

COMMENTS ON THE PRESIDENT'S THIRD REPORT TO THE JOINT  
OVERSIGHT CONGRESSIONAL COMMITTEE

Office of Senator Francis N. Pangilinan

16 April 2020

- A. **Department of Social Welfare and Development (DSWD).** According to the Report, as of 08 April 2020, the Department of Budget and Management (DBM) has released P101.5 Billion of the total P205 Billion to the DSWD and the Department of Labor and Employment (DOLE) for the implementation of the emergency subsidy program.

We welcome the shift in the target beneficiaries of the DSWD's SAP from 18 million **households** (as used in the Bayanihan to Heal as One Act and the Joint Memorandum Circular No. 1) to 18 million **families** as this would be more inclusive and would address the needs of multiple families belonging to one household.

Following are some observations and concerns that need to be addressed at the soonest possible time and should be highlighted in the President's next report to Congress:

1. **Speed of Delivery.** A month after the passage of the *Bayanihan* Law and two weeks before the extended Enhanced Community Quarantine (ECQ) comes to an end, no significant progress in the delivery of assistance has been reported. The Third Report presents target and NOT actual beneficiaries, funds released to agencies and NOT actual funds disbursed to beneficiaries.
  - What is the status of the SAP? How much of the P101.5 Billion released to DSWD has been transferred to poor families? How many families, in what areas, have been given cash subsidies?
  - The latest accomplishments are not included in the Report. However, based on the Second Report to Congress (06 April 2020), only 4.35 million families, or 24.17 percent of the total 18 million families, have received assistance; and only P16.9 Billion of the funds has been disbursed. Why is there a delay in the delivery of assistance?
  - What are the DSWD's timelines and target date of completion? Will the DSWD be able to distribute the cash assistance to all eligible beneficiaries before the end of the ECQ?
  - There is a strong policy imperative to try to find alternative ways of quickly reaching the poor. Absent a clear catchup plan that will ensure the intended family recipients receive the needed cash in the next 1 or 2 weeks, government may wish to explore tapping the services of telecommunications companies that offer mobile money transfers to provide a one-time cash assistance (of lesser amounts) in geographic pockets of poverty.

- Government may also consider removing the ID requirement for the emergency subsidy program so that we can reach and serve the 5 to 7.5 million Filipinos who do not have official birth certificates and who are likely unable to present “valid” IDs.<sup>1</sup>
  
- 2. **Additional Eligible Beneficiaries.** Per the Report, Local Government Units (LGUs) may submit their lists of identified additional eligible family beneficiaries to the DSWD for validation.
  - Is it accurate to assume that these lists of additional families to be submitted by LGUs will compose the 3 million allowance in the 18 million target beneficiaries? If so, the maximum number of additional family beneficiaries is 3 million?
  - If the lists submitted exceed 3 million qualified families, what measures will be undertaken?
  - The DSWD is tasked to validate the additional lists prepared by the LGUs on additional family members. Three weeks into the ECQ, some LGUs have not distributed the funds from national government since they are awaiting the validation by the DSWD (*case in point: Pasig City, per Pasig City Mayor Vico's DZMM interview last 15 April 2020*). How long is the validation process of the DSWD? Could said process be shortened?
  
- 3. **Transparency.** We commend the DSWD's efforts to develop a unified online public monitoring and transparency system for the implementation of the SAP.
  - We note that the DSWD also currently publishes in its website daily DROMIC Reports on the assistance (family food packs, other food and non-food items) provided to families per city and municipality, including the cost and sources of assistance.
  - LGUs must put in place transparency measures, to be monitored by the DILG/DSWD, to prevent leakages.

- B. Department of Agriculture (DA).** We commend DA for specifically indicating that P1.5 billion of the P3 Billion Rice Farmers Financial Assistance Program (RFFA) allocated budget; and that P92.48 M has been disbursed under its Financial Subsidy for Rice Farmers Program (FSRF).

