

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4407



INTRODUCED BY REP. MAXIMO, JR. Y. DALOG

EXPLANATORY NOTE

The Community Driven Development (CDD) Institutionalization bill seeks to address the lack of an enabling policy, a national strategy and its mechanisms for community empowerment, by enhancing capacities for community participation, especially the poor, vulnerable, disadvantaged, and marginalized, in the local development process.

It reinforces the value of participatory governance by complementing the Local Government Code (LGC) which mandates Local Government Units (LGU), among others, to provide basic services to constituents, by specifying the mechanisms by which the principles stipulated in the latter can be operationalized and sustained for developing self-reliant communities.

Current mechanisms of the Local Government Code to promote participation is limited to representation in local development councils and local special bodies. Article 63 of the Local Government Code states that Civil Society Organizations, academe, and similar representatives must comprise at least 25% of the membership of the Local Special Bodies. The CDD bill offers a step-by-step process and ready technologies that were all proven to be effective in stirring lasting active citizenship. It allows even residents who are not part of organizations to have a voice.

With the approval of the Whole of Nation Approach and the Magna Carta of the Poor, the CDD approach aims to achieve community empowerment by encouraging citizens to take active roles in the community by providing them with control over decisions and over resources in their local development process. This will enable community members to take charge of their development and stimulate constructive partnership between community governments (barangay LGU) and community members in local development planning and budgeting. This partnership is aimed to produce community action plans which will be harmonized with LGU and pertinent National Government Agencies' (NGA) programs and budgets for implementation.

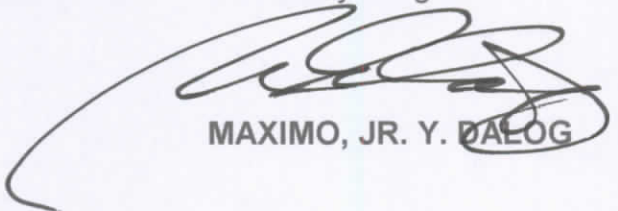
The Department of Social Welfare and Development (DSWD), through Kapit-Bisig Laban sa Kahirapan Comprehensive and Integrated Delivery of Social Services (Kalahi-CIDSS), has demonstrated success in delivering basic social services, empowerment and governance outcomes making significant contribution in poverty alleviation, community empowerment and participatory local governance.

CDD complements the national infrastructure development programs of the Government, such as the '*Build Build Build*' Program, that seeks to reduce poverty through massive infrastructure campaign. Since this program will not actually include small community infrastructures, those that will go to geographically isolated and disadvantaged areas, CDD shall be the mechanism to ensure that no one is left behind in economic and social development.

Towards this end, the policy advocacy initiatives are:

- Institutionalization of the CDD approach as a national strategy for inclusive growth and social protection; putting communities at the center of all development plans, budgets and strategies by mandating all national government agencies and departments, including their attached agencies, offices and bureaus, local government units, and other government instrumentalities to implement their community-based programs, activities, and projects to promote participation and empowerment of poor, vulnerable, disadvantaged, and marginalized communities and groups within communities;
- Institutionalization of the Kalahi-CIDSS as a CDD program of the government for community empowerment that invests in providing capacities and opportunities for community members, particularly the poor, vulnerable and disadvantaged, to effectively participate in the planning, budgeting, and implementation of community-identified programs, plans, and projects;
- Creation of an Inter-Agency Advisory Council on CDD Institutionalization to develop policies relative to the implementation of this Act; and
- Creation of a CDD Knowledge and Resource Institute (CDD KRI) as the center for continuing research and technology development, partnership development, policy advocacy, resource mobilization, capacity-building of communities, Community Based Organizations, LGUs, NGAs and other development stakeholders, and monitoring and evaluation, to ensure the effective institutionalization and operationalization of the CDD framework as a strategy for inclusive growth and social protection.

In view of the foregoing consideration, approval of this bill is earnestly sought.



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**AN ACT INSTITUTIONALIZING THE COMMUNITY-DRIVEN DEVELOPMENT
APPROACH AS A NATIONAL STRATEGY FOR INCLUSIVE GROWTH AND
SOCIAL PROTECTION, MANDATING ALL NATIONAL GOVERNMENT
AGENCIES, INCLUDING THEIR ATTACHED AGENCIES, OFFICES AND
BUREAUS, LOCAL GOVERNMENT UNITS, AND OTHER GOVERNMENT
INSTRUMENTALITIES TO IMPLEMENT THEIR COMMUNITY-BASED
PROGRAMS, ACTIVITIES, AND PROJECTS, APPROPRIATING FUNDS
THEREFOR**

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

SEC. 1 Short Title. – This Act shall be known as the Community-Driven Development (CDD) Institutionalization Act.

