



April 01, 2019

ATTY. RYAN ALVIN R. ACOSTA

Deputy Executive Secretary for Legal Affairs
Office of the Deputy Executive Secretary for Legal Affairs
Rm. 349 Mabini Hall, J.P. Laurel St.,
San Miguel, Manila

Dear **Deputy Executive Secretary Acosta**:

Greetings from the Philippine Institute for Development Studies!

In response to your request, we are transmitting herewith the comments and recommendation of PIDS prepared by **Drs. Aniceto C. Orbeta Jr. and Vicente Paqueo** on the consolidated enrolled bill:

House Bill No. 7773/Senate Bill No. 2117, entitled: “AN ACT INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO PROGRAM.”

We hope you will find these useful. Thank you for giving us the opportunity to provide our comments and recommendation on the said bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'Celia M. Reyes', written in a cursive style.

CELIA M. REYES

President

Comments and recommendation on the consolidated enrolled bill, HB No. 7773/SB No. 2117, entitled: **"AN ACT INSTITUTIONALIZING THE PANTAWID PAMILYANG PILIPINO PROGRAM (4Ps)"**

Prepared by: Drs. Aniceto C. Orbeta Jr. and Vicente Paqueo¹
April 01, 2019

General recommendation:

We are recommending the signing of the bill into law but with the following specific recommendations for the implementing rules and regulations (IRR) to improve the likelihood of achieving stated objectives.

Section	Comment
<p>SEC. 4. The Pantawid Pamilyang Pilipino Program (4Ps). The Pantawid Pamilyang Pilipino Program (4Ps) is the national poverty reduction strategy</p>	<p>This phrase sets unrealistic expectations because the program does not directly increase income generating capacity of households. Rather it is a program that “breaks the intergenerational transfer of poverty through investments in human capital” as stated in the Declaration of Policies Sect 2 (b). It is the children that are given better opportunities of earning more rather than their parents through investments in their human capital – the major source of income generating capacity</p>
<p>SEC. 4. <i>The Pantawid Pamilyang Pilipino Program (4Ps)</i>. The Pantawid Pamilyang Pilipino Program (4Ps) is the national poverty reduction strategy and a human capital investment program that provides conditional cash transfer to poor households for a maximum period of seven years to improve the health, nutrition, and education aspect of their lives. The National Advisory Council (NAC) may recommend a longer period under exceptional circumstances.</p>	<p>As stated in the bill, the objective of the Pantawid Pamilyang Pilipino program is to “<i>break the intergenerational cycle of poverty</i>”. The imposition of the seven-year limit for receipt of program benefits provides a restriction in realizing this objective. For one, the seven year does not fully cover the number of years required for a child to finish K-12 education. This restriction is also inconsistent with the eligibility up to 18 years Section 6b.</p> <p>Alternative to this, include in the IRR that the DSWD and the NAC can perform an assessment of a household that has been in the program for seven years and recommend whether the household should still receive program benefits. The assessment should ideally follow the same methodology used in the <i>standardized targeting system</i>.</p>

¹ Senior Research Fellow and Visiting Research Fellow respectively, Philippine Institute for Development Studies

Section	Comment
	The IRR should include rigorous assessment (including experimentation) of the effectiveness of the maximum period rule.
SEC. 5. <i>Selection of Qualified Household-Beneficiaries.</i> - On a nationwide basis, the DSWD shall select qualified household-beneficiaries of the 4Ps using a standardized targeting system. It shall conduct a regular revalidation of the beneficiary targeting every three (3) years.	The IRR of the law should clearly describe how the results of the revalidation of the beneficiary targeting system will be used.
SEC. 7. <i>Conditional Cash Transfer to Beneficiaries</i> SEC. 11. <i>Conditions for Entitlement</i>	The consolidated bill does not provide information on the payment scheme of the grants vis-à-vis the conditions. The IRR should be very clear on this.
<p>SEC. 10. Periodic Assessment. - Every three (3) years after the effectivity of this Act, the Philippine Institute for Development Studies (PIDS) shall conduct an impact assessment to evaluate the effectiveness of the 4Ps, the veracity or the list of household-beneficiaries and the program implementation.</p> <p>The amounts indicated in Section 7 of this Act shall be made available to the qualified Household beneficiaries during the first three (3) years of the implementation of this Act, Provided, that every six (6) years after the effectivity of this act, the PIDS shall recommend to the NAC whether the cash grants shall be adjusted to the present value using the consumer price index</p>	<p>From the bill, the scope of the assessment to be done by the PIDS every three years cover the following:</p> <ul style="list-style-type: none"> i. Assessment on the impact of the program ii. Assessment of the veracity of the list of household beneficiaries iii. Assessment of the program implementation <p>The bill does not provide much information on what is meant by item (ii) of the above list. As the revalidation of the targeting system will already be done every three years, it is important to understand the scope, objective, and expected output of the assessment being referred to in the second item. This should be clearly described in the IRR.</p> <p>The bill also states that the PIDS shall recommend the adjustment of the grant amounts based on the consumer price index every six years. Instead of every six years, the program may benefit from a more frequent updating of grant values. Since the consumer price index is regularly reported, this can be done as frequent as every year during the budget season, or at least every three years as part of the regular assessment described above.</p> <p>The IRR should also state that any new component considered in the future should be rigorously evaluated (by experimental methods where possible or quasi-experimental methods if not) before becoming a permanent component of the program.</p> <p>Given the task assigned to PIDS to do the impact assessment, the IRR should also stipulate that the</p>

Section	Comment
	corresponding budget for the activity be allocated to the Institute every three years.
<p>SEC. 16. <i>Advisory Council.</i> - An Advisory Council shall be created at the regional and national levels to be headed by the DSWD.</p> <p>The regional advisory councils and NAC shall have as members, representatives from the DSWD, Department of Health (DOH), Department of Education (DepEd); Department of Agriculture (DA), Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI), Department of Agrarian Reform (DAR), Department of Science and Technology Teehnology (DOST), and the Technical Education and Skills Development Authority (TESDA).</p>	<p>The composition of the NAC can be expanded to include other agencies with functions related to the program, such as, but not limited to:</p> <ul style="list-style-type: none"> • Department of Interior and Local Government (DILG) – as LGU cooperation is vital in the implementation of the program, particularly in the health service delivery given that this is a devolved function • National Economic Development Authority (NEDA) being an oversight agency to ensure that the program is contributing to the realization of the Philippine Development Plan (PDP)