

SEVENTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

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SENATE S.B. No. 687

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RECEIVE BY:

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

AN ACT INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO ROGRAM

EXPLANATORY NOTE

Despite country's success in achieving moderate economic growth, the results of the 2015 Social Weather Stations (SWS) survey still show that 50% of Filipinos consider themselves as poor. This result is a call for the national government to strengthen its effort in addressing problems of unemployment and alleviating poverty. A study conducted by Asian Development Bank in 2006 suggests a strong link between poverty levels and educational attainment. Almost 50% of household heads who did not complete any formal schooling are poor while only 2% of college graduates have income below the poverty line. Despite Philippine Statistics Authority (PSA) reporting an increase in subsistence incidence among Filipino Families from 10% in 2012 to 9.2% in the first semester of 2015, it is still reported that incomes of poor families were short by 29% of the poverty threshold. Based on this, on the average, an additional monthly income of PHP 2649 is needed by a poor family with five members in order to move out of poverty in the first semester of 2015.

These data show that despite the decrease in in poverty levels, improvement to current poverty alleviation efforts is much needed. It is in this line of reasoning that we push for the institutionalization of the Pantawid Pamilyang Pilipino Program. Pantawid Pamilyang Pilipino Program is a human development measure of the national government that provides conditional cash grants to the poorest of the poor, to improve the health, nutrition, and the education of children aged 0-18. Other countries have been implementing similar programs like Argentina's Universal Allowance for Children, Brazil's Family Grant, and Chile's Solidarity System which all have reduced their poverty levels significantly. All these

have been made into laws. The Pantawid Pamilyang Pilipino Program Act of 2016, with its enhancements on the existing program, hopes to ensure that all youth beneficiaries will have the assistance they need to finish high school and college and thus have a greater chance of landing a job. These include the expansion of age coverage from 0-14 to 0-18 years old and the increase in the amount received by students 12-18 years of age. This Act also strengthens implementation by penalizing actions which jeopardize the integrity of the program.

With the current implementation of the program in the country, high compliance rates were recorded by the Department of Social Welfare and Development (DSWD) for the months of March and April 2015, with 99.91% for the deworming of children aged 6-14; 98.99% for school attendance of children aged 6-14; 98.33% for school attendance of children in daycare aged 3-5; 97.05% for school attendance of children aged 15-18; 95.95% for health visits of pregnant women and children aged 0-5; and 94.84% for attendance in family development sessions. The program, designed to address short term needs for the long term goal of breaking the intergenerational poverty cycle, is only beginning to receive its return on investment, with year 2015's 300,000 thousand high school graduates from household beneficiaries. Given what the program has already accomplished and in consideration of what it could still achieve given the improvements to the program, it is the government's responsibility to ensure sustainability regardless of transitions the Philippines may go through as it shifts from administration to administration.

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

Senator Paolo Benigno (Bam" Aquino



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Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

AN ACT INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO 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."
- SECTION 2. Declaration of Policy. The State recognizes the need to promote human and societal development due to the identified strong correlation of between low schooling to malnutrition and poverty.
 - To this end, it shall be the policy of the State to provide conditional cash transfers to eligible households to reduce poverty in the short run and in the long run through the enhancement of capabilities obtained by the conditioning of the cash transfer.
- 9 **SECTION 3.** *Definition of Terms.* As used in this Act, the following terms shall 10 mean:
- 11 (a) Beneficiaries poor households with pregnant women and/or with children zero 12 to eighteen (0-18) years of age selected by the Department of Social Welfare and 13 Development (DSWD) to be part of the program through the National Household 14 Targeting System for Poverty Reduction or Listahanan;
- 15 (b) Pantawid Pamilyang Pilipino Program (4Ps) national poverty reduction strategy 16 that provides conditional cash transfer to extremely poor households to improve 17 their health, nutrition, and education, particularly of children aged 0-18 years;
 - (c) *Department* Department of Social Welfare and Development (DSWD); the lead implementing agency of this program;

