ps initially covered 6,000 families only. By December 2016, the program was already reaching 20 million Filipinos representing 4.4 million families.

It is noteworthy to mention that CCT programs like the 4Ps are currently being implemented in more than 70 countries, including developed ones, and even in cities as advanced as New York City.

Based on a 2015 World Bank evaluation, the 4Ps had an estimated poverty reduction impact of 1.4 percentage points per year. In other words, without the 4Ps, there would have been 1.5 million more Filipinos in poverty.

Significant improvements in the health situation and educational attainment of children-beneficiaries were also noted during the 4Ps implementation period. Access to healthier food resulted in a 10% reduction in severe stunting among children. Latest DSWD data also shows that there is nearly universal enrollment for elementary-age children among 4Ps families and that of the 333,673 who graduated from High School in 2015, 13,400 graduated with honors.

Previous DSWD, World Bank and MIT research studies, likewise, have found overwhelming evidence that CCTs do not discourage people from seeking work. In fact, 4Ps beneficiaries are 5% more likely to seek work than non-beneficiaries. Spending on vices such as alcohol and tobacco is also nearly 40% lower among 4Ps families.

This bill seeks to address the inequality in Philippine society by institutionalizing the 4Ps to break the inter-generational cycle of poverty through investment in human capital and the delivery of basic services to the poor.

Thus, the approval of this bill is earnestly sought.

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by several vertical strokes and a horizontal line at the end.

TOMASITO S. VILLARIN

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Introduced by **AKBAYAN** Party-List Representative **Tomasito S. Villarín**

AN ACT
INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO PROGRAM
(4Ps) TO REDUCE POVERTY AND PROMOTE HUMAN CAPITAL
DEVELOPMENT AND PROVIDING FUNDS THEREFOR

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

SECTION 1. Short Title. – This Act shall be known as the “Pantawid Pamilyang Pilipino Program (4Ps) Act”.

SEC. 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 an improved quality of life for all.

The State furthermore recognizes the need to protect the poor; thus, the State hereby declares it a policy to:

- a. provide assistance to the poor to alleviate their immediate needs;
- b. break the intergenerational cycle of poverty through investment in human capital and improved delivery of basic services to the poor, particularly education, health and nutrition;
- c. promote gender equality and empowerment of women;
- d. achieve universal primary education;
- e. reduce child mortality; and
- f. improve maternal health.

SEC. 3. Definition of Terms. – As used in this Act:

- a. *Case Management* refers to a process used by the Department of Social Welfare and Development (DSWD) to enable the household-beneficiaries improve their functioning by dealing with their difficulties specifically in complying with the conditionalities of the program;

b. *Compliance Verification* refers to the checking and monitoring done to ensure that the qualified household-beneficiaries comply with conditions for entitlement set forth by the Pantawid Pamilyang Pilipino Program;

c. *Conditional Cash Grant* refers to the amount being received by the qualified household-beneficiaries who comply with the conditions for entitlement;

d. *Extremely Poor* refers to households, duly identified by the standardized targeting system, whose income falls short of enabling them to provide even just their nutritional requirements;

e. *Grantee* refers to the most responsible adult member of the qualified household-beneficiary authorized to receive the conditional cash transfer;

f. *Grievance Redress System* refers to the mechanism of the DSWD which addresses and resolves issues and concerns related to the implementation of the Program;

g. *Health Facility* refers to a barangay health station, rural health unit or primary hospital;

h. *Health Service Providers* refer to barangay health workers, barangay nutrition scholars and midwives;

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

j. *Preventive Health Check Up* refers to health services comprising of complete immunization, deworming, weight monitoring and management of childhood diseases;

k. *Program* refers to 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;

l. *Qualified Household-Beneficiaries* refer to households identified by the DSWD for entitlement of the monthly conditional cash grant;

m. *Responsible Person* refers to the parent or guardian in the qualified household-beneficiary; and

n. *Standardized Targeting System* refers to a system for identifying who and where the poor households are through the generation of socio-economic database of poor households that is adopted by national government agencies and implemented by the DSWD.

SEC. 4. Selection of Qualified Household-Beneficiaries. - On a nation-wide basis, the Department shall select qualified household-beneficiaries using a standardized targeting system. The DSWD shall conduct a revalidation of targeting of beneficiaries every three (3) years.

SEC. 5. Local Verification Committee. - A Local Verification Committee shall be created in every municipality or city composed of two (2) local government unit representatives, an accredited health-service provider from the barangay, a representative of an accredited (3) civil society

organization, and the school head as designated by the Department of Education (DepEd).

The Committee shall be tasked to ensure that the initial list of beneficiaries satisfies the eligibility requirements set forth under this Act.