We note, however, that for its RFFA program, only 300,994 farmers out of the 597,404 have received the P5,000 unconditional cash transfer and under the FSRF program, only 18,495 out of 591,246 target farmer beneficiaries.

- What are the causes of delay in the distribution of the unconditional cash transfers?

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<sup>1</sup> See opinion piece from academics from Ateneo de Manila University and the University of Santo Tomas: <https://www.rappler.com/thought-leaders/258072-analysis-pay-now-verify-later-subsidy-program-coronavirus>

- Is the Registry System for Basic Sectors in Agriculture (RSBSA) accurate and updated?

We would like to see the government's forward planning to ensure food security in the coming months.

- Does government have data on the impact of the pandemic on food security, given that we import a substantial number of our supply?
- Does government have a map of our local production and local consumption? If so, can we forecast our food deficit?
- What interventions should government take with the private sector to mitigate the deficit starting now?

- C. Department of Labor and Employment (DOLE).** We note that the DOLE has adjusted its targets for its CAMP and the TUPAD projects which increased the number of targeted workers from 115,806 to 321,975 for CAMP and 193,298 to 235,949 for TUPAD.

However, for CAMP, only 52% of its target beneficiaries equivalent to 167,941 workers have been provided assistance while for TUPAD, only 46% of its targeted beneficiaries or 118,086 workers from the informal sector.

- What are the impediments in releasing the assistance to workers in the formal and informal sectors? How are they being addressed by the DOLE.
- Note that some employees are complaining that their employers have not submitted or refuse to submit the requirements to DOLE; thus, they are unable to avail of CAMP. How can this problem be addressed? Will said employers be penalized?
- We suggest the DOLE includes a TUPAD program specifically catering to agriculture workers, to promote the goal of local food security.

- D. Assistance to Overseas Filipino Workers in the Country.** The DOLE, under its DOLE-AKAP provides a one-time financial assistance of P10,000 to land-based and sea-based overseas Filipino workers whose employments were affected by COVID-19 pandemic. The P1.5B fund for the DOLE-AKAP including other administrative expenses of Central and Regional operations to be incurred in its implementation, shall be sourced from the DOLE-CAMP.

- What is the status of the DOLE-AKAP? How much of the 1.5B was disbursed? Who are the beneficiaries?

- E. Bureau of Customs.** According to the report (page 7), the Bureau of Customs (BOC) donated forfeited goods (320 containers of rice and 186 containers of frozen seafood) to the Office of Civil Defense to aid poor Filipinos affected by the ECQ.

- Were these donations given to hospitals? LGUs? Status of these donations? What are the other BOC donations? Actual recipients and breakdown of all donations.
- We suggest that these information be regularly published in the BOC website.

**F. Philippine Ports Authority.** It is stated on page 11 of the Report that the Ports Authority conducted an inventory of all abandoned and/or forfeited cargoes, distinguished perishable from non-perishable goods to properly identify which cargoes may eventually be disposed in accordance with the Customs Modernization Act (RA 108363) and JAO No. 20-01.

- Where is the inventory of said cargoes? Status and details of these cargoes? Were they also donated and given to OCD?

**G. Bayanihan Grant to Cities and Municipalities.** The grant is equivalent to one-month shares in the internal revenue allotments of the LGUs for the fiscal year 2020. According to DBM Local Budget Circular No. 125 dated 7 April 2020, municipal and city governments will receive P18.39B and P12.44B, respectively. It enumerates the authorized COVID-19 related programs, projects and activities are also enumerated therein and excludes from its use the financial or cash assistance, payment of salaries or wages of LGU employees, administrative and travel expenses and other projects or expenses not related to the pandemic.

- Include in the next President's report, the report of each LGU (which it is required to prepare monthly and post in its website and in 3 conspicuous public places in the locality) on the use of the grant as well as the status of their implementation of their projects/programs related to COVID19.