1	(d) Extremely Poor or food poor – a person whose income or other resources fall short
2	of enabling him to provide for even just his nutritional requirements. An individual
3	earning less than ₱27.70 (US\$ 0.55) or ₱830 (US\$14.60) a month or ₱9,963.00 (US
4	\$200.00) a year is extremely poor or food poor, or as may be defined or adjusted by
5	the National Statistical Coordination Board (NSCB);
6	(e) Poor – a person whose income is sufficient to provide for his nutritional needs
7	but falls short of enabling him to provide for his other basic necessities such as
8	clothing, shelter, health, and education. An individual earning less than ₱24.80 (\$US
9	0.83) a day ₱1,242 (US \$24.80) a month or ₱14,906 (\$US298.00) a year is poor, or as
10	may be defined or adjusted by NSCB;
11	(f) Small Area Poverty Estimate – statistical tool and methodology of generating
12	estimates of poverty incidence by combining survey and census data at lower levels
13	of geographic disaggregation (cities and municipalities) utilized by the NSCB.
14	SECTION 4. Objectives. — The Pantawid Pamilyang Pilipino Program aims to:
15	(a) Provide social assistance by giving monetary support to extremely poor families
16	to respond to their immediate needs;
17	(b) Provide social development by breaking the intergenerational poverty cycle
18	through investment in the health and education of poor children;
19	(c) Provide the government support in achieving world development goals in
20	universal primary education, in promoting gender equality, in reducing child
21	mortality, and in improving maternal health care
22	SECTION 5. Selection of Implementation Areas. — The following guidelines shall be
23	followed in the selection of areas of implementation:
24	(a) In the selection of target areas, priority is given to the poorest municipalities as
25	determined by Small Area Poverty Estimates generated by the NSCB;
26	(b) Priority shall also be given to cities with large pockets of poverty as reported by
27	the National Anti-Poverty Commission (NAPC) and/or the Presidential
28	Commission on Urban Poor (PCUP) and or NSCB.
29	(c) Priority shall likewise be given to indigenous people and other population
30	subgroups that live far from public schools.
31	SECTION 6. Eligible Households. — For a household to qualify as beneficiary for this

program it must meet the following requirements:

- (a) The household is within the municipality or city identified as area of implementation;
- (b) The household has at least one (1) zero to eighteen (0-18) year old child and/or a pregnant woman at the time of registration;
- (c) The household suffers from chronic poverty and falls within the priority ranking as determined by the National Household Targeting System for Poverty Reduction or *Listahanan* of the Department, 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 of household composition, education, socio-economic characteristic, housing conditions, access to basic services, assets, tenure status and regional variables.

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

- (a) Children three to fourteen (3-14) years of age must be enrolled in day care, preschool, grade school, high school, Alternative Learning System (ALS) and other Home-Based Learning systems as recognized by the Department of Education (DepEd) and attend at least eighty five percent (85%) of required school days per month for ten (10) months;
- (b) Children fifteen to eighteen (15-18) years of age must be enrolled in grade school, high school, Alternative Learning System (ALS) and other Home-Based Learning systems as recognized by DepEd and attend at least seventy-five percent (75%) of required school days per month for ten (10) months;
- (c) Children zero to five (0-5) years of age must get regular preventive health checkups and vaccines based on the Department of Health (DOH) protocol;
- (d) Children six to fourteen (6-14) years of age must undergo deworming at least twice a year;
- (e) Pregnant women must get at least three (3) pre-natal check-up starting from the first trimester, get post-natal care and the childbirth must be attended by a skilled or trained health personnel;
- (f) Parents or guardians must attend and complete responsible parenthood seminars and parenting education sessions.

No additional condition shall be required or imposed to the beneficiaries of the Pantawid Pamilyang Pilipino Program by the implementers, partner agencies and implementers.

SECTION 8. Health Grants. — The health grant beneficiary or family shall receive six hundred pesos (₱600) per month for ten (10) months a year per household, or a total of six thousand pesos (₱6000) every year. The grants shall be released at least every two months.