SEC. 6. Eligible Beneficiaries. - To be eligible for the cash grants, households must meet the following criteria:

1. Those belonging to the extremely poor household classification as defined by the poverty threshold of the municipality/province based on the issuance of the National Statistical and Coordination Board (NSCB) at the time of selection; or those households from the informal settlers sector, who will be displaced by the clearing and relocation operations of the government: Provided, That those residing in danger areas like esteros, riverbanks, waterways, shorelines, garbage dumps, and railroad tracks shall be given priority;

2. Those households which, at the time of registration into the program, have members who are aged 0 to 18 years old or have members who are pregnant; and

3. Those who are willing to comply with the conditions specified by this Act.

SEC. 7. Conditional Cash Transfer. - Subject to certain conditions, each qualified household-beneficiary shall receive the following:

1. A conditional cash transfer equivalent to Five hundred pesos (Ph P500.00) per month for health and nutrition expenses or the equivalent of Six thousand pesos (PhP6,000.00) per qualified household-beneficiary per year. The health/nutrition grant component aims to promote healthy practices and family development, improve the nutritional status of young children, and increase the use of health services by the household-beneficiary. The health grant is a fixed amount and does not depend on the number of members in the household.

2. A maximum of three (3) children per qualified household-beneficiary shall be given conditional cash grants for educational expenses:

a. Three hundred Pesos (P300.00) per month per child enrolled in elementary or the equivalent of Three thousand pesos (PhP3,000.00) per a 10-month school year;

b. Five hundred Pesos (P500.00) per month per child enrolled in junior high school or the equivalent of Five thousand pesos (P5,000.00) per a 10-month school year; and

c. Seven Hundred Pesos (P700.00) per month per child enrolled in senior high school or the equivalent of Seven thousand pesos (P7,000.00) per a 10-month school year.

In the event that the child is already above 18 years old but is enrolled in or still wishes to continue his/her elementary or secondary education, he/she shall be provided with the education grant until senior high school is completed.

SEC. 8. Conditions for Entitlement. – All qualified household-beneficiaries shall comply with the following conditions as a requirement for continued program eligibility:

a. children zero (0) to five (5) years old must receive regular preventive health check-ups and vaccinations;

b. children six (6) to thirteen (13) years old must avail of de-worming pills at least twice a year;

c. children three (3) to five (5) years old must attend day care or pre-school classes at least fifty percent (50%) of the time;

d. children must attend elementary or high school classes at least eighty-five percent (85%) of the time;

e. pregnant women must avail of pre- and post-natal care and give birth with the assistance of a skilled or trained health care professional in a health facility;

f. at least one (1) responsible person of the household-beneficiary must attend family development sessions conducted by the DSWD, at least once a month;

SEC. 9. Forfeiture of Grant. – The payment of cash grants will be terminated if a household-beneficiary no longer meets the eligibility criteria provided in Section 6 of this Act and/or does not comply with the conditions set forth in Section 8 of this Act.

The responsible person of a reported qualified household-beneficiary who fails to comply with the conditions set forth in Section 8 of this Act shall at first be notified in writing. After four (4) months of noncompliance, the household-beneficiary shall be subject to case management. If, despite the case management, the qualified household-beneficiary continues with noncompliance, the benefits under this Act may be suspended.

Should the qualified household-beneficiary so notified persist in not complying with the conditions within a period of one (1) year, the conditional cash grant shall be cancelled.

SEC. 10. Mode of Cash Transfer. – The conditional cash transfer shall be made by the DSWD. The conditional cash grant shall be received by the grantee or any of the grantee's duly authorized representative on a bi-monthly basis through an authorized government depository bank duly identified by the DSWD, using different appropriate payment modes, including cash card, over-the-counter transaction, money remittance services, conduit rural banks, and cooperatives.

SEC. 11. Periodic Assessment. – The amounts indicated in Section 7 shall be made available to the qualified household-beneficiaries during the first two (2) years of the implementation of this Act and reasonable adjustments may thereafter be made by the President, if necessary, upon recommendation by the DSWD, after taking into account the rates of inflation and similar economic indicators.

The grant rates may be adjusted by the DSWD if warranted by the changes in the socio-economic conditions existing at the time. The DSWD

shall ensure that the grant rates are sufficient to make a positive impact on the health, nutrition and education of grantees: provided, that DSWD shall ensure that the grant will not serve as disincentive for family members to work and improve their economic conditions.

SEC. 12. Lead Agency. - The DSWD 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 household-beneficiaries;

b. identify and select the target household-beneficiaries on the basis of a uniform, objective and transparent selection process;

c. conduct seminar-workshops and training programs in order to ensure qualified household-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 ensure 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. It shall also coordinate with the Advisory and Monitoring committees at the national, regional and municipal levels to verify compliance once a month using the monitoring and evaluation systems designed for the purpose;

f. recommend to the President measures and policies for the responsive delivery 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 implementation of the provisions of this Act.

