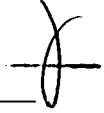


'16 JUL 19 P2:12

SENATE

S. No. 513

RECEIVED BY: 

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

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AN ACT  
CREATING THE NATIONAL LIVELIHOOD DEVELOPMENT COUNCIL  
THEREBY INSTITUTIONALIZING THE LIVELIHOOD MOVEMENT OF THE  
PHILIPPINES

EXPLANATORY NOTE

Article II, Section 9 of the Constitution affirms 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.

The present socio-economic condition of our country however, runs counter to the aforesaid policy of the State. As compared with neighboring Southeast Asian countries, the gap between the rich and the poor is most pronounced in the Philippines based on a study conducted in 2011.<sup>1</sup> The study noted that the Philippines registered a Gini coefficient of 44 percent last year, higher than Thailand's 42.5 percent, Indonesia's 39.4 percent, Malaysia's 37.9 percent and Vietnam's 37.8 percent.<sup>2</sup>

Recent reports have shown that despite positive gains, economic growth has been inequitable across sectors of the economy and poverty in the Philippines has actually increased since 2003. In 2009, 26.5% of the population in the country was living in poverty, which equates to 23.14 million people.<sup>3</sup>

Although there have been efforts to address the crisis of poverty through livelihood programs with the direct involvement of government agencies and institutions, many problems still persist. Lack of coordination among these agencies and wasteful duplication of efforts and initiatives are most prominent of these problems.

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<sup>1</sup> Study conducted by research and advisory firm Starbase Research Institute. Information retrieved from <http://business.inquirer.net/8377/philippines-leads-in-income-inequality-in-asean-says-study> on 2 June 2013.

<sup>2</sup> *Ibid.* The global ranking was prepared by international group Vision of Humanity using the Gini coefficient, a measure of the inequality of a distribution, as the basis.

<sup>3</sup> Information retrieved from <http://ausaid.gov.au/countries/eastasia/philippines/Pages/why-aid.aspx> on 2 June 2013.

In lieu of this, this bill seeks to establish a National Livelihood Development Council which is tasked to formulate a comprehensive and integrated livelihood development program for the country.


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

  
ANTONIO "SONNY" F. TRILLANES  
*Senator*

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

1           **SECTION 1. Title.** - This Act shall be known as the "National Livelihood  
2 Development Act of 2016".  
3

4           **SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State to free  
5 poor Filipinos from the bondage of poverty, improve their living conditions, and provide  
6 them the opportunity to increase their productive and income-earning capabilities through a  
7 comprehensive, integrated and effective national development program.  
8

9           The State shall pursue a comprehensive national development program for the socio-  
10 economic upliftment of the poorest sector of our population in order to integrate them into the  
11 mainstream of society, promote social justice and hasten the development and  
12 industrialization of the countryside.  
13

14           **SEC. 3. Creation.** - There is hereby created a National Livelihood Development  
15 Council (NLDC), under the Office of the President, which will spearhead the livelihood-  
16 generating activities of all government agencies including Government-Owned and  
17 Controlled Corporations (GOCCs).  
18

19           **SEC. 4. Purpose.** - The Council shall formulate a comprehensive and integrated  
20 National Livelihood Development program and oversee its implementation. It shall also  
21 create mechanisms and structures to integrate all livelihood initiatives particularly within the  
22 government sector.  
23

24           **SEC. 5. Powers and Functions.** - The Council shall have the following powers and  
25 functions:  
26

27           A) To formulate, in accordance with the bottom-up planning approach and in  
28 consultation with the concerned sectors, an integrated and comprehensive national  
29 livelihood development program;  
30

31           B) To formulate, in consultation with the concerned sectors, policies, standards, and  
32 guidelines which shall govern the implementation of livelihood programs and

1 projects, including the identification and coordination of various types of  
2 assistance that should be provided to ensure their effective implementation;  
3

4 C) To review, amend, modify, and approve all livelihood programs submitted by  
5 implementing agencies including GOCCs, and to evaluate and recommend the  
6 budgetary allocation of resources for all livelihood programs and projects through  
7 the Department of Budget and Management (DBM), as well as review and  
8 endorse to the National Economic Development Authority (NEDA) all requests  
9 for foreign financing whether in the form of grants, donations, or loans;  
10

11 D) To monitor and evaluate the implementation of livelihood programs and projects  
12 and institute measures to address identified gaps, as well as decide on whether or  
13 not a certain livelihood program or project based on monitoring and evaluation  
14 results;  
15

16 E) To establish effective unified mechanisms for program planning and  
17 implementation;  
18

19 F) To review, amend, modify, and approve all provincial/city livelihood development  
20 programs with national funding to ensure that these conform and are consistent  
21 with the various agencies plans and programs;  
22

23 G) To provide and disseminate information and data on livelihood projects initiatives  
24 and concerns to agencies concerned and point out actual or possible duplication  
25 among livelihood projects;  
26

27 H) To authorize expenditures of the Council as may be necessary for the proper,  
28 efficient and effective administration of the National Livelihood Development  
29 Program;  
30

31 I) To promulgate rules and regulations as may be necessary for the effective exercise  
32 of the powers and functions of the Council;  
33

34 J) To improve and recommend to the Department of Budget and Management the  
35 annual and supplemental budgets for the Council;  
36

37 K) To create form among themselves such working committees necessary for the  
38 efficient and effective operation of the Council;  
39

40 L) To support the promotion and marketing of livelihood enterprises; and  
41

42 M) To provide a continuing education and information dissemination program on  
43 enterprise management.  
44

45 **SEC. 6. *Composition of the Council.*** - The Council shall be composed of a Chairman  
46 to be appointed by the President of the Philippines and the following as members:  
47