**H. MOAs between DSWD and LGUs.** On page 15 of the Report, it is stated that 195 cities and municipalities are still in the process of crafting their respective MOAs with the DSWD in connection with the implementation of the SAP. (Note: As of 9 April 2020, 664 cities and municipalities have duly executed MOAs with DSWD)

- Which are these 195 cities and municipalities? What are the reasons for the delay in compliance by said cities and municipalities? What is the DSWD or the LGUs doing to fast track execution of the MOAs?

**I. Emergency Procurement of Goods and Supplies.** On pages 13 to 15, re: GPPB Resolution No. 06-2020/Circular 01-2020.

- No mention was made that under the Resolution/Circular, Procuring Entities are encouraged to directly purchase agricultural products from local farmers or farmers' associations or cooperatives. We welcome this development as a boost to our local farmers who will now be able to negotiate and contract with LGUs or NGAs so long as they are registered with the DA's RSBSA or are certified by their barangay as a *bona fide* farmer.

- The DILG and DA should encourage LGUs to initiate contact with their local farmers to take advantage of the GPPD circular.
  - The DILG and the DA should provide a status of its implementation and if there are any impediments encountered.
- J. Grant of Special Risk Allowance.** On page 20 of the Report, it was mentioned that a special risk allowance shall be granted to frontline public health workers during the ECQ.
- In the next report, a breakdown on the utilization and recipient of said allowance should be made.
- K. AFP.** On page 24 of the report, AFP military personnel have pledged a portion of their salaries for one (1) month totaling to P17.435M to support the country's frontliners in the fight against COVID19.
- No details provided on the breakdown and recipients of said donation.
- L. Other Donations of Salaries.** Note also that the Cabinet members and Congressmen made a similar commitment to donate their salaries for specific number of months, but no mention was made in the report.
- Did they actually donate their salaries? How much were total donations? How will said donations be utilized? Intended beneficiaries?

**TECHINICAL RECOMMENDATIONS FOR THE PRESIDENT'S SUCCEEDING REPORTS TO CONGRESS AND OTHER GOVERNMENT REPORTS PUBLISHED ONLINE**

To aid government and the public in more effectively monitoring the progress of our efforts to fight COVID-19, we urge the Office of the President to consider the recommendations of the **#COVID19PH Citizen's Budget Tracker Team**<sup>2</sup> in their succeeding reports:

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<sup>2</sup> **#COVID19PH Citizen's Budget Tracker Team** is a group of citizens who want to #HoldPowerToAccount by tracking the COVID-19 budget of the Philippines. Their tracker is a community effort of 40 volunteers spanning different fields of expertise: **(Financial Reporting:** Yen Burao, Michael Lava, Sevi Sevidal; **Data and Dashboard Development:** James Faeldon, CJ Sevilla, Reg Onglao, Marlex Tuson, Neithan Casano; **Promotions and Website:** Roxy Navarro, Smile Indias, Noel Martir, Tata Yap; **Translation:** Jopie Sanchez (Filipino language); **Social Welfare Advice:** Ana Raymundo, Tanya Quijano, Angelo Kalaw, Camille Ang, Ryan Yu; **Budget Advice:** Luis Abad, Omi Castanar, Zy Suzara, Marco Zaplan, Angel Bombarda; **Legal Advice:** Leo Camacho; **Contributors:** Laurence Go, Regina, Mat Montano, Nicole Afbale, Kriszia Enriquez, Arlene Morsequillo, Clare Amador, JC Punongbayan, Maida Salcedo, Toni Rose Galang, Kim Vidal, Luc Dionado, Ferlyn Cargullo, Brian Tan, Kate Lupangco, Reina Reyes, Jess Lorenzo; **Coordinator:** Ken Abante)

**Reporting Recommendation 1:** To improve transparency, we recommend that government start summarizing the weekly reports using a six-column model (similar to the Outputs Tab of the [Citizens' Budget Tracker](#)).