SEC. 2. Declaration of Policies. The 1987 Constitution establishes the right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision-making shall not be abridged. The State shall, by law, facilitate the establishment of adequate consultation mechanisms (Article XIII, Section 16). Towards this end, and in pursuit of inclusive growth, social protection, community empowerment, and poverty reduction, the State shall enact programs that provide capacities and opportunities for community members — particularly the poor, vulnerable and disadvantaged — to effectively participate in the design, planning, budgeting, and implementation of community identified programs, plans, and projects.

Sec. 3. Definition of Terms. For the purpose of this Act, the following terms are defined, as follows:

1. *Ancestral Domain Sustainable Development and Protection Plan (ADSDPP)* refers to a long-term plan that embodies the goals and objectives, policies and strategies as well as programs, projects of Indigenous Cultural Communities (ICCs)/Indigenous Peoples (IPs) for the sustainable development and management of their ancestral domain and all resources therein including

- human and cultural resources such as their indigenous knowledge, systems and practices (NCIP AO No. 01, Series of 2014)
2. *Barangay Assembly (BA)* refers to a gathering of barangay residents who are Filipino, at least 15 years old and above, and listed in the barangay records as members of the BA (RA 7160)
 3. *CDD Community of Practice (CDD CoP)* refers to a community of CDD practitioners, which is comprised of agencies, non-governmental organizations, academic and research institutions, and individuals, that share the commitment and passion for CDD, and together strive to advance its practice through regular and purposive interaction
 4. *Community* refers to a group of people living in a particular locality or geographical area, the location in which interventions are implemented. It may be a barangay, ancestral domain, or specific subsets thereof
 5. *Community action plan* refers to plans formulated by community members as a result of a participatory activity where communities identify their key problems and development challenges and identify solutions that can be implemented to address these challenges
 6. *Community-based financial management* refers to the management and direct control by the community members or groups of funds associated with a community identified and managed project
 7. *Community-based procurement* refers to an approach in implementing Negotiated Procurement-Community Participation modality whereby the Barangay Local Government Unit (BLGU) and/or the community group(s) directly and/or jointly manage the planning, procurement, implementation and monitoring of community-based projects. This can be used interchangeably with the community-based procurement
 8. *Community-Based Programs* refers to programs, activities, or projects that are organized and implemented locally. By design, community-based programs invite community members or groups to actively design, plan, and implement intervention strategies to address community-identified plans and needs
 9. *Community control of resources* refers to the utilization and management of the resources by the community members or groups based on community-identified plans and needs
 10. *Community-Driven Development* refers to a development approach that gives control of development process, decisions-making, and resources to community members or groups in the locality. It treats people as assets and partners in the development process, building on their institutions and resources
 11. *Community Empowerment* refers to a process of enabling community members and groups to increase control over the factors and decisions that shape their lives. It is the process by which they increase their assets and attributes, and build capacities to gain access, partners, networks, and voice, in order to gain control. It is more than the involvement, participation or engagement of communities. It implies community ownership and collective action towards a specific objective, in this case local development
 12. *Community focus* refers to programs, activities, or projects that put primacy on the whole community
 13. *Community grants* refers to the financial assistance provided to communities implementing the Kapit-Bisig Laban sa Kahirapan Comprehensive and Integrated Delivery of Social Services (Kalahi-CIDSS) program. It can be in a

form of planning or investment grant and will be used to fund community project proposals.

