Department of Social Welfare and Development PANTAWID PAMILYANG PILIPINO PROGRAM NATIONAL ADVISORY COUNCIL

NAC Resolution No. 2 Series of 2023

PROPOSAL FOR THE INCREASE IN CASH GRANTS FOR EDUCATION, HEALTH, AND NUTRITION OF THE PANTAWID PAMILYANG PILIPINO PROGRAM

WHEREAS, Section 4 of Republic Act No. 11310 otherwise known as the Pantawid Pamilyang Pilipino Program (4Ps) Act provides that the 4Ps is the national poverty reduction strategy and a human capital investment program that provides conditional cash transfers to poor households for a maximum of seven (7) years to improve the health, nutrition, and education aspect of their lives;

WHEREAS, Section 14 of the 4Ps Act mandates the Department of Social Welfare and Development (DSWD) as the lead agency and shall serve as the central planning, coordinating, implementing, and monitoring body of the program. In the implementation of the 4Ps Act, the DSWD shall, among other functions, recommend to the National Advisory Council (NAC) measures and policies for the responsive delivery of the commitments under the 4Ps Act;

WHEREAS, Section 7 of the 4Ps Act provides that the National Advisory Council (NAC) shall determine the amount of conditional cash transfer to beneficiaries with the following schemes:

- (i) Conditional cash transfer grant per child enrolled in daycare and elementary programs shall not be lower than Three Hundred Pesos (P300.00) per month per child for a maximum of ten (10) months per year;
- (ii) Conditional cash transfer grant per child enrolled in junior high school shall not be lower than Five Hundred Pesos (P500.00) per month per child for a maximum of ten (10) months per year;
- (iii) Conditional cash transfer grant per child enrolled in senior high school shall not be lower than Seven Hundred Pesos (P700.00) per month per child for a maximum of ten (10) months per year; and
- (iv) Health and nutrition grant shall not be lower than Seven Hundred Fifty pesos (P750.00) per month for a maximum of twelve (12) months per year;

WHEREAS, Section 10 of the 4Ps Act provides that every six (6) years after the effectivity, the Philippine Institute for Development Studies (PIDS) shall recommend to the NAC whether the cash grants shall be adjusted to its present value using the Consumer Price Index (CPI), as published by the Philippine Statistics Authority (PSA) to ensure that the grant amounts are sufficient to make a positive impact on the health, nutrition, and education of the beneficiaries and are timely received and spent by the beneficiaries;

WHEREAS, the extraordinary and devastating effects of COVID-19 pandemic on poverty, worsened further by the ongoing world crises that affect supply chain, commodity prices, and purchasing power especially of the poor demand the need to assess the real value now of the 4Ps cash grants since its last increase in 2019 after enactment into law of the 4Ps;

WHEREAS, the House of Representatives (HoR) introduced several legislative measures including House Bill Nos. 4372, 6813, and 8040 and House Resolution No. 184 to (i) shorten the PIDS assessment of the cash grants value, (ii) increase the cash grants for education, health, and nutrition for the 4Ps beneficiaries, (iii) recommend the necessary adjustments to the NAC;

WHEREAS, the PIDS has provided legislative inputs¹ stating that the proposed legislative measures may be reasonable given the extraordinary and detrimental effects of the COVID-19 pandemic on poverty and the ongoing worldwide problems affecting the prices of essential commodities. According to PIDS (2023), "based on calculations using the consumer price index for households with incomes in the bottom 30% published by the Philippine Statistics Authority (PSA), the real value of the grants has decreased by around 20% since the law's introduction in 2019 as a result of inflation. With this, the increase in grant amounts, if any, should be able to at least recover the eroded value of the grants to maintain the same benefits that 4Ps households have previously received.";

WHEREAS, PIDS has proposed the following amounts: (i) Three Hundred Sixty-two pesos (P362.00) from its current amount of three hundred pesos (P300.00) for children enrolled in daycare and elementary programs; (ii) Six Hundred Four pesos (P604.00) from its current amount of Five Hundred Pesos (P500.00) for children enrolled in junior high school; and (iii) eight hundred forty-six pesos (P846.00) from its current amount of Seven Hundred Pesos (P700.00) for children enrolled in senior high school, and (iv) Nine Hundred Six Pesos (P 906.00) from its current amount of seven hundred fifty pesos

¹ From Comments on House Bill No. 8040: "An Act Expanding the Pantawid Pamilyang Pilipino Program (4Ps), Amending for the Purpose Republic Act No. 11310, Otherwise Known as "An Act Institutionalizing the Pantawid Pamilyang Pilipino Program (4Ps)," and for Other Purposes" by Philippine Institute for Development Studies, 29 May 2023 (https://pidswebs.pids.gov.ph/CDN/document/1685409706-64754f aa27248.pdf)

(P750.00) as health grants. The amounts shall be rounded up to the nearest hundred for operational efficiency in the withdrawal of cash grants from Automated Teller Machines (ATMs) and in over-the-counter withdrawals;

NOW, THEREFORE, pursuant to the powers vested to the NAC, it is RESOLVED as it is hereby resolved to adopt the following measures;

- 1. Propose to the Congress the Increases in cash grants through an appropriate item and special provision in the 2024 budget to cover budgetary requirements for the following increases:
 - a. Conditional cash transfer grant per child enrolled in daycare and elementary programs shall not be lower than Four Hundred Pesos (P400.00) per month per child for a maximum of ten (10) months per year;
 - b. Conditional cash transfer grant per child enrolled in junior high school shall not be lower than Seven Hundred Pesos (P700.00) per month per child for a maximum of ten (10) months per year;
 - c. Conditional cash transfer grant per child enrolled in senior high school shall not be lower than Nine Hundred Pesos (P900.00) per month per child for a maximum of ten (10) months per year; and
 - d. Health and nutrition grants shall not be lower than **One Thousand Pesos** (**P1,000.00**) per month for a maximum of twelve (12) months per year.
- 2. Propose to the Congress the amendment of Republic Act 11310 (the 4Ps Act) to delegate to the National Advisory Council the authority to determine the Program's amount of cash grants annually, based on the recommendations of the PIDS, to ensure that the grant amounts are sufficient to make a positive impact on the health, nutrition, and education of the beneficiaries and are timely received and spent by the beneficiaries.

Adopted this 22nd day of September

, 2023, in Quezon City, Philippines.

REX GATCHALIAN

Secretary

Department of Social Velfare and Development



Secretary

Department of Health

Departme

Undersecretary

Department of Education

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Department of Labor and Employment

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