1 **SECTION 9.** Education Grants. — The education beneficiary or family shall receive: 2 3 (a) Three hundred pesos (\$300) per month for the ten (10) month school year or a 4 total of three thousand pesos (\$3000) in a year, with a maximum of three (3) 5 children per household for those children three to eleven (3-11) years of age; 6 (b) Five hundred pesos (\$500) per month for the ten (10) month school year or a 7 total of five thousand pesos (\$\pi\$5000) in a year with a maximum of three (3) 8 children per household for those children twelve to eighteen (12-18) years of 9 age; 10 The grants shall be released at least every two months. 11 SECTION 10. Conditional Cash Amount Adjustment. — The grant rates may be 12 adjusted by Department if warranted by the changes in the socio-economic conditions 13 existing at the time. The Department shall ensure that the grant rates are sufficient to make 14 a positive impact on the health, nutrition and education conditionalities; Provided, That 15 Department shall ensure that the grant will not serve as disincentive for family members to 16 work and improve their economic conditions. 17 SECTION 11. Grievance Redress System. — The Department shall develop a 18 Grievance Redress System that will address complaints regarding the implementation of this 19 program. 20 **SECTION 12.** *Penalties.* — The following penalties shall be imposed: 21 (a) A fine of five thousand pesos (\$\mathbf{P}\$5000) and suspension for two (2) weeks without 22 pay in addition to any administrative penalty that may be imposed shall be levied 23 to a social worker who threatens to remove beneficiaries or offer to include non-24 qualified households as beneficiaries; 25 (b) A fine of ten thousand pesos (\$10000) or the penalty of arresto mayor shall be 26 levied to a government employee or local government official who uses his or 27 her position to include or remove beneficiaries in exchange for other services not 28 included as conditionalities in this Act; 29 (c) A fine of five thousand pesos (\$\int\$5000) and removal from the program shall be 30 levied to a beneficiary who transfers his or her grant under the program through 31 fraudulent or deceitful means against the government; 32 (d) A fine of five thousand pesos (\$\pi\$5000) in addition to administrative penalty that 33 may be imposed, and suspension for two (2) weeks without pay if he or she is a 34 government employee, shall be levied to any individual who falsifies information 35 or aids in the falsification with the purpose of manipulating compliance of the 36 conditionalities for the cash transfer.

SECTION 13. Forfeiture of Grant. — The payment of cash grants will be terminated if a beneficiary household no longer meets the eligibility criteria provided in Section 4 and/or does comply with the conditions set forth in Section 6 of this Act.

If a beneficiary household is found to be non-compliant with the conditionalities in a particular month, the cash grant will not be paid for that month. However, third offense of non-compliance will result in termination of payments and temporary suspension from the program.

Families permanently removed from the list of eligible household beneficiaries due to failure to meet conditions for cash transfer shall be reassessed for a possible recommendation to other poverty alleviation programs, including but not limited to Local Government Unit (LGU) and Department efforts on Cash-for-Work.

SECTION 14. *Inter-Agency Council.* — There shall be a National Inter-Agency Council for the implementation of the Pantawid Pamilyang Pilipino Program (4Ps) composed of the DSWD as Chair and the DOH, DepEd, NAPC, Department of Interior and Local Government (DILG), and the National Economic Development Authority (NEDA). The National Inter-Agency Council formulate policies and oversee the implementation of the program.

SECTION 15. Program Monitoring and Evaluation. The Department, together with the DOH, DepEd, shall conduct a periodic impact evaluation study to assess the overall effectiveness of the program shall conduct a periodic impact evaluation study to assess the overall effectiveness of the Pantawid Pamilyang Pilipino Program (4Ps) in meeting its health and education objectives, and to address leakages to further improve the delivery of the program. DILG shall mobilize the LGUs to conduct a parallel study as third party entity to ensure objective assessment of the program's effectiveness. The specifics for such study shall be indicated in the programs implementing rules and regulation. The Secretary of DSWD shall furnish a copy of the results of the study to Congress and to the Commission on Audit (COA).

SECTION 16. Appropriations. — The amount equivalent to not less than three percent (3%) of the 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 four million seven hundred thousand (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 budget of the Department in the annual General Appropriations Act (GAA).

SECTION 17. Implementing Rules and Regulations. — Within sixty (60) days from
the effectivity of this Act, DSWD, in coordination with the members of the Inter-Agency
Council created in this Act and other relevant agencies shall promulgate the necessary rules and regulations for the implementation of this Act.
DSWD is hereby designated as the lead implementing agency of this Act. It is

DSWD is hereby designated as the lead implementing agency of this Act. 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.

SECTION 18. *Separability Clause.* — If any provision of this Act is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 19. *Implementing Rules and Regulations.* — All laws, decrees, orders, and issuances, or portions thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

SECTION 20. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

18 Approved,