14. *Community-managed implementation* refers to execution, implementation, monitoring, and contract management of community-identified projects by community members or groups, with assistance from the Local Government Units (LGUs) and other local partners
15. *Community members* refers to all the residents of the locality, the barangay, ancestral domain, or specific subsets thereof
16. *Community Organizing* refers to a longer-term engagement and empowerment process by which members of communities are brought together to act collectively on their shared interests, to identify community problems and solutions, and to take action. The long-term objectives of community organizing are to develop the internal capabilities and to increase decision-making power and influence of underrepresented groups in the community
17. *Community Project Management Committee (CPMC)* refers to a group of community volunteers elected by the community members to provide overall management of the community-based projects and oversee implementation, monitoring, completion, maintenance, and sustainability
18. *Displaced population* refers to people being forcefully moved from their locality or environment and occupational activities. It is a form of social change caused by a number of factors such as armed conflict, natural disaster, famine, development and economic changes (DSWD MC No. 10, Series of 2017)
19. *Geographically Isolated and Disadvantaged Areas (GIDA)* refers to communities with marginalized population physically and socio-economically separated from the mainstream society and characterized by physical factors (isolated due to distance, weather conditions and transportation difficulties – island, upland, lowland, landlocked, hard-to-reach and unserved/underserved communities) and socio-economic factors (high poverty incidence, presence of vulnerable sector, communities in or recovering from situation of crisis or armed conflict) (Bureau of Local Health Development, DOH)
20. *Graduation Year* refers to the final year wherein the Kalahi-CIDSS program is committed to provide formal programmatic support to a community because it will transition to a fully LGU-led implementation of community-driven development programs
21. *Horizontal and vertical linkages* refers to the alignment of funding allocation and technical support of national government sector agencies with the identified needs of communities, as integrated in various local development plans, and the ability of the community members and groups to access funding resources and technical support from various agencies and institutions. The aim is to ensure the complementation of plans and strategies by different agencies and institutions that is anchored on evidence-based and participatory planning
22. *One Social Preparation* refers to the harmonized social preparation process of various Social Welfare Development programs. It refers to the conduct of common activities at the community level for community assessment, identification of needs and interventions, and the preparation of community action plans, which will be the basis for funding by different development stakeholders
23. *Participatory monitoring and evaluation* refers to a process through which stakeholders at various levels of the community engage in monitoring and evaluation of a project, program, or policy, share control over the content, the

process and the results of the monitoring and evaluation activity, and engage in taking or identifying corrective actions. Systematically, it relies on the active engagement of the primary internal stakeholders as the actors that accomplish the systematic recording and periodic analysis of information that they themselves have chosen and recorded. The primary stakeholders shall be the community members

24. *Participatory planning* refers to a planning process that directly involves the community members, leaders, and other stakeholders in diagnosing local problems and designing a course of action to resolve those problems. The process aims to harmonize views among all of its participants and to provide opportunities for participation especially for the marginalized groups in the community
25. *Social Preparation* refers to a process to prepare and fully capacitate the community to become ready and responsible implementers of programs, projects and activities. It must include activities to (i) identify, analyze and prioritize needs, and identify solutions to address needs; (ii) prepare proposals, studies, and technical designs and financial plans; (iii) form committees and task groups; and (iv) build capacity and capability to undertake the project activities (DSWD MC No. 04, Series of 2016)
26. *Social Protection* refers to a set of policies and programs that seek to reduce poverty and vulnerability to risks and enhance the social status and rights of the marginalized by promoting and protecting livelihood and employment, protecting against hazards and sudden loss of income, and improving people's capacity to manage risks (NEDA-SDC Cabinet Resolution No. 1, series of 2007).
27. *Whole of Government Approach (WGA)* refers to a strategy where all instrumentalities of the government are taking unified and integrated action in order to provide a common solution to a particular problem or issue. For CDD Institutionalization, the WGA is a logical and systematic convergence of efforts of government agencies and local government units to respond to the identified community needs, issues, concerns, and priorities

Sec. 4. Elements of CDD. A CDD approach is a strategy where local communities take control in the planning, implementing and resource investments for their local development. CDD ensures that programs integrate the principles of local empowerment, participatory governance, demand-responsiveness, administrative autonomy, greater downward accountability and enhanced local capacity. Based on the ASEAN Regional Program for Capacity Development to Enhance Accountability of Local Governance in delivering Social Protection Programs through CDD, the CDD process happens when all of these elements are present: (1) community focus, (2) participatory planning, (3) community control of resources, (4) community-managed projects, and (5) participatory monitoring and evaluation. CDD includes but is not limited to the following processes and activities:

- a) Community empowerment process – a defined and ordered set of community development activities that enable communities to have control over decision-making and resource allocation to meet their priority needs and allow local governments to provide effective and quick response to such needs
- b) Delivery mechanisms – a set of project implementation and procurement systems that facilitate delivery of services to local communities

- c) Intergovernmental fiscal transfers – existence of legally mandated regulations that authorize fiscal transfers from the national government to barangay-level governments and local communities
- d) Governance mechanisms – presence of formal arrangements for structural mechanisms and policy reforms for greater participation, rule of law, transparency, responsiveness, inclusiveness, and accountability of local governments in performing their mandated functions, and allowing community members, particularly those most vulnerable, disadvantaged, and marginalized, to have access to the systems of local governance

Chapter I. Institutionalization of the CDD Approach in government programs, activities and projects

Sec. 5. Institutionalization of the CDD Approach in all community-based programs, activities and projects of government. All National Government Agencies (NGAs) and Departments, including their Attached Agencies, Offices and Bureaus, Local Government Units, and other government instrumentalities shall adopt the CDD approach in implementing their community-based programs, activities, and projects to promote participation and empowerment of poor, vulnerable, disadvantaged, and marginalized communities and groups within communities.