1. Program
2. Actual number of beneficiaries reached
3. Target number of beneficiaries
4. Actual amount released
5. Target amount to be released (total budget)
6. Implementing agencies (Notes)

We also recommend that the **DBCC release detailed Budgets of Expenditure and Sources of Financing (BESF) tables for COVID19**, similar to what is released for the National Expenditure Program during budget deliberations.

**Reporting Recommendation 2:** We join the calls of the Stop COVID19 Coalition to release the beneficiaries lists and amounts released for each of this program, and to work with data analysts and citizens' groups to monitor these servers, similar to how we do it in elections. This prevents allegations of corruption and *dagdag-bawas* in the lists recommended by national government.

Publishing this beneficiary list is consistent with laws promoting ease of doing business, campaigning against red tape, and most important, our privacy laws. Section 4(c) of the Data Privacy Act excludes from its scope "Information relating to any discretionary benefit of a financial nature such as the granting of a license or permit given by the government to an individual, including the name of the individual and the exact nature of the benefit". In short, our privacy laws do not cover the program's beneficiary list and the amount of the transfer. If social welfare officials are still wary about this, we ask that the National Privacy Commission give an opinion saying these specific data fields are out of their scope.

**Reporting Recommendation 3:** We recommend that government report the following data sets, which are part of the Social Amelioration Program:

Type	Report	Objective	Data
All	The detailed budget of expenditures and sources of financing (BESF) tables for COVID19 Response, similar to the BESF tables created for the NEP and GAA	To understand the actual cash position and expenses of the government for COVID19 response.	DBCC agencies (DOF, DBM, NEDA)
SF	The cash position and status of COVID19 funds of local government units by province, by city/municipality.	For the public to see whether local governments still have funds to use for COVID19	BLGF

**COMMENTS ON THE PRESIDENT'S 3<sup>RD</sup> REPORT TO CONGRESS**

		response, and which LGUs need to be supported.	
SF	<p>The status of the P200 billion cash sweep across government corporations.</p> <p>Three columns:</p> <ul style="list-style-type: none"> <li>• Name of GOCC/GFI</li> <li>• Cash sent to Treasury</li> <li>• Cash still to be sent to Treasury</li> </ul>	To understand if the government still has enough cash for COVID19 response.	DOF CAG, BTR
SF	<p>The status of the P320 billion central bank bond repurchase agreement and dividends: have these been sent to the Treasury?</p> <p>Three columns:</p> <ul style="list-style-type: none"> <li>• Account</li> <li>• Cash sent to Treasury</li> <li>• Cash still to be sent to Treasury</li> </ul>	To understand if the government still has enough cash for its COVID19 response.	BTR
SF	<p>The status, interest rates, terms, disbursement status, total amount of the P310 billion in loans announced by the DOF:</p> <ul style="list-style-type: none"> <li>• March 18 World Bank US\$100 Million Aid</li> <li>• March 28 ADB US\$3M Grant for Medical Supplies</li> <li>• March 28 ADB US\$500M Disaster Resilience Finance Program</li> <li>• March 28 ADB US\$1.1 Billion Policy-Based Loans</li> <li>• April 10 World Bank Risk Management Development Policy Loan</li> <li>• And the remaining balance</li> </ul>	To understand if the government still has enough cash for the program, and to get an assurance that our debt levels will still be sustainable, given the revised economic estimates.	DOF IFG / BTR
ESP	<p>Per city / municipality in the emergency subsidy program:</p> <ul style="list-style-type: none"> <li>• City / municipality</li> <li>• The target number of households</li> </ul>	So that the public can start tracking the status of the disbursement of funds and citizens	DOF / DSWD

