EXPLANATORY NOTE

The Constitution, Article 2, Section 9 provides that:

The State shall 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.

According to 2006 Annual Poverty Statistics of the National Statistical Coordination Board, 27.9 Million Filipinos or one-third (1/3) of the entire population are poor. To address this problem the Department of Social Welfare and Development (DSWD) together implemented a Conditional Cash Transfer Program known as Pantawid Pamilyang Pilipino Program (4Ps) inspired by the successes of similar programs in Latin American countries such as Bolsa Familia in Brazil, Familias en Accion in Colombia and OPORTUNIDADES in Mexico.

The Pantawid Pamilyang Pilipino Program (4Ps) is more than a welfare program; it addresses structural inequities in society and promotes human capital development of the poor, thus, breaking the intergenerational cycle of poverty. The conditions attached to the grants require parents to undergo trainings on responsible parenthood, have their children undergo health check-ups and ensure school attendance. The program ensures that there is sufficient resource for the health, nutrition and education of children aged 0-14 year old.

An initial study on the pilot areas of the program shows promising results. In Esperanza and Sibagat, Agusan del Sur for example, two of the pilot areas of the 4Ps elementary school enrollment has increased by fifteen percent (15%). Children covered by 4Ps have higher attendance compared to the general population of children in school. There has been a
remarkable increase in the use of health services by pregnant women and children compared to 2007 and there has also been a significant increase in the vaccination rate as well as a decrease in prevalence of malnutrition among children. Given the far reaching effects of this program in empowering the poor to cross over from their lives of poverty to a better future, there is a need to ensure the sustainability of this Program from one administration to another. The passage of this bill is earnestly sought.¹

¹ This bill was originally filed during the Fourteenth Congress, Third Regular Session.
AN ACT
TO REDUCE POVERTY AND PROMOTE HUMAN CAPITAL DEVELOPMENT
THROUGH THE CREATION OF A NATIONAL CONDITIONAL FUND TRANSFER
PROGRAM

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

SECTION 1. Short Title. – This Act shall be known as the “Pantawid Pamilyang
Pilipino Program Act of 2010.”

SECTION 2. Declaration of Policy. – It shall be the policy of the State:

(A) To provide 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 and improve quality of life.

(B) To give priority to education and health of children, accelerate social progress
and promote total human liberation and development.

(C) To protect the life of mothers and their children..

(D) To promote gender equality and empower women.

SECTION 2. Definition of terms. – As used in this Act, the term—
(A) The Pantawid Pamilyang Pilipino Program (4Ps) shall refer to the national poverty reduction strategy that provides conditional cash transfer to extremely poor households to improve their health, nutrition and education particularly of children aged 0-14;

(B) "Beneficiaries" refer to poor households with pregnant women and/or with children 0-14 year old selected by the Department of Social Welfare and Development to be a part of the program through the National Household Targeting System for Poverty Reduction (NHTSPR)

(C) "Department" shall refer to the Department of Social Welfare and Development (DSWD) which is the lead and executing agency in the implementation of this program.

(D) "Small Area Poverty Estimate" refers to a statistical tool and methodology of generating estimates of poverty incidence by combining survey and census data at lower levels of geographic disaggregation (cities and municipalities) utilized by the National Census and Statistical Coordination Board (NSCB)

(E) "Extremely Poor" or "food poor" refers to a person whose income or other resources fall short of enabling him to provide for even just his nutritional requirements, according to the NSCB, an individual earning less than P27.7 ($US 0.55) or P830.00 (US $16.60) a month or P9,963.00 (US $200.00) a year is extremely poor or food poor.

(F) "Poor" refers to a person whose income is sufficient to provide for his nutritional needs but falls short of enabling him to provide for his other basic necessities such as clothing, shelter, health and education. According to the NSCB, an individual earning less than P24.80 ($US 0.83) a day or P1,242 (US $24.80) a month or P14,906.00 ($US298.00) a year is poor.
SECTION 3. Objective of the Pantawid Pamilyang Pilipino Program (4Ps). - The Pantawid Pamilyang Pilipino Programs (4Ps) aims to:

(A) Reduce extreme hunger and poverty.

(B) Achieve universal primary education.

(C) Promote gender equality and empowerment of women.

(D) Reduce child mortality.

(E) Improve maternal health.

SECTION 4. Construction - This law shall be liberally construed in favor of attainment of its objectives.

SECTION 5. Selection of Areas of Implementation. - The following guidelines shall be followed in the selection of areas of implementation:

(A) In the selection of target areas, priority is given to the poorest municipalities as determined by Small Area Poverty Estimates generated by the National Statistical Coordination Board (NSCB).