Sec. 6. Operationalization of the CDD approach in NGAs. The CDD approach shall be operationalized in government programs, activities and projects (PAPs) using the following methods and strategies, or a combination thereof, but not limited to:

- a. Government agencies shall develop policies and programs, provide information on government intervention, and provide technical assistance and support to the partner local government units and communities for more effective community-driven planning and implementation, in consultation with Advisory Council, provided in Chapter III, Section 15 of this Act;
- b. Government PAPs that have elements of local planning, budgeting, and development process shall ensure that majority of the community members actively participate in said process;
- c. Government agencies shall regularly align community action plans, as discussed in Chapter II, Section 14 of this Act, to agency PAPs, and ensure that identified community priorities are sufficiently funded;
- d. Government agencies shall use mechanisms for community-managed implementation, as defined in Chapter III, Section 18-19 of this Act, in the implementation of projects funded under the government PAPs;
- e. Government agencies shall ensure that community members are prioritized, to the extent possible, in receiving employment opportunities brought about by project implementation at the communities;
- f. **Government agencies shall include in their annual budget proposals and multi-year plans funds for CDD implementation such as but not limited to capacity building, staffing, and project management; and**
- g. **Government agencies shall accredit Civil Society Organizations (CSOs) as partners in organizing and strengthening communities, and implementation of community-based PPAs.**

Sec. 7. Localization of the CDD approach in LGUs. Under the guidance of the Department of the Interior and Local Government (DILG), the LGUs shall be primarily responsible for:

- a. Developing policies for enhancing participatory local governance practices, improving local development planning process, giving space to community organizations, and responding to community needs;
- b. Providing information on government intervention, technical assistance, and support to communities for more effective community-driven planning and implementation;
- c. Ensuring that community priorities and action plans are integrated in the barangay and municipal development plans and Annual Investment Programs (AIP), and ensure that identified community priorities are sufficiently funded, which may be sourced from the Internal Revenue Allotment (IRA) and/or other funds to which they may have access to;
- d. Including in their AIP and multi-year plans funds for CDD implementation such as but not limited to staffing, community empowerment activities, and resources to initiate and sustain CDD projects;
- e. Supporting the engaged residents and subsequent organizations formed to sustain the CDD projects as well as their gains, and impact;
- f. Accrediting and ensuring participation of CSOs as partners in organizing and strengthening communities, and implementation of community-based projects;
- g. Ensuring that engaged and accredited service providers under their supervision shall be justly compensated, that adequate funds are made available, and their working conditions are conducive to fulfill national quality standards; and
- h. Conducting monitoring, and evaluation activities and enabling community members to meaningfully participate in data gathering, processing and analysis, and especially in data utilization for their own development.

In accordance with the Local Government Code, local governments shall adhere to the layers of local authority and supervision, from provinces, to component cities and municipalities, and to barangays, in implementing LGU-led CDD programs.

Sec. 8. Role of Civil Society Organization and the Academe - Accredited CSOs and academic institutions with experience in the CDD approach shall be encouraged to participate in community activities, specifically:

- a. Partner with communities/LGUs/NGAs in facilitation of community empowerment processes;
- b. Provide additional funding or collaborate with partners/donors to implement community-identified projects;
- c. Continuous capacity building and technology transfer to LGUs and communities; and
- d. Conduct third party monitoring and evaluation together with communities and LGUs

The Department of Social Welfare and Development (DSWD) in coordination with the Department of Budget Management (DBM) and Commission on Audit (COA), and in consultation with other relevant national government agencies and the local government concerned, shall implement a simplified set of guidelines for CSO

accreditation and for providing an enabling environment for communities to participate in CDD implementation.

Chapter II. Institutionalization of Kalahi-CIDSS Program

Sec. 9. *Kalahi-CIDSS as a CDD program of the government for community empowerment.* Kalahi-CIDSS is hereby institutionalized as a CDD program of the government for community empowerment. Its mandate is to ensure that communities become empowered to achieve increased access to basic social services and improved resilience to disaster and other shocks, and to participate in more inclusive local planning, budgeting, implementation, and monitoring and evaluation of local development activities.