48 A) The most senior official directly responsible for the overall management of  
49 livelihood programs and projects of the following agencies: the Department of  
50 Social Welfare and Development (DSWD), the Department of Trade and Industry

1 (DTI), the Department of Interior and Local Government (DILG), the Department  
2 of Agrarian reform (DAR) and the Department of Environment and natural  
3 Resources (DENR);

4  
5 B) Heads of the Livelihood Corporation and the Technology and Livelihood  
6 Resource Center;

7  
8 C) The most senior official of each Government Financing Institutions directly  
9 responsible for the overall management of the agency's livelihood assistance  
10 program and/or lending window;

11  
12 D) Head of the NEDA Social Development Committee;

13  
14 E) Two (2) non-governmental organization representatives involved in livelihood  
15 programs, to be chosen by the same sector through a process designed by them;

16  
17 F) Five (5) private sector representatives designated by the private sector  
18 representatives designated by the Council coming from any of following sectors:  
19 agriculture, industry, youth and finance/banking; and

20  
21 G) Two (2) representatives of people's organization to be chosen by the same sector  
22 through a process designated by them.

23  
24 **SEC. 7. Secretariat.** - To render technical and administrative support, the Livelihood  
25 Corporation, created under the Executive Order No. 866, shall provide the Secretariat which  
26 shall be headed by an Executive Director to be appointed by the Chairman of the Council.

27  
28 The Secretariat shall work closely with the provincial/city livelihood committees on  
29 the aspects of monitoring and evaluating the implementation of livelihood programs.

30  
31 **SEC. 8. Local Livelihood Committees.** - The Provincial/City Livelihood Committee  
32 shall be composed of the provincial/city representatives of the member government agencies  
33 of the Council. The Committees shall report to the Secretariat with respect to the  
34 implementation of livelihood programs of the respective agencies in line with policies of the  
35 Council. The PLC shall be responsible for preparing a provincial/city livelihood development  
36 plan for submission to and approval by the Council. The provincial/city livelihood  
37 development plan shall be formulated and implemented with maximum participation and  
38 involvement of NGOs and POs in the concerned province/city.

39  
40 **SEC. 9. Implementing Guidelines.** - The Council shall formulate and issue within six  
41 (6) months after the approval of this Act the necessary implementing guidelines which shall  
42 include but not limited to the following:

43  
44 A) Definition of Livelihood Programs and Projects;

45  
46 B) Livelihood programs and projects shall include all those activities and schemes  
47 involving government funds that are allocated to non-government recipients in  
48 order to generate income and employment; and

49  
50 C) Eligibility Criteria.

1  
2 To be qualified for appropriate assistance, an individual or group proponent must  
3 belong to any of the following categories:  
4

- 5 A) Those who are barely able to survive because of severe material and/or social  
6 deprivation and with no regular sufficient income;  
7  
8 B) Those with regular but low income (i.e., minimum wage earners);  
9  
10 C) Micro entrepreneurs and wage earners with regular income above the minimum  
11 wage but not sufficient to maintain a family life; and  
12  
13 D) Small and starting entrepreneurs and professionals, farmers and fishermen with  
14 viable operations and projects needing some assistance to stabilize or expand their  
15 enterprises.  
16

17 The Council shall adopt a framework that recognizes the developmental stages  
18 inherent in the objective of graduating as many of the poor outside of the poverty continuum.  
19 In this regard, the Council is empowered to identify and/or specify the roles of each  
20 government financial institutions.  
21

22 **SEC. 10. Powers and Functions of the Council Chairman.** - The Chairman shall  
23 have the following powers and functions:  
24

- 25 A) To preside over all meetings of the Council;  
26  
27 B) To exercise overall supervision of the activities of the Council; and  
28  
29 C) To execute in behalf of the Council any contract or agreement as may be  
30 necessary for proper, efficient and effective administration of the Council.  
31

32 **SEC. 11. Powers and Duties of Executive Director.** - The Executive Director shall  
33 exercise the following powers and duties:  
34

- 35 A) To execute the policies, guidelines and programs approved by the Council and to  
36 be responsible for the efficient discharge of management and operational  
37 functions of the Council;  
38  
39 B) To recommend the organizational structure and staffing pattern of the Secretariat  
40 to the Council;  
41  
42 C) To review and submit for the consideration and approval of the Council proposed  
43 measures, policies, guidelines, and programs, as s/he may deem necessary for the  
44 effective implementation of this Act;  
45  
46 D) To direct and supervise. the day to day operations of the Secretariat; and  
47  
48 E) To exercise such powers and functions and perform such other duties as may be  
49 vested or imposed upon him by the Council.  
50

1           **SEC. 12. Appropriations.** - Such sums as may be necessary to carry out the  
2 provisions of this Act shall be included in the General Appropriations Act of the year  
3 following its enactment into law and thereafter.  
4

5           **SEC. 13. Annual Report.** - The Council shall submit to the President of the Senate  
6 and the Speaker of the House of Representatives an annual report on its operations and  
7 accomplishments.  
8

9           **SEC. 14. Repealing Clause.** - All laws, executive orders, rules and regulations or  
10 parts thereof, inconsistent with this Act are hereby repealed, amended, modified accordingly.  
11 The provisions of this Act shall not be repealed, amended or modified, unless expressly so  
12 provided in subsequent general or special laws.  
13

14           **SEC. 15. Effectivity Clause.** - This Act shall take effect fifteen (15) days following its  
15 complete publication in the Official Gazette or in any two (2) newspaper of general  
16 circulation in the Philippines.

*Approved,*