(B) Priority shall also be given to cities with large pockets of poverty as reported by the National Anti-Poverty Commission (NAPC) and/or the Presidential Commission on Urban Poor (PCUP) and/or National Census and Statistical Coordination Board (NSCB).

SECTION 6. Eligible Households. - For a household to qualify as beneficiary for this program it must meet the following requirements:
1. The household is within the municipality or city identified as area of
   implementation.

2. The household has at least one (1) 0-14 year old child and/or a pregnant woman
   at the time of registration.

3. The household suffers from chronic poverty and falls within the priority ranking as
determined by the National Household Targeting System (NHTS) of the DSWD
which involves rigorous household assessment and application of a Proxy Means
Test, a tool used to estimate the income of households on the basis proxy variables
including household composition, education, socio-economic characteristic,
housing conditions, access to basic services, assets, tenure status and regional
variables. The DSWD and all national government agencies shall use the NHTS for
identifying and prioritizing beneficiaries for the 4Ps as well as other social services.

SECTION 7. Program Conditions. – All beneficiaries shall comply with the
following conditions as a requirement for continued program eligibility:

(A) Children 3-5 years of age must enroll in day care program or pre-school and
   attend at least eighty five percent (85%) of the required school days;

(B) Children 6-14 years of age must be enroll in school and attend at least eighty
   five percent (85%) of the required school days. They must also undergo deworming at least
twice a year.

(C) Children 0-5 years of age must get regular preventive health check-ups and
   vaccines based on the Department of Health (DOH) protocol.
(D) Children 3-5 years of age must enroll in day care program or pre-school and attend at least eighty five percent (85%) of the required school days;

(E) Children 0-5 years of age must get regular preventive health check-ups and vaccines based on the Department of Health (DOH) protocol.

(F) Pregnant women must get at least (3) pre-natal check-up starting from the first trimester, get post natal care and the childbirth must be attended by a skilled/trained health personnel.

(G) Parents/guardians must attend and complete responsible parenthood seminars and parenting education sessions.

Failure to comply with the conditionalities warrants the suspension and/or removal of the beneficiary from the program.

SECTION 8. Grant Rates. – The following amounts shall be released to qualified beneficiaries:

(A) The health grant beneficiary/family shall receive five hundred pesos (P500) per month per household or a total of six thousand pesos (P6,000.00) per year;

(B) The education grant beneficiaries, the 3-14 year old children enrolled at the day care program, pre-school, elementary school or high school shall receive three hundred pesos (P300.00) per month for the ten (10) month school year or a total of three thousand pesos (P3,000.00) in a year with a maximum of three (3) children per household;

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.
conditionalities, provided, that DSWD shall ensure that the grant will not serve as
disincentive for family members to work and improve their economic conditions.

SECTION 9. Grievance Redress System— The Department shall develop a Grievance
Redress System that will address complaints regarding the implementation of this program.

SECTION 10. Inter-Agency Council— There shall be a National Inter-Agency Council
for the implementation of the Pantawid Pamilyang Pilipino Program (4Ps) composed of the
Department of Social Welfare and Development (DSWD) as Chair and the Department of
Health (DOH), Department of Education (DepEd), Department of Interior and Local
Government (DILG), National Economic Development Authority (NEDA) and National
Anti-Poverty Commission (NAPC) as members.

SECTION 11. Functions of the Inter-Agency Council—The Council as a collegial
body shall have following functions:

(A) Formulate policies for the program
(B) Oversee the implementation of the program

SECTION 12. Implementing Rules and Regulations. — The Department of Social
Welfare and Development (DSWD) is hereby designated as the executing agency for this
Project. It is authorized to enter into agreements or cooperation with development agencies,
both national and international for financing and technical, as well as program support for
this program. The Department together with the members of the Inter-Agency Council as
well as other relevant agencies that the Department may involve, shall draft the Implementing
Rules and Regulations for the implementation of this law within One hundred Twenty (120)
days from the enactment of this law.
SECTION 13. Appropriation. - The amount equivalent to not less than three (3%) of
approved budget in the General Appropriation Act is hereby automatically appropriated to
cover approximately sixty percent (60%) of the total poor families in the Philippines.

The amount appropriated shall be automatically increased to maintain the
participation of sixty percent (60%) of the total poor families should they increase from the
4.7 Million families currently estimated.

The appropriation shall continue for at least ten (10) years from the enactment of this
Act. The appropriation shall be included in the annual appropriation of the DSWD.

SECTION 14. Separability Clause. – If any provision, or part hereof is held invalid or
unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
valid and subsisting.

SECTION 15. 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.

SECTION 16. Effectivity Clause. – This Act shall take effect fifteen (15) days after its
publication in at least two (2) newspapers of general circulation

Approved.