Sec. 10. *DSWD as implementing agency.* The DSWD shall implement the Kalahi-CIDSS program, using the CDD approach in targeted poor, vulnerable, disadvantaged, and marginalized communities. It shall establish a working mechanism for convergence of social welfare and development (SWD) programs at the local level by ensuring a single harmonized, comprehensive social preparation process, that emphasizes identification of needs and defining vulnerabilities at the grassroots through a participatory action process and its contribution to increasing resiliency of poor communities.

Sec. 11. *Coverage and Phasing.* The Kalahi-CIDSS Program will focus on the poor communities, and gradually expand coverage to all cities, municipalities, and special communities. The phasing of the implementation and expansion will be based on the approval of the Advisory Council.

The special communities shall refer to areas with characteristics that would make it difficult to meet graduation requirements, such as but not limited to communities with historically high magnitude and incidence of poverty, marginalization, and vulnerability, needing special intervention from DSWD which include, among others, GIDA areas, marginalized, and vulnerable sectors. The limitation of the areas to be covered under the special communities shall be based on the criteria approved by the Advisory Council.

All target municipalities shall be provided with capacity building, facilitation, and community grants. The entire implementation process will follow the regular planning and budgeting cycle of the local government. The Advisory Council, upon recommendations of DSWD, shall approve the criteria for assessing whether a municipality will need another round of intervention or will be endorsed for gradual withdrawal of the complete package of intervention, ensuring that mechanisms for sustainability are in place, until graduation year.

Sec. 12. *Funding and Resource Mobilization.* Kalahi-CIDSS will provide community grants to poor, vulnerable, disadvantaged, and marginalized communities to fund community project proposals selected through a criteria-based prioritization process by the expanded Local Development Council (LDC). The Program will employ a menu that allows the community to choose any activity that it considers to be important for its development, provided that support for projects with adverse environmental and

social impacts shall not be allowed. Kalahi-CIDSS will also provide technical support to communities and local government units in mobilizing resources from Provincial LGUs, Civil Society Organizations, People's Organizations, and National Government Agencies for unaddressed priorities in the Local Development Plans specifically for big ticket PAPs which cannot be funded through local resources.

The DSWD is directed to include resource requirements for nationwide implementation of Kalahi-CIDSS, and ensure it is included in its annual budget priority and such other appropriate funding sources as the DBM may identify.

The LGU shall put up counterpart funds in the form of cash and/or in-kind which may be sourced from its IRA. Members of the community and private individuals/institutions including foreign organizations may also contribute to the project.

Sec. 13. *Community Project Management Committee (CPMC).* The committee shall take care of the overall management of projects funded under Kalahi-CIDSS following the mechanisms for community-managed implementation. This is composed of smaller project implementation committees where members are elected through the Barangay Assembly. Under the guidance of the Barangay Development Council (BDC), it shall also formulate policies and make decisions for the project. It shall oversee project implementation, monitoring, maintenance and sustainability after project completion.

Sec. 14. *Community Empowerment Process.* The DSWD, through Kalahi-CIDSS, will provide facilitation support to empower community members to participate in the local development process:

- a. *Social Preparation.* DSWD will employ the One Social Preparation approach to complement with other SWD processes and interventions and provide a platform for other SWD social preparation needs. The comprehensive social preparation process and community action plan development shall be a venue for validation and reporting of SWD interventions, which shall be used as input to the local development planning, and as basis for NGA targeting mechanisms and interventions. DSWD will ensure strategic solutions are arrived by community members by employing participatory tools and technologies. Communities will be oriented towards better planning, and proposing more strategic solutions that ensure efficient use of scarce resources and reduce vulnerability. The Municipal Local Government Operations Officer (MLGOO) shall oversee and provide technical support and guidance to LGUs to ensure the quality of citizens' participation in the local decision making processes.
- b. *Community Planning, Project Proposal Development and Appraisal.* The DSWD, in partnership with DILG, shall ensure that community action plans will be incorporated into the local development plans and ensure the integration of local development plans to the national development plans ensuring that programs, activities, and projects prioritized for funding are responsive to community-identified needs. It shall closely coordinate with LDCs, namely the Barangay, City, Municipal, and Provincial Development Councils as stipulated in the Republic Act 7160 or the Local Government Code of 1991, to ensure that the annual plans are harmonized and operationalized for proper and timely implementation; and

- c. *Community-Based Organization (CBO) Formation and Strengthening.* DSWD will ensure at the onset of social preparation, that community-based organizations will be formed, strengthened, and recognized as beneficiaries to enable them to have control over future resources.