To ensure the effective implementation of the program, the DSWD shall closely coordinate with the Department of Education (DepEd) and the Department of Health (DOH), as regards the household-beneficiaries' availment of education and health services.

SEC. 13. Program Monitoring and Evaluation - The DSWD, together with the DepEd and DOH, shall conduct a periodic impact evaluation study to assess the overall effectiveness of the program in meeting its health and education objectives, and to address leakages to further improve the delivery of

the program. The Secretary of DSWD shall furnish a copy of the results of the study to Congress.

Sec. 14. *Advisory Council.* – An Advisory Council shall be created at the municipal, regional and national levels to be headed by the DSWD and may be composed of representatives from the Department of Education, Technical Education and Skills Development Authority, Department of Health, Philippine Health Insurance Corporation, Department of Interior and Local Government, Department of Trade and Industry, Department of Labor and Employment, National Anti-Poverty Commission, the Presidential Commission for the Urban Poor, the local government unit concerned, and accredited NGOs, as members.

The Advisory Council is principally tasked to monitor and assess actions and activities relative to the implementation of the program. It shall also serve as a Grievance Committee tasked to accept complaints and grievances that may arise within their respective territorial jurisdictions, conduct investigation in specific cases and dispose cases filed in connection thereto, using the Grievance Redress System.

SEC. 15. *Independent Monitoring Committee.* – An Independent Monitoring Committee at the national level composed of representatives from the private sector and Civil Society Organizations (CSO) shall be created.

The Independent Monitoring Committee is principally tasked to complement the monitoring activities of the DSWD and provide feedback thereto for proper action. It shall submit a report on the results of its monitoring activities relative to the implementation of the program to the Advisory Council.

SEC. 16. *Sustainability and Convergence of Programs and Services.* – A multi-stakeholder and inter-agency convergence of programs and services shall be implemented, focusing on the different needs of the household-beneficiaries during their coverage under the program, beyond education and health services, and preparing the household-beneficiaries for their transition after the maximum limit for the receipt of the cash grant, or any earlier exit from the program. The convergence of programs and services, and the preparation and implementation of a transition program, shall focus on the enhancement of operational efficiency and strengthening of inter-agency partnerships for greater impact and sustainability of outcomes.

SEC. 17. *Appropriations.* – The amount necessary to carry out the provisions of this Act shall be charged against those authorized in the current and subsequent General Appropriations Acts.

SEC. 18. *Grievance Redress System* – The Department shall develop a Grievance Redress System that will address complaints regarding implementation of this program.

SEC. 19. *Penalty.* – The following penalties shall be imposed:

A fine of five thousand peso (P5,000) and suspension for two (2) weeks without pay in addition to any administrative penalty that may be imposed shall be levied to a social workers who threatens to remove the beneficiaries or offer to include non qualified beneficiaries;

A fine of ten thousand peso (P10,000) or the penalty of *arresto mayor* shall be levied to a government employee or local government official who uses

his or her position to include or remove beneficiaries in exchange for other services not included as conditionalities of this Act;

A fine of five thousand peso (P5,000) and removal from the program shall be levied to a beneficiaries who will transfers his or her grant under the program thought fraudulent or deceitful means against the government;

A fine of five thousand peso (P5,000) in addition to administrative penalty that may be imposed, and suspension for two (2) weeks if he or she is a government employee, shall be levied to any individual who will falsifies information or aids in the falsification with a purpose of manipulating compliance of the conditionalities for the cash transfer.

SEC. 20. Joint Congressional Oversight Committee. - Upon the effectivity of this Act, a congressional oversight committee, hereafter to be referred to as the 4Ps Committee, is hereby constituted. The 4Ps Committee shall be composed of fourteen (14) members with the chairpersons of the Committee on Poverty Alleviation of the House of Representatives, and the Committee on Social Justice, Welfare and Rural Development of the Senate and six (6) additional members from each House, to be designated by the Speaker of the House of Representatives, and the Senate President, respectively. This Committee is principally tasked to set the overall framework to monitor and ensure the proper implementation of this Act. It will likewise determine inherent weaknesses in the law and recommend necessary remedial legislation or executive measures.

SEC. 21. Implementing Rules and Regulations. - Within thirty (30) days from the effectivity of this Act, the Secretary of Social Welfare and Development shall, in coordination with appropriate government departments and agencies, with the participation of the local government units, promulgate the necessary rules and regulations to carry out the provisions of this Act.

SEC. 22. Separability Clause. - If any provision or part of this Act is held unconstitutional or invalid, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 23. 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.

SEC. 24. Effectivity. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,