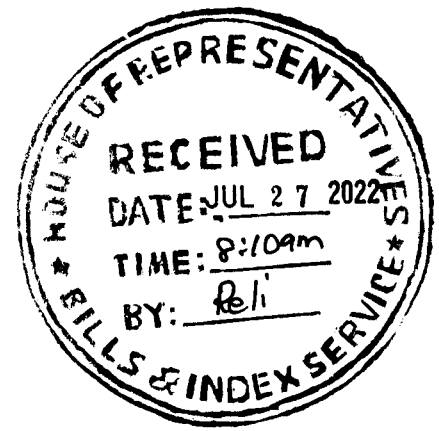


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2422



Introduced by **Representative Wilbert T. Lee**

**AN ACT PROMOTING ENTREPRENEURSHIP AND LIVELIHOOD FOR
SUSTAINABLE DEVELOPMENT, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 11310, OTHERWISE KNOWN AS “AN ACT
INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO
PROGRAM (4PS)”**

EXPLANATORY NOTE

The unprecedented impact COVID-19 pandemic continues to overturn the gains of decade-long poverty reduction efforts of the government. External threats and inflation exacerbates the plight of many Filipino household striving to afford their basic needs. While pre-pandemic data estimates around six million Filipinos were lifted out of poverty over the past two years¹ with the Government's continued poverty reduction interventions, data from the Philippine Institute for Development Studies (PIDS) reveals that poverty incidence increased to 23.7 percent in the first semester of 2021 from the 21.1 percent in the first semester of 2018.²

Effective Cash Transfer Programs around the world have been seen to be one of the most effective policy responses to support people during a crisis³. The study of PIDS confirmed that this since the government implemented social protection programs, through direct cash transfers, such as the emergency subsidy program (ESP) and the small business wage subsidies (SBWS), the projected increase of poor Filipinos lowered to 1.5 million instead.⁴

The Pantawid Pamilyang Pilipino Program or 4Ps is on the frontline of government programs which was recognized to help alleviate the economic plight of the Filipino people before and during the COVID-19 pandemic. As an institutionalized program with a definitive

¹ Vera, B. (8 August 2020) *5.5M more poor people feared*. Philippine Daily Inquirer. Retrieved last: 9 July 2022 from: <https://newsinfo.inquirer.net/1318413/5-5m-more-poor-people-feared>.

² Ordinario, C. (5 April 2022) *Pandemic sets back PHL's targets to wipe out poverty*. Retrieved last: 9 July 2022. from: <https://businessmirror.com.ph/2022/04/05/pandemic-sets-back-phl-targets-to-wipe-out-poverty/#:~:text=Based%20on%20the%20Upper%20middle,and%2040.9%20percent%20in%202024.> 9 July 2022

³ Alam, S. (8 July 2020) *COVID-19: HOW CASH TRANSFERS CAN SAVE LIVES AND LIVELIHOODS*. Plan International. Retrieved last 9 July 2022 from: <https://plan-international.org/blog/2020/07/covid-19-cash-transfers-save-lives-and-livelihoods>

⁴ Abad M. (10 August 2020) *Pandemic could push 1.5 million Filipinos into poverty – study*. Rappler. Retrieved last 9 July 2022 from: <https://www.rappler.com/nation/coronavirus-pandemic-push-million-filipinos-poverty-pids-study>.

system of distributing assistance to the poor Filipino households across the country, the aid of the government to cushion the impact of the pandemic reached its intended beneficiaries.

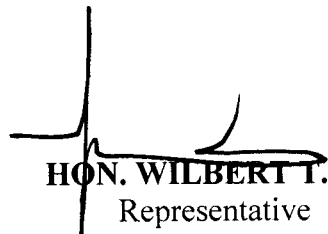
With Republic Act No. 11310 or the 4Ps Act, the 4Ps, as a Conditional Cash Transfers (CCT) scheme, guarantees financial incentives to poor households in exchange for their adherence to the program's conditionalities related to health and education intervention because these two components are the root causes of poverty. With the health and economic challenges every poor household is facing, the government is expected and bound to maximize its program related to the same.

Given the spending power reduction of poor households, further assistance from the government is imperative as a safety net in their vulnerability to slide to back further poverty. Studies of the World Bank reveal that access to electricity contributes to poverty reduction and to improvements in the standard of living in several ways.⁵

The primary objective of this bill is to provide electrical subsidy to beneficiaries of the 4Ps by covering 25% of the average household consumption of 250 kilowatt hours which amounts to ₱500 per month. Given the increase electrical consumption of households by online and modular classes, higher electricity expenses results to addition cost and burden to poor Filipino households.

Given this additional cash assistance for the beneficiaries, this bill is expected to mitigate further vulnerability risks of poor Filipino households and mandate the program's beneficiaries to attend regular livelihood and entrepreneurial seminars and encourage them to pursue and harness their entrepreneurial skills as a sustainable effort to overcome their present condition with the continued and consistent support of the government.

The expeditious consideration and approval of this measure is earnestly sought.



HON. WILBERT T. LEE
Representative
AGRI PARTYLIST

⁵ Komives, K. Foster, V. et. al (2005) *Water, Electricity, and the Poor: Who Benefits from Utility Subsidies?*. The World Bank pg. 2

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SUSTAINABLE DEVELOPMENT, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 11310, OTHERWISE KNOWN AS “AN ACT
INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO
PROGRAM (4PS)”**

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

SEC. 1. *Short Title.* This Act shall be known as “An Act Promoting Entrepreneurship and Livelihood in 4Ps”.