Chapter III. Implementing Mechanisms

Sec. 15. Creation of an Inter-Agency Advisory Council. An Advisory Council on CDD Institutionalization shall be created at the national level to develop policies relative to the implementation of this Act. It shall be chaired by the DSWD and co-chaired by DILG.

It shall be composed of representatives from the agency members of Department of Budget and Management, National Anti-Poverty Commission, National Economic and Development Authority, Department of Agriculture, Department of Agrarian Reform, Department of Environment and Natural Resources, Department of Health, Department of Human Settlements and Urban Development, and Department of Education. Representatives shall include the Secretary of the agencies as the officially designated permanent member and a designated Undersecretary as an alternate representative. Representatives of non-governmental organizations shall constitute not less than one-fourth ($\frac{1}{4}$) of the members of the Advisory Council, which shall be appointed by the Council during the first three years of the effectivity of this Act, after which the representatives shall be selected from and appointed by the CDD Community of Practice.

The Advisory Council may create committees and invite other agencies as the need arises. The Advisory Council shall meet at least quarterly. It shall recommend to the President measures and policies for the responsive delivery of commitments under this Act and integration with the general poverty reduction strategy of the Government.

The CDD Knowledge and Resource Institute (CDD KRI) shall provide secretariat support services for the coordination and monitoring of the implementation of policies and plans formulated by the Council.

Sec. 16. Creation of a CDD Knowledge and Resource Institute. There shall be established a non-stock, non-profit government owned and controlled corporation with its own charter, to be attached to DSWD. The CDD KRI is a policy, research and training arm of the Advisory Council, which shall provide support for continuing research and technology development, partnership development, policy advocacy, resource mobilization, capacity-building of communities, CBOs, LGUs, NGAs and other development stakeholders, and monitoring and evaluation, to ensure effective institutionalization and operationalization of the CDD framework.

- a. *Functions and powers of the institute.* The functions of the institute shall include, but is not limited to:
 - 1. Learning and Development interventions on program implementation and sustainability;
 - a. Development of CDD Resource Pool, a group of experts on CDD principles and implementation who possess expertise in CDD to co-

- develop the certification and accreditation programs and other learning and development requirements of the staff, partners, and other stakeholders;
- b. Certification of CDD organizations, institutions, and individual practitioners who shall either be partners of the program or part of its human resources;
- c. Continuing professional development through partner academic institutions;
- 2. Resource Mobilization
 - a. Partnership and Linkages
 - b. Convergence
- 3. Knowledge management and technology development
- 4. Regular Monitoring and Evaluation; and
- 5. Policy Advocacy

To fulfill its purposes, the KRI shall have the following powers:

- 1. To collect, receive and maintain funds, donations, and other forms of assistance and to apply the income and principal thereof to the promotion of its aims and purposes hereinbefore set out;
- 2. To contract any obligation, or enter into any agreement necessary or incidental to the proper management of its powers;
- 3. In general, to carry on any activity and exercise all of the powers conferred by the laws upon private or government-owned or controlled corporations; and to do any and all of the acts and things herein set forth to the same extent as juridical persons could do, and in any part of the world, as principal, factor, agent or otherwise, alone or in syndicate or otherwise in conjunction with any person, entity, partnership; association or corporation, domestic or foreign.

- b. **Composition of the Board of Directors.** The Institute shall be under the direct supervision of a Board of Directors composed of the Secretary of DSWD as Chairman and at least five (5) other members:
 - i. Secretary of the Department of the Interior Local Government;
 - ii. Secretary of the National Economic and Development Authority;
 - iii. Secretary of the National Anti-Poverty Commission; and
 - iv. Representatives of the Civil Society Organization and the Academe, to be appointed by the President upon recommendation of the Secretary.

The structure and staffing pattern shall be prescribed and approved by the Secretary.

- c. **Endowment Fund.** There is hereby established an Endowment Fund which shall consist of voluntary contributions, donations, grants, or loans from domestic and /or foreign sources, government subsidies and other income accruing from the operations of the Institute. For the initial organizational and operational requirements of the CDD KRI, there is hereby appropriated out of any fund in the National Treasury not otherwise appropriated the sum of SEVEN MILLION PESOS (P7,000,000.00). Hereafter, funding for the operational activities of the KRI shall be generated from the earnings generated out of this

fund, in addition to appropriations by Congress. Any undisbursed funds from the preceding year shall form part of the budget in the following year.