	<ul style="list-style-type: none"> <li>• The actual number of households reached</li> <li>• The target amount disbursed to households</li> <li>• The actual amount disbursed to households</li> </ul> <p>The technical methodology used in the breakdown of households by region / city / municipality.</p> <p>Can the public and the Joint Congressional Oversight Committee get access to the server used?</p> <p>Can progress (actual vs. targeted) be presented similar in a form similar to <a href="http://bit.ly/ccbt_dromic">this dashboard: bit.ly/ccbt_dromic</a>?</p>	can help their local governments distribute if there are any delays.	
ESP	<p>A National Privacy Commission (NPC) opinion stating that the beneficiaries list and the amounts received for the ESP can be published because they are out of scope of the Privacy Laws:</p> <p>Section 4(c) of the Data Privacy Act excludes from its scope “Information relating to any discretionary benefit of a financial nature such as the granting of a license or permit given by the government to an individual, including the name of the individual and the exact nature of the benefit”.</p>	So that there can be a community audit of the households planned and reached and the status of the disbursement.	NPC DSWD DOF
DOLE	<p>For each of the major DOLE programs:</p> <ul style="list-style-type: none"> <li>• COVID19 Adjustment Measures Program, with latest amount disbursed at P839 million</li> <li>• TUPAD #BKBK (Barangay Ko, Buhay Ko), with latest amount disbursed at P206 million</li> </ul> <p>Report by city / municipality:</p> <ul style="list-style-type: none"> <li>• City / municipality</li> </ul>	So there is greater transparency on the physical and financial delivery of DOLE COVID19-programs	DOLE

	<ul style="list-style-type: none"> <li>● The target number of beneficiaries</li> <li>● The actual number of beneficiaries reached</li> <li>● The actual amount released</li> <li>● The target amount to be released</li> </ul> <p><b>For regular reporting,</b></p> <p>1. present an executive summary containing the following:</p> <p>a. Total amount of funds disbursed by DOLE by fund source, by sector (formal/informal)</p> <p>b. Formal Sector:</p> <p>i. Total number of affected private establishments</p> <p>ii. Total number of workers by category (retained, suspended)</p> <p>c. Informal Sector:</p> <p>i. Total number of LGU referrals</p> <p>ii. Total number of approved LGU referrals</p> <p>2. Annexes:</p> <p>a. National physical and financial accomplishment report</p> <p>i. Formal Sector:</p> <p>1) Total number of affected private establishments (based on applications)</p> <p>2) Total number of affected private establishments approved by DOLE</p> <p>3) Total amount of approved financial assistance (based on TUPAD guidelines)</p> <p>4) Total amount of released financial assistance (based on receipt of private establishments)</p>		
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	<p>5) Total number of workers by category (retained, suspended) based on applications of affected private establishments</p> <p>6) Total amount of expected financial assistance (based on TUPAD guidelines)</p> <p>7) Total number of workers approved by DOLE</p> <p>8) Total amount of approved financial assistance (based on number of workers)</p> <p>9) Total number of workers who received financial assistance (based on receipt of private establishments)</p> <p>ii. Informal Sector (by DOLE office: regional, provincial, field):</p> <p>1) Total number of LGU referrals</p> <p>2) Total number of approved LGU referrals</p> <p>3) List of types of work (based on program of work), with barangay level location and average number of working days</p> <p>4) Total amount of financial assistance obligated</p> <p>5) Total amount of financial assistance disbursed</p>		
DSWD	<p><b>For the current DROMIC Report (P4.37B cost of assistance as of 13 April 2020):</b></p> <p>1. Breakdown of ₱144.3 M worth of assistance provided by DSWD</p> <p>2. Breakdown of ₱4.181 B worth of assistance provided by LGUs</p> <p>3. Breakdown of stand-by funds sourced from the Quick Response Fund (QRF) in the Central Office; status of stand-by funds in the Field Offices</p> <p>4. Distribution schedule, with specific dates and barangays/municipalities of family food packs (FFPs) and</p>	So there is greater transparency on the physical and financial delivery of DSWD programs	DSWD