SEC. 2. *Declaration of Policy.* Section 2 of Republic Act No. 11310 is amended to read as follows:

SEC. 2. Declaration of Policies. – The State shall promote a just and dynamic social order thereby uplifting its citizens and marginalized sectors 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 recognizes the need to foster social justice as provided for in Article XIII of the 1987 Constitution, as follows:

“(a) xxx;

xxx xxx xxx;

(g) Improve maternal health; ~~[and]~~

(h) Ensure healthy lives and promote well-being for all[.]; **AND**

**(i) PROMOTE LIVELIHOOD AND ENTREPRENEURSHIP
FOR ALL TO ACHIEVE SUSTAINABLE DEVELOPMENT.**

SEC. 3. Section 4 of the same Act is amended to read as follows:

“SEC. 4. The Pantawid Pamilyang Pilipino Program (4Ps) . – The Pantawid Pamilyang Pilipino Program (4Ps) is the national poverty reduction strategy and a human capital investment program that provides conditional cash transfer to poor households for a maximum period of seven (7) years, to improve the health, nutrition, **LIVELIHOOD**, and education aspect of their lives. The National Advisory Council (NAC) may recommend a longer period under exceptional circumstances.”

SEC. 4. Section 7 of the same Act is amended to read as follows:

“SEC 7. Conditional Cash Transfer to Beneficiaries. – The Advisory Council shall determine the amount of conditional cash transfer to beneficiaries with the following schemes:

“(a) xxx;

xxx xxx xxx ;

(d) Health and nutrition grant shall not be lower than Seven hundred fifty (PhP750.00) per month for a maximum of twelve (12) months per year.

The health/nutrition grant component aims to promote healthy practices and family development, improve the health nutritional status of pregnant and post-partum mothers, infants and 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.”

(E) ELECTRIC UTILITY GRANT SHALL NOT BE LOWER THAN FIVE HUNDRED PESOS (PHP500) PER YEAR PER HOUSEHOLD-BENEFICIARY. THE FUNDS FOR THIS PURPOSE SHALL BE TRANSFERED FROM DSWD TO THE NATIONAL ELECTRIFICATION ADMINISTRATION (NEA) AND SUBSEQUENTLY TO THE DISTRIBUTION POWER UTILITIES, PARTICULARLY TO THE ELECTRIC COOPERATIVES.

THE ELECTRIC UTILITY GRANT COMPONENT AIMS TO INCREASE ACCESSIBILITY TO ELECTRIC POWER SUPPLY OF HOUSEHOLD-BENEFICIARIES, TO IMPROVE THEIR LIVING CONDITIONS AND TO ENABLE THE ESTABLISHMENT OF THEIR MICRO AND SMALL BUSINESS. THE ELECTRIC UTILITY GRANT IS A FIXED AMOUNT AND DOES NOT DEPEND ON THE NUMBER OF MEMBERS IN THE HOUSEHOLD.”

SEC. 5. Section 11 of the same Act is amended to read as follows:

“SEC. 11. Conditions of Entitlement. -- All qualified household-beneficiaries shall comply with all of the following conditions as a requirement for continued program eligibility:

“(a) xxx;

xxx xxx xxx;

(e) Children five (5) to eighteen (18) years old must attend elementary or secondary classes at least eighty-five (85%) of their time; [and]

(f) At least one (1) responsible person must attend family development sessions conducted by the DSWD, at least once a month[.]” ; **AND**

(G) AT LEAST ONE (1) RESPONSIBLE PERSON MUST JOIN AND COMPLETE AT LEAST TWO (2) ENTREPRENEURSHIP OR LIVELIHOOD SEMINARS CONDUCTED BY GOVERNMENT AGENCIES OR THEIR ACCREDITED PRIVATE SECTOR AND CIVIL SOCIETY ORGANIZATIONS WITHIN THE SECOND YEAR OF ENROLLMENT OF THE HOUSEHOLD-BENEFICIARIES.

SEC 6. Section 13 of the same Act is amended to read as follows:.

SEC. 13. ENTREPRENEURSHIP AND Livelihood Interventions. – [Qualified household-beneficiaries] **THE RESPONSIBLE PERSON WHO SUCCESSFULLY COMPLETED THE REQUIRED SKILLS TRAINING PROGRAMS SHALL** be given [priority in the availment of the] **ACCESS TO THE** modalities and interventions under DSWD’s Sustainable Livelihood Program (SLP) or other appropriate or similar programs offered by other government agencies or accredited private institutions.”

THE DEPARTMENT OF TRADE AND INDUSTRY (DTI) SHALL PROVIDE ASSISTANCE TO ENSURE THE EASE OF ESTABLISHING A MICRO AND SMALL BUSINESS AND THE

**LINK TO THE TARGET CLIENTELE OF THE 4PS
ENTREPRENEUR.**

SEC. 7. *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 Act.

Sec. 8. *Separability Clause.* If any part or provision of this Act shall be declared unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

Sec. 9. *Repealing Clause.* All laws, presidential decrees, executive orders, rules and regulations, other issuances, and parts thereof, which are inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

Sec. 10. *Effectivity.* This Act shall take effect fifteen (15) days following its publication in three (3) newspapers of general circulation.

Approved,