- d. **Socialized Fees.** All application for certifications, trainings, and other services of the CDD KRI shall be charged with corresponding socialized fees to be determined by the Advisory Council.

Sec. 17. Implementing Agencies. Using the Whole of Government approach, various government agencies shall be involved in the implementation of this Act.

- a. **DSWD as lead agency.** Pursuant to the herein declared policy, the DSWD shall serve as the lead agency for the implementation of this Act. The DSWD shall integrate in their regular operations the following functions:
 - i. Provide facilitation support to empower community members to participate in the local development process and to strengthen community capabilities to engage LGUs, NGAs, and other stakeholders to support community-identified priorities;
 - ii. Integrate the CDD approach into the local planning and budgeting process, for more systematized community participation in the local development processes and activities;
 - iii. Institutionalize capacity-building and learning on CDD for NGAs, Non-Government Organizations (NGOs), CSOs, private sector institutions, and other partners to enable them to do CDD; and
 - iv. Support integration of the role of provincial LGUs in local development planning and budgeting and CDD implementation. Specifically, the provision of technical assistance and resource augmentation by ensuring integration of municipal development plans to provincial development plans
- b. **DILG as key partner in strengthening participatory local governance.** The DILG shall be a key partner agency in the development of policies and technologies for LGUs, to strengthen participatory local governance, institute policy and structural reforms to ensure horizontal and vertical alignment and linkages of barangay and municipal development plans and AIP to community-based plans. It shall also initiate the crafting of PAPs aligned with community-identified needs and priorities.
- c. **NAPC as key partner in mobilizing the basic sectors.** The NAPC shall be a key partner agency in the development of policies and measures to ensure meaningful representation and active participation of the basic sectors in their local development.
- d. **Support from relevant government agencies.** All relevant bureaus, offices, agencies and instrumentalities of the government shall render the necessary support to the implementation of this Act.

Sec. 18. Community-Management Implementation as Delivery Mechanism. All National Government Agencies and Local Government Units shall use mechanisms for community-managed implementation of community-based projects.

The community members, with the assistance of LGU and other local partners, shall participate in project implementation, monitoring, and management. Community-based organizations shall be formed to operate, manage, and maintain community projects.

For projects that are employing community-managed implementation, guidelines of the Revised Community Participation in Procurement Manual as approved by the Government Procurement Policy Board (GPPB) shall apply. The community shall be involved as members of the Bids and Awards Committee (BAC), BAC Secretariat, Technical Working Group and observers of the procurement process.

Sec. 19. Intergovernmental fiscal transfers. For projects that are employing community-managed implementation, guidelines for community-based financial management shall apply which includes but is not limited to community participation in the management and control of funds, bookkeeping and reporting, and closing of accounts.

The implementing agency shall enter into a memorandum of agreement (MOA) with the concerned LGUs with provisions such as, but is not limited to, prompt delivery of local counterpart contributions (LCC) and the opening and maintaining of a Trust Account.

The implementation shall be made in accordance with the community-based finance guidelines and policies which shall ensure that government funds are safeguarded. Financial transactions shall be supported by established disbursement processes, reporting mechanisms and internal control systems to ensure that management and utilization of funds promotes the principles on the use of government public funds. This is relative to the Manual on Barangay Financial Management of Barangays prescribed by the Commission on Audit relative to the Republic Act 7160.

The key partner agencies and other relevant government agencies shall help the DSWD in the strict implementation of the financial management system at the local government unit, and impose sanctions for any violation in this guidelines and applicable regulations.

Chapter IV. Miscellaneous Provisions

Sec. 20. Special Intervention for Indigenous Peoples. To address the unique needs of the Indigenous Peoples and to reinforce the state policy recognizing their rights and protecting their ancestral domains, preserving their cultural integrity and ensuring that they are in equal footing from rights and opportunities, the local government units, government agencies, and other instrumentalities of the government, in coordination with National Commission on Indigenous Peoples, shall ensure the following:

- a. Automatic representation of Indigenous Peoples in decision making within the BDC regardless of land tenurial ownership and number of IP population, as long as it is identified or recognized that IPs are present in the community;
- b. Utilization of the Ancestral Domain Sustainable Development and Protection Plan as the major reference and consideration in addressing needs and

- providing interventions in IP areas and integration of the ADSDPP in the Local Development Plan of the B/LGU;
- c. Fund allocation for the conduct validation in IP areas and implementation of identified needs of IP communities;
 - d. IP areas as priority in terms of the delivery of basic social services as these communities are located in Geographically Isolated and Disadvantaged Areas (GIDA).