	<p>other food items amounting, and non-food items (FNIs)</p> <p>5. Itemized list of family food packs and non-food items</p> <p>6. Total amount of funds for realignment or request for supplemental funds</p> <p>7. Annex: Budget breakdown as supporting document for request for realignment or supplemental funds</p> <p><b>Succeeding weekly reports:</b></p> <p>1. Executive summary containing the following:</p> <ul style="list-style-type: none"> <li>a. Total amount of funds disbursed by DSWD by fund source</li> <li>b. Total amount of DSWD funds transferred to LGUs, by fund source</li> <li>c. Total amount of LGUs funds disbursed per type of assistance</li> <li>d. Total number of Pantawid households served by DSWD</li> <li>e. Total number of non-Pantawid individuals served by DSWD</li> <li>f. Total number of family food packs distributed by DSWD</li> <li>g. Total number of available family food packs available in DSWD CO and FO, respectively</li> </ul> <p>2. Annexes:</p> <ul style="list-style-type: none"> <li>a. National financial accomplishment report by fund source (per type of assistance) <ul style="list-style-type: none"> <li>i. Current allotment (regional breakdown)</li> <li>ii. Total amount of obligations (regional breakdown)</li> <li>iii. Total disbursement/cost of assistance provided (regional breakdown)</li> </ul> </li> <li>b. National physical accomplishment report (per type of assistance) <ul style="list-style-type: none"> <li>i. Target number of beneficiaries per region</li> </ul> </li> </ul>		
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	<p>ii. Total number of beneficiaries served per region (considered served upon receipt of assistance)</p> <p>c. Regional physical and financial report by fund source (per type of assistance)</p> <p>i. Target number of beneficiaries per barangay</p> <p>ii. Total number of beneficiaries served per barangay</p> <p>iii. Total disbursement/cost of assistance provided per barangay</p> <p>FYI: Types of Assistance based on the Bayanihan Act</p> <p>1. Emergency Subsidy Program (ESP) –cash or non-cash subsidy to eighteen (18) million household beneficiaries, in the amount of at least PhP 5,000.00 to a maximum of PhP 8,000.00 per month for two (2) months, for basic food, medicine, and toiletries</p> <p>2. Food and Non-Food Items (FNI) - Food and essential personal hygiene and family items regularly provided by the DSWD as a form of augmentation to the LGUs</p> <p>3. Assistance to Individuals in Crisis Situation (AICS) –</p> <p>a. once a month assistance of P3,000/family; P5,000/family when 2 or more members from any of the identified individuals in section 5.7 of the JMC</p> <p>b. burial assistance P25,000 for COVID-related death</p>		
DA	<p>For each of the major DA programs in the Social Amelioration Program:</p> <ul style="list-style-type: none"> <li>the DA Financial Subsidy for Rice Farmers Program worth P3 billion.</li> </ul>	So there is more transparency on the status of the DA programs.	DA

	<ul style="list-style-type: none"> <li>the Rice Farmers Financial Assistance Program worth P3 billion.</li> <li>The Expanded Survival and Recovery Aid and Recovery Project (SURE AID Program) worth P2.8 billion.</li> </ul> <p>Report by city / municipality:</p> <ul style="list-style-type: none"> <li>The target number of beneficiaries</li> <li>The actual number of beneficiaries reached</li> <li>The target amount to be released</li> <li>The actual amount released</li> </ul>		
DTI	<p>For the Livelihood Seeding Program-Negosyo Serbisyo sa Barangay Program (P1.2 billion)</p> <p>Report by city / municipality:</p> <ul style="list-style-type: none"> <li>The target number of beneficiaries</li> <li>The actual number of beneficiaries reached</li> <li>The actual amount released</li> <li>The target amount to be released</li> </ul>	So there is more transparency on the status of the DTI programs.	DTI
Health Outputs	<p>Per rural health unit and hospital unit:</p> <p>A live update on status of the personal protective equipment stocks (per type of PPE as in the latest DOH tracker: <a href="https://www.doh.gov.ph/covid19tracker">https://www.doh.gov.ph/covid19tracker</a>) NOT ONLY of hospitals BUT ALSO of local health units (municipal, provincial, rural health units)</p>	So local communities can know where to send PPEs	OCD, DOH