

SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

16 OCT 17 P6:11

SENATE

RECEIVED BY: 

S.B. No. 1205

Introduced by Senator SONNY ANGARA

AN ACT
ESTABLISHING THE SUSTAINABLE DEVELOPMENT GOALS (SDG)
AND AMBISYON NATIN 2040 FUND

EXPLANATORY NOTE

By the time the Millennium Development Goals (MDGs) expired last year, the world achieved major breakthroughs in eradicating extreme poverty and hunger, achieving universal primary education, promoting gender equality and women empowerment, reducing child mortality, improving maternal health, combatting deadly diseases like HIV/AIDS and malaria, ensuring environmental sustainability and strengthening global partnerships for mutual development. Between 2000 and 2015 (the duration of the MDGs), close to a billion people were lifted out of poverty.

Despite this huge achievement, some 800 million people across the world still live in extreme poverty or on less than US\$1.25 a day. This prompted the world over to re-engage on a new set of developmental goals, in consideration of new challenges and new insights on how best to combat poverty and promote human prosperity. Hence in September 2015, the 193 members of the United Nations (UN)—including the Philippines—adopted a new global development agenda and pledged to fulfill so-called Sustainable Development Goals (SDGs) by 2030.

The SDGs cover a wide expanse of issues, spread across 17 ambitious “global goals,” comprising up to 169 targets. According to experts, reaching these goals would need up to US\$5 trillion a year for the next decade and a half.

Meanwhile, in 2016, the National Economic and Development Authority (NEDA) released Ambisyon Natin 2040 (AN2040), a visioning exercise conducted

through public consultations, focus group discussions, a nationwide survey and technical studies. Through AN2040, the NEDA determined that the average Filipino's vision for their future can be crystallized as follows:

"In 2040, [we] Filipinos will enjoy a stable and comfortable lifestyle, secure in the knowledge that we have enough for our daily needs and unexpected expenses, that we can plan and prepare for our own and our children's futures. Our families live together in a place of our own, yet we have the freedom to go where we desire, protected and enabled by a clean, efficient, and fair government."

Meanwhile, average Filipinos envision that:

"[...] The Philippines shall be a country where all citizens are free from hunger and poverty, have equal opportunities, enabled by fair and just society that is governed with order and unity. A nation where families live together, thriving in vibrant, culturally diverse, and resilient communities."

The foregoing measure aims to create an SDG AN2040 Fund to support the Philippines to meet the SDGs as a Member-State of the United Nations and to realize the visions under AN2040, considering President Rodrigo Duterte signed Executive Order No. 5, 2016 formally approving and adopting the NEDA program as the country's main 25-year plan to eliminate poverty and hunger in the country.

The said fund will be made available to LGUs for SDG- and AN2040-related projects, and will be administered by a Board of Trustees comprised of seven (7) Department Secretaries as ex-officio members and four (4) appointive members from the private sector.

The SDGs—as a global initiative—and AN2040—as a fully Philippine endeavor—ought to be pursued vigorously in the years to come, with the end-view of lifting millions of Filipinos out of poverty and raising the standard of living felt across the country. In this way, the SDG AN2040 fund, created by this measure, ought to be seen as one wholly dedicated for LGUs to implement anti-poverty, pro-prosperity projects.

The swift passage of this measure is then earnestly sought.



SONNY ANGARA


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

1 **SECTION 1. Title.** – This act shall be known as the “**Sustainable**
2 **Development Goals and Ambisyon Natin 2040 Fund Act.**”
3

4 **SEC. 2. Declaration of Policy.** – Pursuant to Sections 9 and 10 of the 1987
5 Constitution, it is the policy of the State to promote a just and dynamic social order
6 that will ensure the prosperity and independence of the nation and free the people
7 from poverty through policies that provide adequate social services, promote full
8 employment, a rising standard of living, and an improved quality of life for all as well
9 as promote social justice in all phases of national development.
10

11 Toward this end, the State shall harness the resources generated by all
12 agencies of the government and enjoin the support of the local government units
13 who are the frontliners in the government’s efforts to reach all its citizens and ensure
14 that all citizens are directly involved and benefitted by development programs and
15 projects.
16

17 **SEC. 3. Creation of the SDG and Ambisyon Natin 2040 Fund.** – There is
18 hereby created the Sustainable Development Goals and Ambisyon Natin 2040 Fund

1 (SDG AN2040 Fund), the proceeds of which shall be raised from the following
2 sources:

- 3
- 4 a. *Special Philippine Charity Sweepstakes Office (PSCO) lotto draws.* At least
5 one special PCSO lotto draw per year up to 2030 shall be conducted by the
6 PCSO; the 30% of Net Receipts (minus operating and other expenses)
7 usually set aside as contribution to the charity fund shall be set aside for the
8 SDG AN2040 Fund;
- 9 b. *Philippine Amusement and Gaming Corporation (PAGCOR).* One percent
10 (1%) of PAGCOR's net income per year shall be set aside for SDG AN2040
11 Fund; and
- 12 c. *Collection from Sin Taxes.* One percent (1%) of tax collected from sin taxes
13 allotted to health programs shall be set aside for the SDG AN2040 Fund.
- 14

15 **SEC. 4. Board of Trustees.** – The Fund shall be administered by the Board
16 of Trustees, composed of the following:

17

18 **Ex-officio Members (7):**

- 19 (1) Secretary of the Department of Interior and Local Government (DILG), as
20 Chairperson;
- 21 (2) Secretary-General of the National Economic and Development Authority
22 (NEDA);
- 23 (3) Secretary of the Department of Health (DOH);
- 24 (4) Secretary of the Department of Social Welfare and Development (DSWD);
- 25 (5) Secretary of the Department of Environment and Natural Resources
26 (DENR);
- 27 (6) Secretary of the Department of Education (DepEd); and
- 28 (7) Secretary of the Department of Agriculture (DA).
- 29

30 **Appointive Members:**

31 Four (4) representatives from the private sector, one of who shall serve as the
32 Executive Director and ex officio Vice Chairperson.

33

1 The Executive Director shall be elected by the Board annually from among the
2 four (4) appointive members appointed by the President of the Philippines.

3
4 The selection, appointment, and term of office of the appointive members
5 shall be in accordance with the pertinent provisions of Republic Act No.
6 10149, otherwise known as the GOCC Governance Act of 2011.

7
8 **SEC. 5. *Per Diems.*** – The members of the Board shall receive per diem for
9 every board meeting attended: *Provided*, That per diems and any other allowances
10 of the Board shall follow the guidelines set by the Department of Budget and
11 Management: *Provided, further*, That the Directors shall not be entitled to retirement
12 benefits as such directors.

13
14 **SEC. 6. *Management of the SDG AN2040 Fund.*** – The SDG AN2040 Fund
15 shall be managed by a Secretariat to be created within the DILG. The SDG AN2040
16 Secretariat shall be headed by the Executive Director. The Executive Director shall
17 be directly responsible for the hiring of the staff needed to operationalize the SDG
18 AN2040 Fund.

19
20 **SEC. 7. *Compensation.*** – The Executive Director and staff shall receive
21 compensation at rates in accordance with the Salary Standardization Law.

22
23 **SEC. 8. *Projects under the SDG AN2040 Fund.*** – The Board of Trustees,
24 through the SDG AN2040 Secretariat, shall evaluate, assess and approve project
25 proposals to be submitted by LGUs. The Board shall allocate the SDG AN2040 Fund
26 by region, based on the priorities identified by the national government, consistent
27 with the Medium Term Development Plan.

28
29 The LGUs shall be required to contribute 25% of the total project fund, with
30 the balance of 75% to be sourced from the SDG AN2040 Fund: *Provided*, That the
31 LGUs may use up to the maximum of 5% of total project fund for MOOE: *Provided*,
32 *however*, That no amount shall be used for personnel services.

1 **SEC. 9. *Funding.*** – The Executive Director shall submit to the Board its
2 annual budget including operating and maintenance expenses as well as personnel
3 services to be allocated from the SDG AN2040 Fund.
4

5 **SEC. 10. *Implementing Rules and Regulations (IRR).*** – Within six (6)
6 months following approval, the Board created herein, in consultation with DILG,
7 NEDA, DOH, DSWD, DENR, DepEd and DA, and private sector representatives,
8 shall prepare the IRR to implement this Act. In particular, the IRR shall identify
9 priority areas where the SDG AN2040 Fund shall be implemented, type of
10 programs/projects to be funded, schedule of release of funds, etc.
11

12 **SEC. 11. *Separability Clause.*** – In the event that any provision of this Act is
13 declared unconstitutional, the validity of the other provisions shall not be affected by
14 such declaration.
15

16 **SEC. 12. *Repealing Clause.*** – All laws, decrees, orders, rules and
17 regulations or parts thereof inconsistent with this Act are hereby repealed or modified
18 accordingly.
19

20 **SEC. 13. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
21 publication in the Official Gazette or two (2) national papers of general circulation.

Approved,