Sec. 21. CDD Approach in Community-Based Disaster Risk Reduction and Management (DRRM). To reduce the disaster risk, prepare communities for disasters, and address the needs of communities affected by disasters, the CDD approach shall be adopted as a strategy for community-based DRRM.

Sec. 22. Particular consideration for needs of marginalized sectors. CDD implementation shall ensure that marginalized sectors including IP members of the community, women, children, people of diverse sexual orientation and gender identity and expression (SOGIE), youth, older persons, internally displaced persons, rebel returnees, recovering drug dependents, and persons with disability will be represented in decision-making activities in the community.

Sec. 23. Incentives. The CDD elements or implementation status shall be included as additional criteria for the recognition given to LGUs such as but not limited to Seal of Good Local Governance (SGLG) and other awards by NGAs.

Chapter V. Final Provisions

Sec. 24. Joint Congressional Oversight Committee. Upon effectivity of this Act, a Congressional Oversight Committee, hereafter referred to as CDD Oversight Committee, is hereby constituted. The Committee shall set the overall framework to review the implementation of this Act. It shall likewise determine the inherent weaknesses in the law and recommend the necessary remedial legislation or executive measures.

The CDD Oversight Committee shall be composed of twelve (12) members, with the chairpersons of the Committee on People's Participation of the House of Representatives, and Committee on Social Justice, Welfare and Rural Development of the Senate as Co-Chairpersons; and two members from each House from the Committees on Good Government and Public Accountability and People's Participation.

The CDD Oversight Committee shall conduct a review of this Act, which shall include a systematic evaluation of the impact of this Act, accomplishments of the program, and performance of its implementing Agencies, every three (3) years. The committee shall also perform such other duties and functions as may be necessary to attain the objectives of this Act.

Sec. 25. Regular Monitoring and Reporting. The CDD KRI shall monitor the implementation of this Act and submit an annual report of its status to the oversight agencies and the joint congressional oversight committee. The said report shall also be regularly posted and updated for the public's information. A process assessment

shall be conducted by DSWD once every three years, the results of which shall be utilized to stimulate more program lessons exchange, experience sharing, public dialogues, policy discussions and generating inputs for program design works on CDD. Mechanisms for promoting third-party monitoring and evaluation of the Act by NGOs and CSOs, together with community members and LGUs, shall also be established.

Sec. 26. *Grievance Mechanism.* A Grievance Redress Mechanism shall be established to address complaints and concerns raised by any stakeholder or concerned citizen relating to the implementation of this Act. An appointed representative of the DSWD shall head the Grievance Committee present at the regional and national level tasked to accept, investigate, and facilitate resolution of complaints and grievances.

Sec. 27. *Penalty.* Upon finding that a department, agency, or instrumentality of government, government-owned and –controlled corporation, or local government unit has violated any provision of this Act and its implementing rules and regulations, the sanctions under administrative law, civil service, or other appropriate laws shall be recommended to the Civil Service Commission and/or the Department of the Interior and Local Government. The person directly responsible for the violation, as well as the head of the agency or local chief executive shall be held liable under this Act. Filing a complaint under this Act shall not preclude the offended party from pursuing other remedies available under the law and to invoke any of the provisions of existing laws, including the Civil Service Code and the Local Government Code.

Any public officer or private person committing any graft and corrupt practices in the implementation of this Act, including but not limited to mismanagement of public funds, shall be punished based on the penal provisions of existing laws.

Sec. 27. *Appropriations.* The amount needed for the implementation of this Act shall be charged against the appropriations of concerned government agencies in the current and subsequent General Appropriations Act. Donations and other forms of assistance may also be accepted in accordance with applicable laws and issuances for purposes relevant to the implementation of this Act.

Sec. 28. *Implementing Rules and Regulations.* Within six (6) months from the effectivity of this Act, the DSWD shall, in coordination with national government agency members of the Human Development and Poverty Reduction Cluster (HDPRC), in consultation with league of barangays, cities, municipalities, and provinces and relevant stakeholders, promulgate the rules and regulations necessary for the effective implementation of the provisions of this Act.

Sec. 29. *Separability Clause.* If any provision of this Act or the application of such provision to any instrumentalities or entities or circumstances is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Sec. 30. *Repealing Clause.* All laws, decrees, executive orders, administrative orders or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Sec. 31. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

Approved,